

An initiation of legislation to allow under state law the personal possession and use of marihuana by persons 21 years of age or older; to provide for the lawful cultivation and sale of marihuana and marihuana-infused products by persons 21 years of age or older; to permit the taxation of revenue derived from commercial marihuana facilities and to require that any such taxes be used for the purposes of education, public safety and public health; to permit the legislature to require licensing of commercial marihuana facilities by establishing a Michigan Cannabis Control Board, which board would be responsible for enforcement and administration of this act, including the promulgation of administrative rules. This proposal is to be voted on at the November 8, 2016 general election. For the full text of the proposed legislation, see the reverse side of this petition.

We, the undersigned qualified and registered electors, residents in the county of \_\_\_\_\_, State of Michigan, respectively petition for initiation of legislation.

**WARNING – A person who knowingly signs this petition more than once, signs a name other than his or her own, signs when not a qualified and registered elector, or sets opposite his or her signature on a petition, a date other than the actual date the signature was affixed, is violating the provisions of the Michigan election law.**

INITIATION OF LEGISLATION

INDICATE CITY OR TOWNSHIP IN WHICH REGISTERED TO VOTE	SIGNATURE	PRINTED NAME	STREET ADDRESS OR RURAL ROUTE	ZIP CODE	DATE OF SIGNING		
					MO	DAY	YEAR
CITY OF <input type="checkbox"/> TOWNSHIP OF <input type="checkbox"/>	1.						
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CITY OF <input type="checkbox"/> TOWNSHIP OF <input type="checkbox"/>	8.						

**SAMPLE PETITION ONLY – NOT FOR REPRODUCTION**

**CERTIFICATE OF CIRCULATOR**

The undersigned circulator of the above petition asserts that he or she is 18 years of age or older and a United States citizen; that each signature on the petition was signed in his or her presence; that he or she has neither caused nor permitted a person to sign the petition more than once and has no knowledge of a person signing the petition more than once; and that, to his or her best knowledge and belief, each signature is the genuine signature of the person purporting to sign the petition, the person signing the petition was at the time of signing a registered elector of the city or township indicated preceding the signature, and the elector was qualified to sign the petition.

If the circulator is not a resident of Michigan, the circulator shall make a cross or check mark in the box provided, otherwise each signature on this petition sheet is invalid and the signatures will not be counted by a filing official. By making a cross or check mark in the box provided, the undersigned circulator asserts that he or she is not a resident of Michigan and agrees to accept the jurisdiction of this state for the purpose of any legal proceeding or hearing that concerns a petition sheet executed by the circulator and agrees that legal process served on the Secretary of State or a designated agent of the Secretary of State has the same effect as if personally served on the circulator.

**WARNING – A circulator knowingly making a false statement in the above certificate, a person not a circulator who signs as a circulator, or a person who signs a name other than his or her own as circulator is guilty of a misdemeanor.**

**CIRCULATOR – Do not sign or date certificate until after circulating petition.**

\_\_\_\_\_  
(Signature of Circulator) \_\_\_\_\_ / \_\_\_\_ / \_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Printed Name of Circulator)

\_\_\_\_\_  
Complete Residence Address (Street and Number or Rural Route) [Do Not Enter A Post Office Box]

\_\_\_\_\_  
(City or Township, State, Zip Code)

\_\_\_\_\_  
(County of Registration, if Registered to Vote, of a Circulator who is not a Resident of Michigan)

## INITIATION OF LEGISLATION

An initiation of legislation to allow under state law the personal possession and use of marihuana by persons 21 years of age or older; to provide for the lawful cultivation and sale of marihuana and marihuana-infused products by persons 21 years of age or older; to permit the taxation of revenue derived from commercial marihuana facilities and to require that any such taxes be used for the purposes of education, public safety and public health; to permit the legislature to require licensing of commercial marihuana facilities by establishing a Michigan Cannabis Control Board, which board would be responsible for enforcement of commercial marihuana of this act, including the promulgation of administrative rules.

The People of the State of Michigan enact:

### Short Title

Sec.1. This act shall be known and may be cited as the Michigan Cannabis Control and Revenue Act.

### Definitions

Sec.2. As used in this act:

