INITIATIVE PETITION

ARKANSAS ADULT USE CANNABIS AMENDMENT

FOR OFFICE USE ONLY					
VALID OF					
вү	DATE				

To the Honorable John Thurston of the State of Arkansas: We, the undersigned registered voters of the State of Arkansas, respectfully propose the following amendment to The Constitution of the State, and by this, our petition, order that the same be submitted to the people of said state, to the end that the same may be adopted, enacted, or rejected by the vote of the registered voters of said state at the regular general election to be held on the 3rd day of November; 2020, and each of us for himself or herself says: I have personally signed this petition; I am a registered voter of the State of Arkansas, and my printed name, date of birth, residence, city or town of residence, county of residence, and date of signing this petition are correctly printed after my Signature. The Popular Name is ARKANSAS ADULT USE CANNABIS AMENDMENT, and the ballot title is attached or affixed hereto.

VOTEDS DECISTEDED IN

		VOTENS REGISTERED IN _						
	SIGNATURE	PRINTED NAME	DATE OF BIRTH	RESIDENCE (STREET ADDRESS)	CITY OR TOWN OF RESIDENCE	COUNTY OF RESIDENCE	DATE OF SIGNING	
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6						Arkansas		
7					Secretary of State			
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or he each liste Title My G	er own name to this sheet of the pension signature is genuine, and each sign d. At all times during the circulations, and text was attached to this signicurrent residence address is correctature:	tly stated below.	foregoing persons signed my knowledge and belief, of Arkansas, in the county	to be the person described in the fo of a Canvasser for the purpose of fu	, well known to me (or satisfa orgoing Canvasser Affidavit and ack offilling legal requirements of a Can orasser	ctorily proven by identification de nowledged that she/he executed	ocuments provided) I the same in capacity	
India	cate one: () Paid Canvasser	() Volunteer/Unpaid Canvasser					(Notary Seal Above)	
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COLINITY

Instructions to Canvassers and Signers

- 1. The Arkansas Constitution gives Arkansas citizens the power to (a) initiate legislation by petition of 8% of the legal voters or constitutional amendments by petition of 10% of legal voters, or (b) order the referendum against any general act or any item of an appropriation bill or measure passed by the General Assembly by petition of 6% of legal voters. A proposed measure must be submitted at a regular election. Referendum petitions may be referred at special elections on petition of 15% of the registered voters. Any measure submitted to the people becomes law when approved by a majority of the votes cast on the measure.
- Only registered voters may sign. All signatures must be in the signer's own handwriting and in the presence of the person circulating the petition. Each petition part should contain only the signatures of voters residing in a single county.
- 3. Printed name, date of birth, residence, city or town of residence, and date of signing must be given. If a petition signer needs assistance with this information due to disability, another person may print the signer's information and that person shall sign and print their name in the margin of the petition.
- 4. Pursuant to Ark. Code Ann. § 7-9-103, a person commits a Class A misdemeanor, punishable by a fine of up to \$2,500 and confinement of up to one year in jail, if the person knowingly prints a name, address, or birth date other than his or her own to a petition or prints the date of signing for another person unless the signer requires assistance due to disability and the person complies with § 7-9-103.
- 5. Pursuant to Ark. Code Ann. § 5-55-601(c), each of the following activities constitutes "petition fraud," which is a Class D felony and is punishable by a fine of up to \$10,000 and imprisonment for up to six years. Subsection (b) states: "A person commits the offense of petition fraud:
 - (1) If the person knowingly:
 - (A) Signs a name other than his or her name to a petition;
 - (B) Signs his or her name mere than one (1) time to a petition; or
 - (C) Signs a petition when he or she is not legally entitled to sign the petition;
- (2) If the person acting as a canvasser, notary, sponsor as defined under \$ 7-9-101, or agent of a sponsor:
 - (A) Signs a name other than his or her own to a petition;
 - (B) Prints a name, address, or birth date other than his or her ewn to a petition unless the signor requires assistance due to disability and the person complies with \$ 7-9-103:

- (C) Solicits or obtains a signature to a petition knowing that the person signing is not qualified to sign the petition:
- (D) Knowingly pays a person any form of compensation in exchange for signing a petition as a petitioner;
 - (E) Accepts or pays money or anything of value for obtaining signatures on a petition when the person acting as a canvasser, sponsor, or agent of a sponsor knows that the person acting as a canvasser's name or address is not included on the sponsor's list filed with the Secretary of State under \$ 7-9-601; or
- (F) Knowingly misrepresents the purpose and effect of the petition or the measure affected for the purpose of causing a person to sign a petition;
- (3) If the person acting as a canvasser knowingly makes a false statement on a patition verification form; [or]
 - (5) If the person acting as a sponsor files a petition or a part of a petition with the official charged with verifying the signatures knowing that the petition or part of the petition contains one (1) or more false or fraudulent signatures unless each false or fraudulent signature is clearly stricken by the sponsor before filing." Revised 6/13/19

