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GOVERNOR

STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

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MEMORANDUM

To: Members of the Delta Joint Government Committee

From: Dave Nyberg, Director
Northern Michigan Office

Date: Wednesday, November 7, 2012

Subject: Update from Governor Snyder's Northern Michigan Office

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First of all, I apologize for not being present for today's meeting. One of our agency directors and his team are making a post-election trip to Marquette County today to work on an issue that we expect will be a topic of discussion during upcoming legislative sessions (i.e., lame duck).

I was particularly looking forward to hearing Mr. French's update on ATC's Bay Lakes Project as well as the presentation by City Managers on the Micropolitan Regional Strategy. I have had the opportunity to review the Micropolitan presentation and believe the prospect of collaboration between Marquette and Delta Counties under this framework bodes well for the reinvention of the U.P. I look forward to being a productive partner with all engaged entities on these evolving discussions and others that occur this afternoon.

In lieu of attending, I have prepared the following update on questions and issues posed to the Executive Office since the Committee's October 10 meeting. If there are specific questions that members of the Committee had for the Executive Office at today's meeting, please do not hesitate to contact me personally:

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1.) Medical Marihuana Law

On October 23, City Manager O'Toole shared with our office an Escanaba City Council resolution asking the Governor to support changes to Initiated Law 1 of 2008 (Medical Marihuana Act). The topic of providing clarity and certainty to the law in a manner that allows communities to better protect qualifying patients' safe and legal access while also giving local governments and public safety entities

the ability to better protect the community from illegal drug activity was also discussed at previous meetings.

As promised, I did share the resolution and corresponding concern with the Governor and senior staff within the Executive Office whereupon we discussed ongoing efforts by the Administration relevant to the City's "ask." In short, the Governor's legislative team and senior staff at the Department of Licensing and Regulatory Affairs (LARA) are aware of the City's concerns and continue to work in support of legislation currently pending on the Michigan State Senate floor: House Bills 4851 (S-2) (Cavanagh, D-Redford) and 4834 (S-1) (Haines, R-Waterford).

Here is a summary of the pending legislation shared with the Committee previously, which has since been amended by Committee Substitutes (S-2) and (S-1), respectively:

House Bill 4851 (S-2) (Cavanagh, D-Redford) is currently on the Senate floor. On May 3 the bill passed the Michigan House of Representatives by a vote of 105-4. On September 11 the bill was reported from the Senate Judiciary Committee (Sen. Rick Jones, Chair). The bill would amend the Michigan Medical Marihuana Act to do the following:

- ***Require a physician's written certification of a qualifying patient's debilitating medical condition to state that the physician completed a full assessment of the patient's medical history and current medical condition, including a relevant, in-person, medical evaluation.***
- ***Define "bona fide physician-patient relationship".***
- ***In the definition of "enclosed, locked facility" (where a qualifying patient or primary caregiver may keep cultivated marihuana plants), specify conditions for plants grown outdoors and include situations in which a vehicle could be an enclosed, locked facility.***
- ***Exclude a person convicted of any felony from the definition of "primary caregiver".***
- Require qualifying patients and primary caregivers to be Michigan residents.
- ***Require a qualifying patient or primary caregiver to present both his or her registry identification card and a valid driver license or government-issued photo ID card, in order to be protected from arrest.***

House Bill 4834 (S-1) (Haines, R-Waterford) is also currently on the Senate floor. The bill would amend the Michigan Medical Marihuana Act to do the following:

- ***Provide that a registry ID card would expire two years, rather than one year, after it was issued.***
- Authorize the Department of Licensing and Regulatory Affairs (LARA) to contract with a private entity to assist the Department in processing and issuing registry ID cards.
- Prohibit LARA from allowing any person access to any confidential information about registry ID card holders or applicants, or physicians who provide written certifications, but allow LARA employees and contractors to have access to that information.
- ***Allow a law enforcement officer or official to have access to registry information through the Law Enforcement Information Network under certain circumstances, and delete a requirement that LARA verify information about a registry ID card to law enforcement.***
- Require LARA, within six months after the bill's effective date, to establish a review panel that would review petitions to approve medical conditions or treatments for addition to the Act's list of debilitating medical conditions for which a qualifying patient may be issued a registry ID card.

- Require the review panel to meet at least twice per year to review and make recommendations to LARA concerning any submitted petitions that were completed and included documentation required by administrative rule.
- Require a majority of the review panel members to be licensed physicians.
- ***Create the "Michigan Medical Marihuana Fund" and require all fees collected under the Act to be deposited into the Fund.***
- ***Require LARA to spend money from the proposed Fund, upon appropriation, for the operation and oversight of the Michigan medical marihuana program.***

In terms of process on this pending legislation, LARA is working with several senators on amendments that will be worked through in the coming weeks of lame duck session. Some of the amendments being discussed are intended to assist local governments with enforcement (i.e., enforcement grant availability from the "Michigan Medical Marihuana Fund"). Michigan State Police and the Attorney General's office are also involved in the pending legislation, which agency officials stated is a priority for some legislators to accomplish in lame duck.

I will be sure to notify City Manager O'Toole as this process develops.

2.) Personal Property Tax (PPT) Reform

As most of you likely heard from State Rep. Ed McBroom during his roundtable discussion on October 29, the Administration would like to make progress with PPT reform during the upcoming legislative sessions. We believe that we have a solution to the appropriations issue that local governments will find very attractive and will work to move reform bills with local government support.

The Administration would like to begin discussing these solutions to PPT reform with the legislature, possibly as soon as next week. I will be sure to update the Committee and other local government stakeholders as soon as I'm aware of any developments and I look forward to gathering your input for our legislative team on future discussions surrounding PPT reform.