- (a) "Administrative procedures act" means the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws.
- (b) "Board" means the Michigan Cannabis Control Board to be created if the legislature requires licenses for marihuana facilities.
- (c) "Enclosed structure" means a building, room or other comparable stationary and fully enclosed area equipped with secured locks that permit access to a marihuana facility only by persons who may lawfully be on the premises of such facility in accord with this act. Nothing in this definition requires a marihuana facility to be locked during its business hours when an agent of the marihuana facility is on the premises.
- (d) "Marihuana" means all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or its resin, including marihuana concentrate. Marihuana does not include industrial hemp, nor does it include fiber produced from the stalks, oil, or cake made from seeds of the plant or the sterilized seed of the plant which is incapable of germination.
- (e) "Marihuana accessories" means any equipment, products or materials of any kind which are used, intended for use, or designed for use for ingesting, inhaling, vaporizing or otherwise introducing marihuana or marihuana-infused products into the human body.
- (f) "Marihuana cultivation facility" means a facility exclusively for the cultivation, preparation and packaging of marihuana or marihuana-infused products, which marihuana or marihuana-infused products may be sold to marihuana retail facilities and to other marihuana cultivation facilities, but not to consumers.
- (g) "Marihuana facility" means both marihuana cultivation facilities and marihuana retail facilities.
- (h) "Marihuana-infused products" means products containing marihuana and any other lawful ingredients and that are intended for human consumption or topical use, including, but not limited to, edible products such as cookies, candies and butter, marihuana concentrates, sprays, oils, ointments and tinctures. Marihuana-infused products shall not be considered a food for purposes of the food law, Act No. 92 of the Public Acts of 2000, being sections 289.1101 to 289.8111 of the Michigan Compiled Laws.
- (i) "Medical marihuana act" means Michigan Initiated Law 1 of 2008, being sections 333.26421 to 333.26430 of the Michigan Compiled Laws.
- (j) "Marihuana retail facility" means a retail establishment that only sells marihuana or marihuana-infused products and marihuana accessories for use by persons 21 years of age and older.
- (k) "Unreasonably impracticable" means that the measures necessary to comply with the administrative rules require such a high investment of risk, money, time or other resource or asset that the operation of a marihuana facility is not worthy of being carried out in practice by a reasonably prudent businessperson.

### Personal Use of Marihuana and Non-Commercial Production of Marihuana

- Sec.3. (a) Marihuana and marihuana-infused products are hereby declared lawful for persons 21 years of age or older to purchase, possess, transport, use and share with any other person 21 years or older.
- (b) It shall be lawful for persons 21 years of age or older to cultivate marihuana in their own homes; provided, however, that regardless of the number of residents living in a dwelling who are at least 21 years of age or older, no more than two flowering marihuana plants may be present at any given time in any one dwelling. Homegrown marihuana grown under this provision may not be sold, but may be shared without charge with other persons 21 years of age or older. Local municipalities may by ordinance prohibit or regulate the cultivation of homegrown marihuana in single family, multiple residential unit, or attached housing dwellings. Local municipalities may by ordinance also permit up to a maximum of an additional two flowering marihuana plants to be present in any single dwelling. A municipality that elects to permit more than two flowering marihuana plants to be grown in any one dwelling may also require a special use permit, and impose a fee for granting such special use permit, as a condition of authorizing possession of more than two flowering marihuana plants in a single dwelling.
- (c) Except as authorized by this act and the medical marihuana act, it shall be unlawful to possess, sell, distribute or purchase marihuana or marihuana-infused products.
- (d) This act shall not permit possession or consumption of marihuana or marihuana-infused products:
- (1) in a school bus;
  - (2) on the grounds of any preschool, primary or secondary school;
  - (3) on the grounds of any child care facility;
  - (4) in any correctional facility; or
  - (5) on any form of public transportation.
- (e) This act shall not permit consumption of marihuana or marihuana-infused products in any public place.
- (f) This act shall not permit operation, navigation or actual physical control of any motor vehicle, aircraft or motorboat while under the influence of marihuana or marihuana-infused products.

### Commercial Marihuana Operations

- Sec.4. (a) The commercial growth and cultivation of marihuana and preparation of marihuana-infused products for sale within this state shall be lawful at marihuana cultivation facilities. Any such marihuana cultivation facility must be within an enclosed structure. A marihuana cultivation facility may be established in any location in this state that is not zoned exclusively for residential or commercial use.
- (b) The sale of marihuana, marihuana-infused products and marihuana accessories to individuals 21 years of age or older shall be lawful at marihuana retail facilities. A marihuana retail facility may be established in any location in this state with zoning that permits the operation of retail businesses that sell products to customers.
- (c) A marihuana facility may also manufacture or otherwise prepare marihuana-infused products. Marihuana cultivation facilities may only sell marihuana-infused products to marihuana retail facilities. Marihuana retail facilities may only sell at retail marihuana-infused products obtained from a marihuana cultivation facility or which are prepared by such marihuana retail facility, itself. A marihuana retail facility may not knowingly sell marihuana-infused products to any other marihuana retail facility.

Conditions and Limitations on Marihuana Facilities

- Sec. 5. (a) No marihuana facility shall be located within 1,250 feet, measured from property line to property line, of a preexisting primary or secondary school, but this prohibition does not restrict the location of such facilities near colleges or universities.
- (b) A marihuana facility shall have a detailed security plan, including, but not limited to, a security alarm system that is enabled when an agent of such facility is not on-site.
- (c) A marihuana facility shall not permit the consumption of marihuana or marihuana-infused products on its premises.
- (d) A marihuana facility shall not permit persons under the age of 21 to be on the premises of the facility.
- (e) No one who is under the age of 21 or who has been convicted of a felony shall have a direct or indirect ownership interest in a marihuana facility or be an officer or director of a marihuana facility. No person shall continue to hold an ownership interest in, or serve as an officer or director of, a marihuana facility upon conviction of a felony and exhaustion of any appeals.
- (f) A marihuana facility shall not knowingly employ an individual who has been convicted of a felony or who is under 21 years of age. A marihuana facility shall perform a background check on an individual before he or she is offered employment to verify that he or she has not been convicted of a felony. The marihuana facility shall maintain records identifying each individual employed by the facility and the date the required background check was performed. The records for any such employee shall be maintained for a minimum of three years after such person ceases to be employed by the marihuana facility.