Leslie Rutledge

D. C. I. R. My

<u>Popular Name</u>

ARKANSAS ADULT USE CANNABIS AMENDMENT

Ballot Title

This is an amendment to the Arkansas Constitution to authorize the possession of cannabis, also known as marijuana, by adults for personal use under state law, acknowledging that possession and sale of cannabis is currently illegal under federal law; to confirm that the regulation, possession and sale of medical marijuana under Amendment 98 to the Arkansas Constitution will continue unchanged; to authorize the state Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration to issue licenses to commercial establishments to cultivate, process and sell cannabis to adults for personal use, to promulgate rules for that purpose and to require licenses to begin issuance within 120 days of the effective date of this amendment; to authorize dispensaries and cultivation facilities with a valid license under Amendment 98 to sell cannabis for adult personal use beginning on December 4, 2020; to authorize the number of commercial establishments licensed to conduct retail sales of cannabis to at least one per county and thirty (30) per Congressional district; to authorize the number of commercial establishments licensed to

cultivate cannabis to one (1) per two hundred fifty thousand (250,000) residents; to authorize the Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration to promulgate rules providing for issuance of dispensary and cultivation licenses by lottery; to provide that all commercial establishments licensed to cultivate, process or sell cannabis to adults for personal use must be located at least one thousand (1000) feet from a pre-existing school or church; to provide for state taxation of the retail sales of cannabis and to direct tax revenue to be used first to fund the cost of the regulatory program, with excess revenue directed as follows: 60% to fund and operate public pre-kindergarten and after school programs and 40% to fund the operations of the University of Arkansas for Medical Sciences: to authorize municipalities and counties to prohibit commercial cannabis retail sales within the jurisdiction by a majority vote in accordance with Article 5, \$1 of the Arkansas Constitution, to authorize the Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration to promulgate rules establishing controlled access requirements for cannabis plants on residential property and security, laboratory testing, and processing requirements for cannabis plants and products by licensed cultivation facilities, processing facilities and dispensaries; to authorize adults to possess up to 4 ounces of cannabis flower, 2 ounces of cannabis concentrate, edible products containing cannabis with tetrahydrocannabiol (THC) content of 200 mg or less and to cultivate up to six cannabis seedlings and six cannabis flowering plants for personal use on residential property owned by the adult in possession of the plants or with the written permission of the property owner.

ARKANSAS ADULT USE CANNABIS AMENDMENT

1 Short Title

This amendment to the Arkansas Constitution shall be known as the "Arkansas Adult Use Cannabis Amendment."

§2 Effective Date

The provisions in \$4, \$9, and \$10 of this amendment shall become effective the day after its passage by popular vote of the people, without regard to certification of the vote by the Secretary of State. The remaining sections shall become effective 60 days after passage of the amendment by popular vote of the people.

§3 Definitions

- a) "Adult" means a resident of the State of Arkansas who is over the age of twenty one (21).
- b) "Cannabinold" means any of the chemical compounds that are the active constituents of cannabis.
- c) "Gannabis concentrate" means a substance obtained by extracting cannabinoids from cannabis through mechanical or chemical means.
- d) "Cannabis flower" means the flowering bud of a cannabis plant which has been dried, cured, frozen or otherwise preserved for consumption through combustion or vaporization or preserved for further processing.

- "Cultivation facility" means a commercial establishment authorized to cultivate, prepare, package and deliver cannabis flower to processing facilities for processing into cannabis concentrates or edible products containing cannabis or to dispensaries for retail sale.
- f) "Dispensary" means a commercial establishment authorized to cultivate, prepare, package, self or deliver cannabis flowers, cannabis concentrates and edible products containing cannabis to adults. A dispensary shall be authorized to cultivate cannabis in quantities set by the Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration, which shall be no less than 200 mature cannabis plants and 200 cannabis seedlings at any one time.
- g) "Edible products containing cannabis" means a commercially-prepared product containing cannabis flower or cannabis concentrate that is intended to be consumed as food or drink. Such products may contain no more than 10 mg of tetrahydrocannabiol (THC) per serving.
- h) "Mature cannabis plant" means a cannabis plant that is flowering.
- i) "Processing facility" means a commercial establishment authorized to prepare, extract and package cannabis flower into cannabis concentrates or edible products containing cannabis and deliver such products to dispensaries for retail sale.
- "School" means a facility or building operated by a public school district; open-enrollment public charter school, as defined in Ark. Code Ann. § 6-23-103; or a private entity including parochial schools providing preschool, elementary, or secondary education but does not include postsecondary institutions of higher education, community colleges, or the residences of students being homeschooled under Ark. Code Ann. § 6-15-501, et. seg.

