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operating hours.

New Sec. 45. (a) The director of alcoholic beverage control shall establish and maintain an electronic database to monitor medical marijuana from its seed source through its cultivation, testing, processing, distribution and dispensing. The director may contract with a separate entity to establish and maintain all or any portion of the electronic database on behalf of the division of alcoholic beverage control.

- (b) The electronic database shall allow for information regarding medical marijuana to be updated instantaneously. Any licensed cultivator, laboratory, processor, distributor or retail dispensary shall submit such information to the director as the director determines is necessary for maintaining the electronic database.
- (c) The director, any employee of the division, any entity under contract with the director and any employee or agent thereof shall not make public any information reported to or collected by the director under this section that identifies or would tend to identify any specific patient. Such information shall be kept confidential to protect the privacy of the patient. The provisions of this subsection shall expire on July 1, 2026, unless the legislature reviews and reenacts such provisions in accordance with K.S.A. 45-229, and amendments thereto, prior to July 1, 2026.

New Sec. 46. (a) The director of alcoholic beverage control may, in cooperation with the state treasurer, establish a closed-loop payment processing system whereby the state treasurer creates accounts to be used only by registered patients and caregivers at licensed retail dispensaries and all licensed cultivators, laboratories, processors and distributors. The system may include record-keeping and accounting functions that identify all parties in transactions involving the purchase and sale of medical marijuana. If established, such system shall be designed to prevent:

- (1) Revenue from the sale of marijuana going to criminal enterprises, gangs and cartels;
- (2) the diversion of marijuana from a state where it is legal in some form under that state's law to another state;
 - (3) the distribution of marijuana to minors; and
- (4) the use of state-authorized marijuana activity as a cover or pretext for the trafficking of other illegal drugs or for other illegal activity.
- (b) The information recorded by the system shall be fully accessible to the department of health and environment, the director and all state and federal law enforcement agencies, including the United States department of the treasury's financial crimes enforcement network.

New Sec. 47. (a) Except as provided in subsections (b) and (c), no licensed cultivator, laboratory, processor, distributor or retail dispensary shall be located within 1,000 feet of the boundaries of a parcel of real estate having situated on it a school, religious organization, public library

Proposed Amendment SB 158
Payment Processing System
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Prepared by M Sterling
Office of Revisor of Statutes