Taxation of Commercial Marihuana Revenue

- Sec. 6. (a) The legislature may establish a tax on the revenue derived from the sale of marihuana, marihuana-infused products or marihuana accessories sold by a marihuana facility. No such tax may be imposed on marihuana or marihuana-infused products that are for medical use and grown or distributed under the medical marihuana act.
- (b) Any taxes paid by a marihuana facility shall be used for the purposes of administration of this act, education, public safety and public health.

Licensing of Marihuana Facilities and the Michigan Cannabis Control Board

- Sec. 7. (a) If the legislature requires licensing of marihuana facilities, it shall establish the Michigan Cannabis Control Board, which shall be responsible for the licensing of marihuana facilities and the enforcement and administration of this act.
- (b) The Michigan Cannabis Control Board shall consist of five members. Three members shall be appointed by the governor, one by the speaker of the House and one by the Senate majority leader. The members shall have the following qualifications:
- (1) the members appointed by the governor shall have an agricultural background, with at least one having a background in crop management;
- (2) The members appointed by the speaker of the House and the Senate majority leader, respectively, shall represent the general public.
- (c) The legislature shall provide for staggered terms for the board members, for the selection of successor members in the event of a board vacancy, for the length of board terms and for the maximum time for which a person may be a board member.
- (d) Board members shall receive compensation of \$30,000 annually, payable monthly, in arrears, except no payment will be made to a board member for any month in which he or she misses a scheduled meeting of the board.
- (e) A majority of board members at any meeting shall constitute a quorum. A majority of board members present at a meeting which has a quorum is needed to take action on any matter.
- (f) The board shall have the power pursuant to the administrative procedures act to promulgate rules that are not unreasonably impracticable concerning the licensing, including license fees if not established by the legislature, and operations of marihuana facilities that are not inconsistent with this act. Rules promulgated by the board shall not be unreasonably impracticable, and may address the following:
- (1) criteria for applicants seeking a license for a marihuana facility, which criteria shall include integrity, personal and business probity, financial ability, and ability to operate a marihuana facility;
- (2) procedures for issuance of licenses for marihuana facilities, which rules shall require separate licenses for marihuana cultivation facilities and marihuana retail facilities;
- (3) health and safety regulations governing the cultivation, production, processing, preparation, handling and transportation of marihuana and marihuana-infused products;
- (4) testing, packaging and labeling of marihuana and marihuana-infused products;
- (5) stamping or other appropriate mechanism to ensure proper tax collection if taxes are imposed on the sale of marihuana or marihuana-infused products;
- (6) restrictions on the advertising and display of marihuana and marihuana-infused products to persons under the age of 21;
- (7) civil penalties, suspension, or revocation of a license issued for a marihuana facility for failure to comply with the act or any regulations that are promulgated for the administration of the act, which rules shall include the right to a contested hearing pursuant to the administrative procedures act;
- (8) the books and records to be created and maintained by licensees and for inspection of such books and records;
- (9) security requirements for marihuana facilities; and
- (10) such other rules as are deemed reasonably necessary or advisable and which are not inconsistent with the spirit of this act.
- (g) All license applications for a marihuana facility shall be approved or denied within a reasonable period of time.

Relationship of this Act to the Medical Marihuana Act

- Sec. 8. Nothing in this act shall be deemed to amend, alter or supersede the use, possession, acquisition, cultivation, manufacture, delivery, internal possession or transfer of marihuana for medical use that is undertaken in accord with the medical marihuana act.

Effective Date for Operation of Marihuana Facilities

- Sec. 9. Marihuana facilities may commence operations under this act on January 1, 2018 without a license if the legislature has not required licensure of such facilities by that date or if the Michigan Cannabis Control Board is not established and operating by that date or has not promulgated rules under which marihuana facilities may obtain licenses by that date. Nothing in this section prohibits the imposition of licensing requirements on marihuana facilities or the establishment of the board after January 1, 2018, provided, however, that any marihuana facility lawfully operating in accord with this act on or after January 1, 2018, shall be entitled to receive a marihuana cultivation facility license or marihuana retail facility license, as applicable, upon compliance with any applicable licensing application requirements that become effective after January 1, 2018, and such marihuana facility's commitment to operate in accord with any rules promulgated by the board with respect to such facility.

Self-Executing, Conflicting Provisions and Enactment of Other Laws

- Sec. 10. All provisions of this act are self-executing except as specified herein, and except where otherwise indicated by this act, shall supersede all conflicting state and local laws. The legislature may pass laws implementing this act that are not in conflict with its provisions. Nothing in this act purports to supersede any applicable federal law.

Severability of Act

- Sec. 11. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.