§4 Possession: Immediate Retail Sales

- a) On December 4, 2020, adults are authorized under state law to possess cannabis, also known as marijuana, for personal use, acknowledging that possession and sale of cannabis is currently illegal under federal law.
- b) Adults may possess up to 4 ounces of cannabis flower, 2 ounces of cannabis concentrate and edible products centaining cannabis with tetrahydrocannabiol (THC) content of 200 mg or less at any one time.
- c) Adults may also cultivate up to six cannabis seedlings and six mature cannabis plants for personal use on residential property that is owned by the adult in possession of the plants or with the written permission of the property owner.
- d) Beginning on December 4, 2020, under the provisions of this section dispensaries with a valid license under Amendment 98 shall be authorized to sell cannabis to adults for personal use and cultivation facilities with a valid license under Amendment 98 shall be authorized to sell cannabis to dispensaries for retail sale to adults for personal use.

§5 Effect on Amendment 98

This amendment shall not affect the provisions of Amendment 98 or the regulations implementing the possession and sale of medical marijuana under Amendment 98.

\$6 Cultivation Facility, Processing Facility and Dispensary Licensing and Regulation

- a) The Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration is directed to begin issuance of licenses to processing facilities and to provide public notice of the intent to issue cultivation and dispensary licenses within one hundred and twenty (120) days of the effective date of this amendment. Application fees for a dispensary or processor shall initially be no more than \$5,000 and annual licensing fees shall initially be no more than \$1,000; application fees for a cultivation facility shall initially be no more than \$15,000 and annual licensing fees shall initially be no more than \$5,000. The Alcohol Beverage Control Beard may authorize an increase in application and licensing fees when warranted, so long as the increased fee is not more than 10% higher on annual basis.
- b) The number of dispensary licenses shall be at least one (1) per county and thirty (30) per Congressional district. The number of cultivation facility licenses shall be limited to one (1) per two hundred fifty thousand (250,000) residents. The population and number of licenses to be issued shall be determined by the Board of the Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration within ninety (90) days of the effective date of this amendment.
- c) All commercial establishments licensed to cultivate, process or sell cannabis to adults for personal use must be located at least one thousand (1000) feet from a pre-existing school or church.
- d) Within one hundred and twenty (120) days of the effective date of this amendment, the Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration shall promulgate rules providing for the issuance of dispensary and cultivation licenses by lottery using procedures substantially similar to those currently provided in Ark. Code Ann. § 3-4-208 for retail sales of alcohol.
- e) Within one hundred and twenty (120) days of the effective date of this amendment, the Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration shall promulgate rules establishing the following:
- 1) Controlled access requirements for cannabis plants cultivated on residential property;
- Security requirements for cannabis plants and products on the premises of licensed cultivation facilities, processing facilities and dispensaries;
- 3) Standards and procedures for laboratory testing of cannabis flower, cannabis concentrates and edible products containing cannabis prior to retail sale:
- Standards and procedures for the processing of cannabis flower into cannabis concentrates and edible products containing cannabis; and
- Other rules necessary to effectuate the intent of this amendment.

Local Option Elections

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- a) Political subdivisions of this State are prohibited from creating or modifying existing zoning ordinances to restrict or impede cultivation facilities, processing facilities, or dispensaries from locating in any area that is not zoned for residential-use only on the date of the passage of this amendment.
- b) A political subdivision may prohibit commercial cannabis retail sales by a majority vote in accordance with Article 5. \$1 of the Arkansas Constitution.
- c) The Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration may promulgate rules to implement this section

§8 Tax Revenue

- a) The state may levy an additional sales tax on retail sales of cannabis flower, cannabis concentrate and edible products containing cannabis which may not exceed 10%. No excise taxes may be levied on wholesale sales.
- b) To fulfill the purposes of this amendment, the Arkansas General Assembly shall from time to time enact laws, and appropriate monies to or for the use of the Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration. Initial laws and appropriations enacted by the General Assembly pursuant hereto shall be in full force and effect no later than January 1, 2021.
- c) All revenues derived from the retail sales tax shall be used first to fund the salaries and operating expenses of the Alcohol Beverage Control Division of the Arkansas Department of Finance and Administration as necessary to license and regulate cultivation facilities, processing facilities and dispensaries.
- d) Excess revenue from the retail sales tax shall be directed as follows: 60% to fund and operate public pre-kindergarten and after school programs and 40% to fund the operations of the University of Arkansas for Medical Sciences. Funding priority shall be given to pre-kindergarten and after school programs in schools with the highest percentage of children eligible for free and reduced price meals under the guidelines published by the United States Department of Agriculture.

§9 Severability; Inconsistent Provisions Inapplicable

- a) If any part or subpart of this amendment or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any other provisions or application of the amendment that can be given effect without the invalid provisions or applications, and to this end the provisions of this amendment are declared to be severable.
- b) All provisions of the Constitution, statutes, and common law of this State, including without limitation laws forbidding the possession, cultivation and use of cannabis, to the extent inconsistent or in conflict with any provision of this amendment are expressly declared null and void as to, and do not apply to, any activities allowed under this amendment.

\$10 Legislative Authority to Modify this Amendment

- (a) The General Assembly may not modify, repeal or otherwise nullify the provisions of this amendment without a vote of three-fourths of each house.
- (b) Notwithstanding \$10(a), the General Assembly may not modify, repeal, or otherwise nullify Sections 2. 4. 6. 8. or 9 of this amendment.