



ISSUE NUMBER 4 *(under review by the Arkansas Supreme Court)*

(Referred to the people by Responsible Growth Arkansas)

Arkansas Adult Use Cannabis Amendment

POPULAR NAME: An amendment to authorize the possession, personal use, and consumption of cannabis by adults, to authorize the cultivation and sale of cannabis by licensed commercial facilities, and to provide for the regulation of those facilities.

BALLOT TITLE: An amendment to the Arkansas Constitution authorizing possession and use of cannabis (i.e., marijuana) by adults, but acknowledging that possession and sale of cannabis remain illegal under federal law; authorizing licensed adult use dispensaries to sell adult use cannabis produced by licensed medical and adult use cultivation facilities, including cannabis produced under Amendment 98, beginning March 8, 2023 and amending Amendment 98 concerning medical marijuana in pertinent part, including: amending Amendment 98, § 3(e) to allow licensed medical or adult use dispensaries to receive, transfer, or sell marijuana to and from medical and adult use cultivation facilities, or other medical or adult use dispensaries, and to accept marijuana seeds from individuals legally authorized to possess them; repealing Amendment 98, § 8(c)

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QUICK LOOK: What does your vote mean?

FOR: A FOR vote means you are in favor of changing the Arkansas Constitution to authorize the growing and selling of marijuana for non-medical purposes; giving existing medical marijuana growers and sellers licenses to grow and sell adult use or non-medical marijuana; authorizing 12 additional cultivation licenses and 40 dispensary licenses for adult use marijuana; eliminating an existing sales tax on medical marijuana and introducing a sales tax on adult use marijuana; eliminating a cap on how much THC can be in medical marijuana-infused drinks and food portions; making clear that lawmakers have no authority to change the amendment without another vote of the people; and changing rules for businesses licensed to grow and sell marijuana in Arkansas.

AGAINST: An AGAINST vote means you are not in favor of changing the Arkansas Constitution to authorize the growing and selling of marijuana for adult use or non-medical purposes, or changing the related rules and regulations currently in place. Medical marijuana would continue to be legal as specified under state law.

Where can I find more information?

The complete wording of this amendment can be found at uaex.uada.edu/issue4

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regarding residency requirements; repealing and replacing Amendment 98, §§ 8(e)(5)(A)-(B) and 8(e)(8)(A)-(F) with requirements for child-proof packaging and restrictions on advertising that appeals to children; amending Amendment 98, § 8(k) to exempt individuals owning less than 5% of dispensary or cultivation licensees from criminal background checks; amending Amendment 98, § 8(m)(1)(A) to remove a prohibition on dispensaries supplying, possessing, manufacturing, delivering, transferring, or selling paraphernalia that requires the combustion of marijuana; amending Amendment 98, § 8(m)(3)(A)(i) to increase the marijuana plants that a dispensary licensed under that amendment may grow or possess at one time from 50 to 100 plus seedlings; amending Amendment 98, § 8(m)(4)(A)(ii) to allow cultivation facilities to sell marijuana to dispensaries, adult use dispensaries, processors, or other cultivation facilities; amending Amendment 98, §§ 10(b)(8)(A) and 10(b)(8)(G) to provide that limits on the amount of medical marijuana dispensed shall not include adult use cannabis purchases; amending Amendment 98, §§ 12(a)(1) and 12(b)(1) to provide that dispensaries and dispensary agents may dispense marijuana for adult use; amending Amendment 98, § 13(a) to allow medical and adult use cultivation facilities to sell marijuana to adult use dispensaries; repealing Amendment 98, § 17 and prohibiting state or local taxes on the cultivation, manufacturing, sale, use, or possession of medical marijuana; repealing Amendment 98, § 23 and prohibiting legislative amendment, alteration, or repeal of Amendment 98 without voter approval; amending Amendment 98, § 24(f)(1)(A)(i) to allow transporters or distributors licensed under Amendment 98 to deliver marijuana to adult use dispensaries and cultivation facilities



