

State of Arkansas
91st General Assembly
Regular Session, 2017

As Engrossed: S1/19/17
A Bill

HOUSE BILL 1026

By: Representative House
By: *Senator Standridge*

For An Act To Be Entitled

AN ACT TO AMEND THE ARKANSAS MEDICAL MARIJUANA
AMENDMENT OF 2016 REGARDING THE DATES FOR RULEMAKING
AND THE DATE TO BEGIN ACCEPTING APPLICATIONS FOR
DISPENSARIES AND CULTIVATION FACILITIES; TO DECLARE
AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE ARKANSAS MEDICAL MARIJUANA
AMENDMENT OF 2016 REGARDING THE DATES FOR
RULEMAKING AND THE DATE TO BEGIN
ACCEPTING APPLICATIONS FOR DISPENSARIES
AND CULTIVATION FACILITIES; AND TO
DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. DO NOT CODIFY. Legislative findings.

The General Assembly finds that:

(1) Transparency and participation by the public in the development of rules to implement the Arkansas Medical Marijuana Amendment of 2016 requires sufficient time to publish rules, allow for comment by the public, and incorporate comments as appropriate;

(2) One hundred eighty (180) days from the effective date of the amendment is a reasonable amount of time to comply with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.;

(3) The fiscal year for the State of Arkansas begins on July 1



of each year and ends on June 30 of each year;

(4) It is an unwise expenditure of public resources to enact the necessary appropriations, acts, and establish the necessary fiscal and regulatory provisions for a one-month period beginning on June 1, 2017; and

(5) The date of July 1, 2017, is a better effective date for the Medical Marijuana Commission to begin accepting applications.

SECTION 2. Pursuant to § 23 of the Arkansas Medical Marijuana Amendment of 2016, § 4(b) of the Arkansas Medical Marijuana Amendment of 2016, concerning the rules of the Department of Health regarding the registry identification cards, is amended to read as follows:

(b) Not later than ~~one hundred twenty (120) days~~ one hundred eighty (180) days after the effective date of this amendment, the department shall adopt rules governing:

(1) The manner in which ~~it~~ the department considers applications for and renewals for registry identification cards;

(2) Labeling and testing standards for marijuana distributed to qualifying patients; and

(3) Any other matters necessary for the department's fair, impartial, stringent, and comprehensive administration of this amendment.

SECTION 3. Pursuant to § 23 of the Arkansas Medical Marijuana Amendment of 2016, § 4(d) of the Arkansas Medical Marijuana Amendment of 2016, concerning the rules of the Department of Health, is amended to read as follows:

(d) The department shall adopt rules within ~~one hundred twenty (120) days~~ one hundred eighty (180) days of the effective date of this amendment that govern the manner in which a designated caregiver assists a physically disabled qualifying patient or a qualifying patient under the age of eighteen (18) with the medical use of marijuana.

SECTION 4. Pursuant to § 23 of the Arkansas Medical Marijuana Amendment of 2016, § 8(d) and (e) of the Arkansas Medical Marijuana Amendment of 2016, concerning the rules of the Medical Marijuana Commission and the Alcoholic Beverage Control Division of the Department of Finance and Administration regarding dispensaries and cultivation facilities, is amended

to read as follows:

(d) Not later than ~~one hundred twenty (120) days~~ one hundred eighty (180) days after the effective date of this amendment, the commission shall adopt rules governing:

(1) The manner in which the commission considers applications for and renewals of licenses for dispensaries and cultivation facilities;

(2) The form and content of registration and renewal applications for dispensaries and cultivation facilities; and

(3) Any other matters necessary for the commission's fair, impartial, stringent, and comprehensive administration of this amendment.

(e) Not later than ~~one hundred twenty (120) days~~ one hundred eighty (180) days after the effective date of this amendment, the division shall adopt rules governing:

(1) Oversight requirements for dispensaries and cultivation facilities;

(2) Recordkeeping requirements for dispensaries and cultivation facilities;

(3) Security requirements for dispensaries and cultivation facilities;

(4) Personnel requirements for dispensaries and cultivation facilities;

(5) The manufacture, processing, packaging, and dispensing of usable marijuana to qualifying patients and designated caregivers;

(6) Procedures for suspending or terminating the licenses of dispensaries and cultivation facilities that violate the provisions of this amendment or the rules adopted under this amendment, procedures for appealing penalties, and a schedule of penalties;

(7) Procedures for inspections and investigations of dispensaries and cultivation facilities;

(8) Advertising restrictions for dispensaries and cultivation facilities;

(9) Procedures for the disposal or other use of marijuana not dispensed to a qualifying patient; and

(10) Any other matters necessary to the division's fair, impartial, stringent, and comprehensive administration of its duties under this amendment.

SECTION 5. Pursuant to § 23 of the Arkansas Medical Marijuana Amendment of 2016, § 8(f)(1) of the Arkansas Medical Marijuana Amendment of 2016, concerning the rules of the Medical Marijuana Commission regarding dispensaries and cultivation facilities, is amended to read as follows:

(f)(1) Not later than ~~one hundred twenty (120) days~~ one hundred eighty (180) days after the effective date of this amendment, the commission shall adopt rules establishing license application and license renewal fees for dispensary and cultivation facility licenses.

SECTION 6. Pursuant to § 23 of the Arkansas Medical Marijuana Amendment of 2016, § 8(g)(1) of the Arkansas Medical Marijuana Amendment of 2016, concerning the date to begin accepting applications by the Medical Marijuana Commission, is amended to read as follows:

(g)(1) Not later than ~~June 1, 2017~~ July 1, 2017, the commission shall begin accepting applications for licenses to operate a dispensary and cultivation facility.

SECTION 7. Pursuant to § 23 of the Arkansas Medical Marijuana Amendment of 2016, § 9(c) of the Arkansas Medical Marijuana Amendment of 2016, concerning the rules of the Alcoholic Beverage Control Division of the Department of Finance and Administration regarding dispensary agents and cultivation facility agents, is amended to read as follows:

(c) Not later than ~~one hundred twenty (120) days~~ one hundred eighty (180) days after the effective date of this amendment, the division shall adopt rules governing:

(1) The manner in which the division considers applications for and renewals of registry identification cards for dispensary agents and cultivation facility agents;

(2) The form and content of registration and renewal applications for dispensary agents and cultivation facility agents;

(3) Procedures for suspending or terminating the registration of dispensary agents and cultivation facility agents that violate the provisions of this amendment or the rules adopted under this amendment, procedures for appealing penalties, and a schedule of penalties; and

(4) Any other matters necessary to the division's fair,

impartial, stringent, and comprehensive administration of its duties under this amendment.

SECTION 8. RETROACTIVITY. This act is retroactive to the effective date of the Arkansas Medical Marijuana Amendment of 2016.

SECTION 9. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the dates set for rulemaking within the Arkansas Medical Marijuana Amendment of 2016 are impractical to encompass the magnitude of the medical marijuana program; that the Department of Health, the Alcoholic Beverage Control Division of the Department of Finance and Administration, and the Medical Marijuana Commission need additional time to properly establish a medical marijuana program to fulfill the policies and purposes of the Arkansas Medical Marijuana Amendment of 2016; and that this act is immediately necessary because the citizens of Arkansas need certainty about the law and rules creating the medical marijuana program before fully investing time, funds, personnel, and other resources into the development of dispensaries and cultivation facilities and because public participation in and transparency of the rulemaking process must be ensured. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.

/s/House

APPROVED: 01/23/2017