



SPECIALTY AGRICULTURE RISK & FINANCIAL ASSOCIATION

The Problem

Current laws regulating the production, sale and distribution of marijuana in the state of Michigan are ill-defined and inconsistent. The current regulatory environment allows uninsured and underinsured companies to manufacture and sell marijuana products in Michigan - posing a significant risk to the public.

- The Marijuana Regulatory Agency (MRA) continues to issue frequent recalls of marijuana products in Michigan. At least 20 separate recalls have been announced since 2019 because of contaminated products.
- Recalled products have tested positive for bacteria such as E. coli and salmonella, heavy metals including arsenic and cadmium, and other contaminants.
- Recent incidents like the dangerous presence of Vitamin E Acetate in several vape cartridges, or the removal of "pre-licked" marijuana cigarettes from shelves, further demonstrate the scope of problems related to adulterated marijuana products.

Contaminated marijuana products pose a serious public health risk. Michigan municipalities and consumers rely on the State to properly vet marijuana licensees and ensure they have appropriate financial coverage in case of an adverse public health event. We can and must do more to shore up existing laws and consumer protections for the marijuana industry.

The Solution

BILL TO AMEND THE MEDICAL MARIJUANA FACILITIES LICENSING ACT (2016)

Legislation was introduced in 2020 to clear up ambiguity in state marijuana licensure laws to better protect licensees, municipalities and the public.

The bill passed the Michigan Senate in October on a 34-0 unanimous vote, but did not receive a House vote in time before the end of the legislative session. The bills have now been reintroduced (SB 461 and SB 462 passed the Senate 35-0 in July 2021 and HB 5126 and HB 5127).

- The proposed legislation would update the statutory language with the same level of protection required under the Michigan Liquor Control Code.
- The bill would provide a clear standard for insurers offering products coverage to licensees - which is good for both businesses and consumers.
- The bill would finally close loopholes that state regulators have been trying to address through documentation such as the current Attestation J to demonstrate proof of financial responsibility from licensees.



Sgt. Don Bailey

Michigan State Police (Ret.)

"There's been such pressure applied by the marijuana lobby to rush to get some of these applications approved, there's been a lack of investigation into what's been going on behind the scenes, who's really applying, are they bad actors or not."

While the data collected in the process is voluminous, a thorough investigation of the data is lacking, he said. One application to the board included a photo of \$100,000 in cash instead of a bank statement needed for a financial attestation.

Ben Rosman

Founder of the Michigan Coalition of Independent Cannabis Testing Laboratories

There is "a ton of contaminated cannabis" on Michigan store shelves.

- Reported by MIRS, Jan. 26, 2021