licensed under this amendment; requiring the Alcoholic Beverage Control Division of the Department of Finance and Administration (“ABC”) to regulate issuance and renewal of licenses for cultivation facilities and adult use dispensaries and to regulate licensees; requiring adult use dispensaries to purchase cannabis only from licensed medical or adult use cultivation facilities and dispensaries; requiring issuance of Tier One adult use cultivation facility licenses to cultivation facility licensees under Amendment 98 as of November 8, 2022, to operate on the same premises as their existing facilities and forbidding issuance of additional Tier One adult use cultivation licenses; requiring issuance of adult use dispensary licenses to dispensary licensees under Amendment 98 as of November 8, 2022, for dispensaries on their existing premises and at another location licensed only for adult use cannabis sales; requiring issuance by lottery of 40 additional adult use dispensary licenses and 12 Tier Two adult use cultivation facility licenses; prohibiting cultivation facilities and dispensaries near schools, churches, day cares, or facilities serving the developmentally disabled that existed before the earlier of the initial license application or license issuance; requiring all adult use only dispensaries to be located at least five miles from dispensaries licensed under Amendment 98; prohibiting individuals from holding ownership interests in more than 18 adult use dispensaries; requiring ABC adoption of rules governing licensing, renewal, ownership transfers, location, and operation of cultivation facilities and adult use dispensaries licensed under this amendment, as well as other rules necessary to administer this amendment; prohibiting political subdivisions from using zoning to restrict the location of cultivation facilities and dispensaries in areas not zoned residential-use only when this amendment is adopted; allowing political subdivisions to hold local option elections to prohibit retail sales of cannabis; allowing a state supplemental sales tax of up to 10% on retail cannabis sales for adult use, directing a portion of such tax proceeds to be used for an annual stipend for certified law enforcement officers, the University of Arkansas for Medical Sciences and drug court programs authorized by the Arkansas Drug Court Act, § 16-98-301 with the remainder going into general revenues, and requiring the General Assembly to appropriate funds from licensing fees and sales taxes on cannabis to fund agencies regulating cannabis; providing that cultivation facilities and adult use dispensaries are otherwise subject to the same taxation as other for-profit businesses; prohibiting excise or privilege taxes on retail sales of cannabis for adult use; providing that this amendment does not limit employer cannabis policies, limit restrictions on cannabis combustion on private property, affect existing laws regarding driving under the influence

of cannabis, permit minors to buy, possess, or consume cannabis, or permit cultivation, production, distribution, or sale of cannabis not expressly authorized by law; and prohibiting legislative amendment, alteration, or repeal of this amendment without voter approval.

What is being proposed?

This citizen-proposed amendment asks voters to change the Arkansas Constitution to allow and regulate cannabis, also referred to as marijuana, for non-medical purposes. The proposal also would make numerous changes to add, alter or remove parts of Amendment 98, currently known as the Arkansas Medical Marijuana Amendment of 2016.

Note: The proposed amendment uses the term “adult use cannabis” to differentiate it from marijuana used for medical purposes. This voter guide uses “non-medical marijuana” interchangeably with “adult use cannabis,” which is also known as “recreational marijuana.”

For people 21 and older buying marijuana, this amendment would:

- Make the possession of one ounce of marijuana for non-medical personal use legal under Arkansas state law for adults, while recognizing the drug remains illegal under federal law.
- Allow medical marijuana cardholders to purchase non-medical marijuana without that amount counting toward how much they can purchase for medical purposes.

Regarding cultivation facilities that grow marijuana, this amendment would:

- Allow licensed cultivators to grow, prepare, manufacture, process, package, sell and deliver marijuana to dispensaries for non-medical purposes.
- Grant owners of eight existing medical marijuana cultivation facilities a second license to grow marijuana for non-medical sales. These facilities do not have a limit on the number of plants they can grow at any time.
- Require the state to issue 12 additional marijuana cultivation licenses for growing non-medical marijuana. Cultivators that receive these new licenses could not grow more than 250 plants at one time and could not sell their product for medical marijuana use. The licenses would be issued via a lottery system.

Regarding dispensaries selling marijuana to the public, this amendment would:

- Automatically give the existing 40 medical marijuana dispensaries a license to sell marijuana for non-medical uses at their current location starting March 8, 2023.



- Automatically give the existing 40 medical marijuana dispensaries a second license to sell non-medical marijuana at another location at least five miles away from any medical marijuana dispensary.
- Require the state to issue 40 additional non-medical marijuana dispensary licenses using a lottery system.
- Allow people to have a financial interest in up to 18 non-medical marijuana dispensaries.
- Allow dispensaries to possess, make, deliver or sell items such as pipes, bongs, rolling papers, roach clips and other items that were previously prohibited for them to sell.
- Increase the number of mature marijuana plants a medical marijuana dispensary may grow or possess at one time from 50 plants to 100 plants.
- Require non-medical marijuana dispensaries to purchase marijuana only from state-licensed cultivation facilities and dispensaries.
- Eliminate the ability of dispensaries to accept marijuana seedlings, plants, or usable marijuana from out-of-state dispensaries.
- Eliminate the ability of dispensaries to transfer or sell marijuana seeds, plants or other usable marijuana to out-of-state dispensaries if federal law ever permitted it.
- Eliminate the ability of dispensaries to accept marijuana seeds from out-of-state suppliers.

For all marijuana cultivation facilities and dispensaries, this amendment would:

- Repeal Arkansas residency requirements for owners.
- No longer require criminal background checks on people who own less than 5% of the business.
- Prohibit the businesses from opening within a certain distance from a facility for individuals with developmental disabilities. This is in addition to existing distance

requirements for schools, churches, and daycare centers. Dispensaries must be located at least 1,500 feet away, and cultivation facilities at least 3,000 feet from these institutions.

Related to taxes and licensing fees, this amendment would:

- No longer allow taxes on medical marijuana, which would repeal requirements on how existing state tax revenues are distributed.
- Allow the state to charge an additional 10% sales tax on non-medical marijuana sales at dispensaries. This would result in consumers paying up to 16.5% in state sales tax on non-medical marijuana purchases in addition to any city and county sales taxes on their purchases.



