

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

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

As Engrossed: S3/23/17

A Bill

SENATE BILL 674

5 *By: Senator J. Hutchinson*
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For An Act To Be Entitled

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

15 *TO CLARIFY CERTAIN PROVISIONS OF THE*
16 *ARKANSAS MEDICAL MARIJUANA AMENDMENT OF*
17 *2016 REGARDING FINANCIAL RESPONSIBILITY*
18 *OF CULTIVATION FACILITIES.*
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 *SECTION 1. Pursuant to § 23 of Arkansas Constitution, Amendment 98,*
25 *also known as the "Arkansas Medical Marijuana Amendment of 2016", Arkansas*
26 *Constitution, Amendment 98, § 8(g)(2), concerning the licensing of*
27 *dispensaries and cultivation facilities, is amended to read as follows:*

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

30 *(A) The application fee;*

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

33 *(C) The physical address of the:*

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



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

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

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

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

13 (a)(1) Establishing and maintaining an escrow
14 account in a financial institution in the State of Arkansas or the State
15 Treasury of the State of Arkansas in the amount of one million dollars
16 (\$1,000,000) with escrow terms that the money shall be payable to the
17 commission in the event of certain circumstances.

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

24 (b)(1) Having at least one million dollars
25 (\$1,000,000) in liquid assets within the State of Arkansas that is documented
26 by a signed statement:

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

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

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

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

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

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

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8 /s/Irvin
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