

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
91st General Assembly
Regular Session, 2017

As Engrossed: S3/23/17
A Bill

SENATE BILL 674

By: Senator J. Hutchinson

For An Act To Be Entitled

AN ACT TO CLARIFY CERTAIN PROVISIONS OF ARKANSAS
CONSTITUTION, AMENDMENT 98, ALSO KNOWN AS THE
ARKANSAS MEDICAL MARIJUANA AMENDMENT OF 2016"
REGARDING FINANCIAL RESPONSIBILITY OF CULTIVATION
FACILITIES; AND FOR OTHER PURPOSES.

Subtitle

TO CLARIFY CERTAIN PROVISIONS OF THE
ARKANSAS MEDICAL MARIJUANA AMENDMENT OF
2016 REGARDING FINANCIAL RESPONSIBILITY
OF CULTIVATION FACILITIES.

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

SECTION 1. Pursuant to § 23 of Arkansas Constitution, Amendment 98, also known as the "Arkansas Medical Marijuana Amendment of 2016", Arkansas Constitution, Amendment 98, § 8(g)(2), concerning the licensing of dispensaries and cultivation facilities, is amended to read as follows:

(2) The application shall include without limitation the following:

(A) The application fee;

(B) The legal name of the dispensary or cultivation facility;

(C) The physical address of the:

(i) Dispensary, which location may not be within one thousand five hundred feet (1,500') of a public or private school, church, or daycare center existing before the date of the dispensary application; or



(ii) Cultivation facility, which location may not be within three thousand feet (3,000') of a public or private school, church, or daycare center existing before the date of the cultivation facility application;

(D) The name, address, and date of birth of each dispensary agent or cultivation facility agent; ~~and~~

(E) If the city, town, or county in which the dispensary or cultivation facility would be located has enacted zoning restrictions, a sworn statement certifying that the dispensary or cultivation facility will operate in compliance with the restrictions; and

(F)(i) If an application for a cultivation facility license, documentation to show financial responsibility which shall include:

(a)(1) Establishing and maintaining an escrow account in a financial institution in the State of Arkansas or the State Treasury of the State of Arkansas in the amount of one million dollars (\$1,000,000) with escrow terms that the money shall be payable to the commission in the event of certain circumstances.

(2) A financial institution or State Treasury may not return the money in an escrow account to a cultivation facility that established the account or a representative of the cultivation facility unless the cultivation facility or representative of the cultivation facility presents a statement issued by the commission indicating that the account may be released; and

(b)(1) Having at least one million dollars (\$1,000,000) in liquid assets within the State of Arkansas that is documented by a signed statement:

(A) From a licensed certified public accountant who is licensed in Arkansas attesting to proof of the required amount of liquid assets under the control of the owners or the entity applying for licensure; and

(B) That is dated within thirty (30) calendar days before the date of application.

(2) As used in this section, "liquid asset" means assets that are unencumbered and can be converted to cash within thirty (30) days after a request to liquidate the assets.

(ii)(a) The applicant shall maintain the required

escrow account and the amount of liquid assets within the State of Arkansas for twenty-four (24) months after the issuance of a cultivation facility license

(b) The commission may reduce the amount held within an escrow account or the amount of liquid assets before the expiration of the twenty-four (24) months upon a showing of good cause.

/s/Irvin