- Require sales tax proceeds from non-medical marijuana sales be used for: (1) paying law enforcement stipends every year, (2) supporting the University of Arkansas for Medical Sciences, (3) funding drug court programs, and (4) contributing to state general funds.
- Require lawmakers to use licensing fees and sales taxes from non-medical marijuana sales to pay the cost of regulating the marijuana program by state agencies.

If approved by voters, this amendment also would:

- Remove a requirement that food or drinks combined with marijuana for medical purposes not exceed 10 milligrams (10 mg) of active tetrahydrocannabinol (THC) per portion. THC is the main psychoactive compound in cannabis.
- Remove the authority lawmakers have to change parts of Amendment 98, and instead require any future changes to be approved by voters.
- Delete a section that says the Alcoholic Beverage Control Division establish advertising restrictions for dispensaries and cultivation facilities related to artwork,

building signage, product design, indoor displays and other medical marijuana-related advertising. The ballot measure would replace that wording with a requirement that the Division establish advertising restrictions that are “narrowly tailored” to ensure advertising isn’t designed to appeal to children. Packaging also must be child-resistant and designed in a way that doesn’t appeal to children.

- Authorize the Alcoholic Beverage Control Division to issue and renew licenses for non-medical marijuana cultivation facilities and dispensaries, establish labeling requirements and set other rules and regulations.
- Allow transporters and distributors licensed under Amendment 98 to also deliver marijuana to dispensaries and cultivation facilities selling non-medical marijuana.
- Prohibit cities and counties from creating or changing existing zoning laws in a way to restrict dispensaries and cultivation facilities from operating in non-residential areas.
- Allow cities and counties to hold local elections on whether to allow non-medical marijuana sales within their boundaries.
- Establish that the amendment would not prohibit employers from having drug-free workplace policies or property owners from being able to restrict or prohibit the combustion of cannabis on private property.
- Establish that the amendment would not affect existing laws regarding driving under the influence, activities related to cannabis not expressly authorized by law, or purchase, possession or consumption of cannabis by minors.

How did this issue get on the ballot?

Sponsors collected signatures from at least 89,151 Arkansas voters, equal to 10% of the people who voted for governor in the last election, to put Issue 4 on the statewide General Election ballot.

Constitutional amendments require the approval of a majority of voters in a statewide election. Election Day is Nov. 8, 2022.

Who is the sponsor of this amendment?

Responsible Growth Arkansas

When was the last time Arkansas voted on this issue?

In 2016, Arkansas voters approved The Arkansas Medical Marijuana Amendment of 2016, which established a legal process in the state to grow, sell, buy and possess marijuana for specific medical purposes.

Voters approved the citizen-led ballot measure by a vote of 585,030 (53%) in favor to 516,525 (47%) against. The

proposal became Amendment 98 of the Arkansas Constitution.

The first medical marijuana was sold in Arkansas in 2019. In 2021, the state received medical marijuana card applications from 94,142 people.

Does this proposal change medical marijuana qualifications, the process for qualifying patients to obtain cards, or the registration fees for a medical marijuana card?

No.

Who could grow marijuana under this proposal?

Only licensed cultivation facilities and medical marijuana dispensaries could grow marijuana under this proposal. Growing marijuana without one of these licenses would continue to be illegal.

How much marijuana would be legal to possess under this proposal?

Adults 21 and older in Arkansas could legally possess up to 1 ounce of marijuana for non-medical purposes. Possession of non-medical marijuana for people younger than 21 would remain illegal under state law.

Medical marijuana dispensaries would continue to be limited to selling no more than 2.5 ounces of marijuana to a qualifying patient or designated caregiver in a 14-day period. This amount is separate than the 1 ounce people could possess for non-medical purposes.

How many non-medical marijuana cultivation facilities would be allowed under this proposal?

A maximum of 20 non-medical marijuana cultivation licenses would be allowed under this amendment:

- 8 non-medical cultivation licenses would automatically be assigned to owners of the eight existing medical marijuana cultivation facilities in Arkansas. The deadline for the state to issue these licenses, referred to as Tier 1 licenses in the ballot title, would be March 7, 2023.
- 12 non-medical cultivation licenses would be distributed via a lottery system. The deadline for the state to issue these licenses, referred to as Tier 2 licenses in the ballot title, would be Nov. 8, 2023.

How many non-medical marijuana dispensaries would be allowed under this proposal?

A maximum of 120 non-medical dispensary licenses would be allowed under this amendment:

- 80 licenses to sell non-medical marijuana would automatically be assigned to holders of the 40 medical

marijuana dispensary licenses in Arkansas. These medical marijuana dispensaries would be authorized to sell both types of marijuana. They could then open a second location at least 5 miles away from any existing medical marijuana dispensary and sell only non-medical marijuana from that store. The deadline for the state to issue these 80 licenses would be March 7, 2023.

- 40 additional non-medical marijuana dispensary licenses would be distributed via a lottery system. The deadline for the state to issue these remaining licenses would be July 5, 2023.

If approved, when could existing dispensaries start selling marijuana for non-medical reasons?

March 8, 2023.

How is possession defined under this proposal?

The proposed amendment does not include a definition of “possession.”

How is cannabis defined under this proposal?

The proposed amendment defines cannabis as marijuana and other substances including any parts of the plant *Cannabis sativa*, whether growing or not, its seeds and the resin extracted from any part of the plant; and any compound, manufacture, salt, derivative, mixture, isomer or preparation of the plant, including tetrahydrocannabinol and all other cannabinol derivatives, whether produced directly or indirectly by extraction.





Does this proposal mention hemp?

Not specifically by name, but hemp is grown from the same species of plant as marijuana – *Cannabis sativa*. The definition of cannabis under Issue 4 would by default include hemp. Because hemp is regulated under state and federal laws, it is unclear how this proposed amendment would affect research and production of industrial hemp and related products in Arkansas.

Hemp is typically obtained from a different variety or cultivar of the plant than marijuana. Under federal law, hemp has a THC concentration of not more than 0.3%. Changes to the definition of hemp in the Agriculture Improvement Act of 2018, also known as the federal Farm Bill, removed hemp from being considered a controlled substance under federal law¹. States were allowed to create state-level hemp production plans.

Hemp is regulated in Arkansas under the Arkansas Hemp Production Act of 2021, which gave the Arkansas State Plant Board and the Arkansas Department of Agriculture the authority to create and administer rules associated with industrial hemp production and possession. The state's program rules specify that state-licensed hemp growers cannot plant anything other than hemp.

As of the date this voter guide was printed, there were 27 licenses to grow hemp in Arkansas and 11 licenses to handle or process hemp. The University of Arkansas System Division of Agriculture currently has a license under the state program to grow hemp for research purposes only.

How does this proposal affect tax rates on medical marijuana?

If approved, Issue 4 would eliminate all city, county and state sales taxes on medical marijuana that dispensaries and consumers currently pay. The proposal also would eliminate the state's 4% special privilege tax charged on the growing, manufacturing and sales of medical marijuana. Instead, it would impose taxes on the sale of non-medical marijuana.

Repealing the state taxes on medical marijuana also removes the section dictating how the tax revenues are distributed.

The Arkansas Medical Marijuana Amendment on the ballot in 2016 specified how state sales tax revenues would be distributed to state agencies overseeing the program, the state's General Revenue Fund, and a Vocational and Technical Training Special Revenue Fund. Legislators later passed laws changing the distribution of medical marijuana tax revenues.

Currently, revenue from the 6.5% state sales tax on medical marijuana sales goes to the Arkansas Medical Marijuana Implementation and Operations Fund (excluding tax funds dedicated to roads and state parks). Departments that oversee the medical marijuana program receive tax revenues for administering the program. This includes the Alcoholic Beverage Control Division, Department of Finance and Administration, Arkansas Department of Health, and Medical Marijuana Commission (AMMIO).

Additionally, proceeds from a 4% special privilege tax on medical marijuana sales to dispensaries and to consumers goes into the AMMIO fund. Everything beyond operating expenses is directed to the University of Arkansas for Medical Science for its National Cancer Institute Designation Trust Fund.

According to the Medical Marijuana Commission, more than \$70.6 million has been generated through these two taxes since medical marijuana sales started in 2019.

Other taxes that cultivation facilities and dispensary owners pay, such as income and property taxes, would not be affected by this proposal.

Would there be taxes on non-medical marijuana purchases?

Yes. Consumers would pay city, county and state sales taxes when they buy non-medical marijuana at dispensaries.

In addition to the current 6.5% state sales and use tax paid on many goods and services, consumers would pay an additional 10% state sales tax on their non-medical marijuana purchases.

Revenue from the state's supplemental tax on non-medical marijuana sales would be distributed according to this formula:

- 70% would go to the state General Fund. The state would be required to use sales tax revenue and money collected from cultivation licenses to offset the costs of state agencies overseeing the program.
- 15% would be set aside to pay an annual stipend to law enforcement officers certified by the Commission on Law Enforcement Standards and Training and in good standing. The Department of Finance and Administration would be tasked with establishing specific eligibility rules.

¹Defining Hemp: A Fact Sheet. (2019). Congressional Research Service. Retrieved from <https://crsreports.congress.gov/product/pdf/R/R44742>.

- 10% would be used to fund operations at the University of Arkansas for Medical Sciences. UAMS currently receives funding from a 4% special excise tax on medical marijuana sales for its cancer institute, which would be eliminated by this proposed amendment.
- 5% would be used to fund drug court programs authorized by the Arkansas Drug Court Act.

The proposal says no additional excise or privilege tax could be charged on non-medical marijuana sales.

If passed, could a city or county prohibit marijuana sales?

A city, incorporated town or county could prohibit dispensaries within their limits only if voters approve such a prohibition in a local election.

Are there regulations on where a dispensary or growing facility could locate?

Yes. As a part of their original licensing requirements, existing dispensaries are prohibited from opening within 1,500 feet of a public or private school, church or daycare. Cultivation facilities are prohibited within 3,000 feet of those organizations.

This proposal would keep those distance requirements and incorporate changes from Act 1004 of 2019 that added “facilities for individuals with developmental disabilities” to the locations where businesses must distance themselves.

What is the status of marijuana sales across the United States?

Regulations vary by state but as of July 2022 Arkansas is one of 37 states that allow for the use of medical marijuana.

As of this May, 19 states plus Washington D.C., had enacted some type of measure to allow and regulate marijuana for non-medical use, according to the National Conference of State Legislatures².

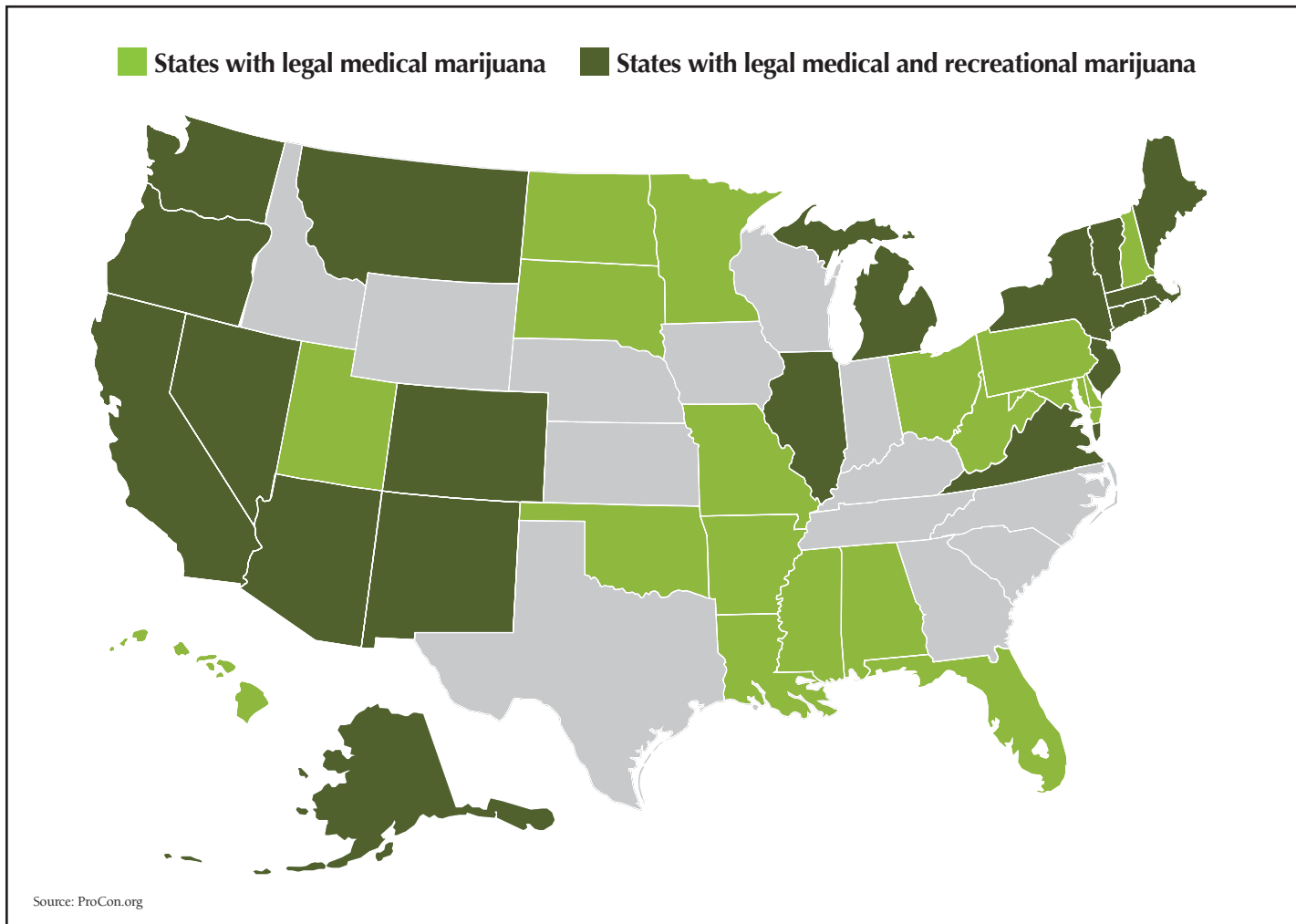
If approved, could state legislators change this amendment during a legislative session? No.

If passed, Issue 4 would explicitly prevent legislators from making any changes to state marijuana laws created by this proposal unless approved by voters during a statewide election.

If approved, when would this proposed amendment take effect?

This amendment would take effect Nov. 18, 2022.

²<https://www.ncsl.org/research/health/state-medical-marijuana-laws.aspx>



The following statements are examples of what supporters and opponents have made public either in media statements, campaign literature, on websites or in interviews with Public Policy Center staff. The University of Arkansas System Division of Agriculture does not endorse or validate these statements.



What do supporters say?

- This initiative reduces healthcare costs by removing taxes from medical cannabis sold to qualified patients, and replacing it with taxes on adult use.
- Ensures that one mistake will not last a lifetime by reforming our state’s existing laws on the possession of small amounts of cannabis for personal use.
- Extends the medical marijuana program into a new adult use industry, with 12 new “craft” cultivation licenses issued via a lottery, which are authorized to grow up to 250 mature plants.
- People ... want this, and we want to be able to provide this to Arkansans in a responsible way. That’s, I think, one of the biggest distinctions between what we’re trying to do and some of the other efforts. We understand that it needs to be regulated. For those folks who are not necessarily supporters of this, we want them to know that we’re going to do this in a responsible way. We’re going to limit the number of stores. It’s not going to be on every corner. There’s not a home grow component. It’s going to be controlled, be able to be taxed and the quality and the quantities are going to be controlled to some degree.
- This is something that is coming our way. We can either be a part of it, or we’re going to lose out to some of our neighboring states in jobs and tax revenue for the state.
- Regardless of what one thinks personally about the prospect of legal recreational marijuana, the revenue created by this ballot initiative would support general fund investments that can unlock the potential of Arkansas – in areas like education starting with preschool, infrastructure starting with broadband, and economic development starting with jobs – while supporting the state drug court program, UAMS, and law enforcement.
- Don’t listen to the people saying we should vote no because the amendment isn’t good enough. The Republicans in charge of the state will never allow an amendment that has things like amnesty for people already in jail for weed, home growing, or protection for workers who smoke. I would love to see these things happen but I’m realistic enough to see it will never happen while Arkansas is controlled by our current lot of Republicans.
- To get that many signatures from Arkansans it can’t be all Democrats, or all Republicans, or all Independents. You need a large swath of Arkansans to get that many signatures. The people want to vote on this and make this decision themselves.
- Enables law enforcement to maintain control of the black market by keeping cannabis out of the hands of minors and unauthorized growers.
- Provides regulatory oversight to keep children safe by limiting the number of licensed businesses and keeping unregulated homegrown cannabis out of our neighborhoods.



What do opponents say?

- Issue 4 will expand illegal drug use in our communities by authorizing the sale and use of drugs that are still 100% illegal under federal law.
- The proposal is too favorable to the industry rather than to the patients and consumers. The proposal will kill the medical program because cultivators and dispensaries will not provide a wide variety of strains that can help ease patients' medical problems. Producers will be incentivized to cater to the recreational consumers and simply grow the strains that have the highest concentrations of THC, the main psychoactive compound in cannabis.
- The only dispensaries that will be able to sell medical are the original 40. The 40 original dispensaries will automatically receive a second license (for rec only). This leaves patients that are having to travel up to two hours to get their medicine will continue to have to drive excess of two hours. That leaves only 40 more dispensaries open for licensing. That is a small number to create competition. Not only that, but you may own up to 18 dispensaries, which would stop any competition.
- There is no provisions for expungement on criminal records, so those that have had their lives destroyed by sometimes as little as a joint, continue to have their lives destroyed while these conglomerates rake in MILLIONS of dollars.
- Giving 10% to police (while I DO support the police) sort of sounds like they are trying to BUY the police hoping a blind eye will be held for illegal dealing that may be in play.
- Issue 4 doesn't just legalize marijuana. It legalizes any drug or chemical extract or derivative that can ever be manufactured from the marijuana plant. It's impossible to say just how far that will go.
- Issue 4 legalizes marijuana in Arkansas, and it prevents lawmakers from enacting reasonable regulations on the marijuana industry.
- The amendment makes sweeping changes to the Arkansas Constitution. It repeals and rewrites some parts of the constitution, and it adds new language to other parts. It is almost impossible to know how far some of these changes go.
- Every drug dog within the State of Arkansas would have to be de-certified and replaced with one that does not include marijuana as a detectable substance. That alone would open the door for a mass influx of other controlled substances, such as methamphetamine, cocaine, fentanyl, heroin, among others, into the state, if the amendment is enacted, and before the State can fund and train a whole new set of dogs for every location where a drug dog is currently in use in the State of Arkansas.
- Unlike other states the Arkansas law does not exempt hemp from the definition of Cannabis sativa. The Arkansas law would do away with the existing hemp laws in Arkansas and require that all hemp and hemp products be grown and sold only through the licensed cultivators and dispensaries.

The following is the proposed constitutional amendment name and title as they will appear on the state's November General Election ballot.

**CONSTITUTIONAL AMENDMENT REFERRED TO THE PEOPLE BY
RESPONSIBLE GROWTH ARKANSAS**

**Issue No. 4
(Popular Name)**

An Amendment to Authorize the Possession, Personal Use, and Consumption of Cannabis by Adults, to Authorize the Cultivation and Sale of Cannabis by Licensed Commercial Facilities, and to Provide for the Regulation of those Facilities.

(Ballot Title)

AN AMENDMENT TO THE ARKANSAS CONSTITUTION AUTHORIZING POSSESSION AND USE OF CANNABIS (I.E., MARIJUANA) BY ADULTS, BUT ACKNOWLEDGING THAT POSSESSION AND SALE OF CANNABIS REMAIN ILLEGAL UNDER FEDERAL LAW; AUTHORIZING LICENSED ADULT USE DISPENSARIES TO SELL ADULT USE CANNABIS PRODUCED BY LICENSED MEDICAL AND ADULT USE CULTIVATION FACILITIES, INCLUDING CANNABIS PRODUCED UNDER AMENDMENT 98, BEGINNING MARCH 8, 2023 AND AMENDING AMENDMENT 98 CONCERNING MEDICAL MARIJUANA IN PERTINENT PART, INCLUDING: AMENDING AMENDMENT 98, § 3(E) TO ALLOW LICENSED MEDICAL OR ADULT USE DISPENSARIES TO RECEIVE, TRANSFER, OR SELL MARIJUANA TO AND FROM MEDICAL AND ADULT USE CULTIVATION FACILITIES, OR OTHER MEDICAL OR ADULT USE DISPENSARIES, AND TO ACCEPT MARIJUANA SEEDS FROM INDIVIDUALS LEGALLY AUTHORIZED TO POSSESS THEM; REPEALING AMENDMENT 98, § 8(C) REGARDING RESIDENCY REQUIREMENTS; REPEALING AND REPLACING AMENDMENT 98, §§ 8(E)(5) (A)-(B) AND 8(E)(8)(A)-(F) WITH REQUIREMENTS FOR CHILD-PROOF PACKAGING AND RESTRICTIONS ON ADVERTISING THAT APPEALS TO CHILDREN; AMENDING AMENDMENT 98, § 8(K) TO EXEMPT INDIVIDUALS OWNING LESS THAN 5% OF DISPENSARY OR CULTIVATION LICENSEES FROM CRIMINAL BACKGROUND CHECKS; AMENDING AMENDMENT 98, § 8(M)(1)(A) TO REMOVE A PROHIBITION ON DISPENSARIES SUPPLYING, POSSESSING, MANUFACTURING, DELIVERING, TRANSFERRING, OR SELLING PARAPHERNALIA THAT REQUIRES THE COMBUSTION OF MARIJUANA; AMENDING AMENDMENT 98, § 8(M)(3)(A)(I) TO INCREASE THE MARIJUANA PLANTS THAT A DISPENSARY LICENSED UNDER THAT AMENDMENT MAY GROW OR POSSESS AT ONE TIME FROM 50 TO 100 PLUS SEEDLINGS; AMENDING AMENDMENT 98, § 8(M)(4)(A)(II) TO ALLOW CULTIVATION FACILITIES TO SELL MARIJUANA TO DISPENSARIES, ADULT USE DISPENSARIES, PROCESSORS, OR OTHER CULTIVATION FACILITIES; AMENDING AMENDMENT 98, §§ 10(B)(8)(A) AND 10(B)(8)(G) TO PROVIDE THAT LIMITS ON THE AMOUNT OF MEDICAL MARIJUANA DISPENSED SHALL NOT INCLUDE ADULT USE CANNABIS PURCHASES; AMENDING AMENDMENT 98, §§ 12(A)(1) AND 12(B)(1) TO PROVIDE THAT DISPENSARIES AND DISPENSARY AGENTS MAY DISPENSE MARIJUANA FOR ADULT USE; AMENDING AMENDMENT 98, § 13(A) TO ALLOW MEDICAL AND ADULT USE CULTIVATION FACILITIES TO SELL MARIJUANA TO ADULT USE DISPENSARIES; REPEALING AMENDMENT 98, § 17 AND PROHIBITING STATE OR LOCAL TAXES ON THE CULTIVATION, MANUFACTURING, SALE, USE, OR POSSESSION OF MEDICAL MARIJUANA; REPEALING AMENDMENT 98, § 23 AND PROHIBITING LEGISLATIVE AMENDMENT, ALTERATION, OR REPEAL OF AMENDMENT 98 WITHOUT VOTER APPROVAL; AMENDING AMENDMENT 98, § 24(F)(1)(A)(I) TO ALLOW TRANSPORTERS OR DISTRIBUTORS LICENSED UNDER AMENDMENT 98 TO DELIVER MARIJUANA TO ADULT USE DISPENSARIES AND CULTIVATION FACILITIES LICENSED UNDER THIS AMENDMENT; REQUIRING THE ALCOHOLIC BEVERAGE CONTROL DIVISION OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION (“ABC”) TO REGULATE ISSUANCE AND RENEWAL OF LICENSES FOR CULTIVATION

FACILITIES AND ADULT USE DISPENSARIES AND TO REGULATE LICENSEES; REQUIRING ADULT USE DISPENSARIES TO PURCHASE CANNABIS ONLY FROM LICENSED MEDICAL OR ADULT USE CULTIVATION FACILITIES AND DISPENSARIES; REQUIRING ISSUANCE OF TIER ONE ADULT USE CULTIVATION FACILITY LICENSES TO CULTIVATION FACILITY LICENSEES UNDER AMENDMENT 98 AS OF NOVEMBER 8, 2022, TO OPERATE ON THE SAME PREMISES AS THEIR EXISTING FACILITIES AND FORBIDDING ISSUANCE OF ADDITIONAL TIER ONE ADULT USE CULTIVATION LICENSES; REQUIRING ISSUANCE OF ADULT USE DISPENSARY LICENSES TO DISPENSARY LICENSEES UNDER AMENDMENT 98 AS OF NOVEMBER 8, 2022, FOR DISPENSARIES ON THEIR EXISTING PREMISES AND AT ANOTHER LOCATION LICENSED ONLY FOR ADULT USE CANNABIS SALES; REQUIRING ISSUANCE BY LOTTERY OF 40 ADDITIONAL ADULT USE DISPENSARY LICENSES AND 12 TIER TWO ADULT USE CULTIVATION FACILITY LICENSES; PROHIBITING CULTIVATION FACILITIES AND DISPENSARIES NEAR SCHOOLS, CHURCHES, DAY CARES, OR FACILITIES SERVING THE DEVELOPMENTALLY DISABLED THAT EXISTED BEFORE THE EARLIER OF THE INITIAL LICENSE APPLICATION OR LICENSE ISSUANCE; REQUIRING ALL ADULT USE ONLY DISPENSARIES TO BE LOCATED AT LEAST FIVE MILES FROM DISPENSARIES LICENSED UNDER AMENDMENT 98; PROHIBITING INDIVIDUALS FROM HOLDING OWNERSHIP INTERESTS IN MORE THAN 18 ADULT USE DISPENSARIES; REQUIRING ABC ADOPTION OF RULES GOVERNING LICENSING, RENEWAL, OWNERSHIP TRANSFERS, LOCATION, AND OPERATION OF CULTIVATION FACILITIES AND ADULT USE DISPENSARIES LICENSED UNDER THIS AMENDMENT, AS WELL AS OTHER RULES NECESSARY TO ADMINISTER THIS AMENDMENT; PROHIBITING POLITICAL SUBDIVISIONS FROM USING ZONING TO RESTRICT THE LOCATION OF CULTIVATION FACILITIES AND DISPENSARIES IN AREAS NOT ZONED RESIDENTIAL-USE ONLY WHEN THIS AMENDMENT IS ADOPTED; ALLOWING POLITICAL SUBDIVISIONS TO HOLD LOCAL OPTION ELECTIONS TO PROHIBIT RETAIL SALES OF CANNABIS; ALLOWING A STATE SUPPLEMENTAL SALES TAX OF UP TO 10% ON RETAIL CANNABIS SALES FOR ADULT USE, DIRECTING A PORTION OF SUCH TAX PROCEEDS TO BE USED FOR AN ANNUAL STIPEND FOR CERTIFIED LAW ENFORCEMENT OFFICERS, THE UNIVERSITY OF ARKANSAS FOR MEDICAL SCIENCES AND DRUG COURT PROGRAMS AUTHORIZED BY THE ARKANSAS DRUG COURT ACT, § 16-98-301 WITH THE REMAINDER GOING INTO GENERAL REVENUES, AND REQUIRING THE GENERAL ASSEMBLY TO APPROPRIATE FUNDS FROM LICENSING FEES AND SALES TAXES ON CANNABIS TO FUND AGENCIES REGULATING CANNABIS; PROVIDING THAT CULTIVATION FACILITIES AND ADULT USE DISPENSARIES ARE OTHERWISE SUBJECT TO THE SAME TAXATION AS OTHER FOR-PROFIT BUSINESSES; PROHIBITING EXCISE OR PRIVILEGE TAXES ON RETAIL SALES OF CANNABIS FOR ADULT USE; PROVIDING THAT THIS AMENDMENT DOES NOT LIMIT EMPLOYER CANNABIS POLICIES, LIMIT RESTRICTIONS ON CANNABIS COMBUSTION ON PRIVATE PROPERTY, AFFECT EXISTING LAWS REGARDING DRIVING UNDER THE INFLUENCE OF CANNABIS, PERMIT MINORS TO BUY, POSSESS, OR CONSUME CANNABIS, OR PERMIT CULTIVATION, PRODUCTION, DISTRIBUTION, OR SALE OF CANNABIS NOT EXPRESSLY AUTHORIZED BY LAW; AND PROHIBITING LEGISLATIVE AMENDMENT, ALTERATION, OR REPEAL OF THIS AMENDMENT WITHOUT VOTER APPROVAL.

FOR ISSUE NO. 4

AGAINST ISSUE NO. 4