

HOUSE FLOOR AMENDMENT

Second Reading

BY REPRESENTATIVE Frizell

1 Amend reengrossed bill, page 60, after line 1 insert:

2 **"44-50-303. Application and issuance - proof of financial**
3 **responsibility.** (1) THE STATE LICENSING AUTHORITY SHALL NOT ISSUE
4 OR RENEW A LICENSE PURSUANT TO THIS ARTICLE 50 UNLESS THE
5 APPLICANT OR LICENSEE FILES, IN THE FORM AND MANNER DETERMINED BY
6 THE STATE LICENSING AUTHORITY, PROOF OF FINANCIAL RESPONSIBILITY
7 IN AN AMOUNT OF NOT LESS THAN ONE HUNDRED FIFTY THOUSAND
8 DOLLARS FOR EACH LICENSE FOR LIABILITY FOR BODILY INJURY TO
9 LAWFUL USERS RESULTING FROM THE CULTIVATION, MANUFACTURING,
10 TESTING, STORAGE, DISTRIBUTION, TRANSPORT, TRANSFER, OR
11 DISPENSATION OF REGULATED NATURAL MEDICINE OR REGULATED
12 NATURAL MEDICINE PRODUCT.

13 (2) THE PROOF OF FINANCIAL RESPONSIBILITY REQUIRED PURSUANT
14 TO SUBSECTION (1) OF THIS SECTION MUST BE A LIABILITY INSURANCE
15 POLICY THAT:

16 (a) DOES NOT INCLUDE A CONDITION, PROVISION, STIPULATION, OR
17 LIMITATION IN THE POLICY OR ANY OTHER ENDORSEMENT THAT RELIEVES
18 THE INSURER FROM LIABILITY FOR THE PAYMENT OF ANY CLAIM FOR
19 WHICH THE INSURED MAY BE HELD LIABLE; AND

20 (b) COVERS BODILY INJURY TO A PERSON, INCLUDING INJURY
21 CAUSED BY THE INTENTIONAL CONDUCT OF THE APPLICANT, LICENSEE, OR
22 AGENT THEREOF. HOWEVER, THE POLICY IS NOT REQUIRED TO COVER
23 BODILY INJURY CAUSED WITH INTENT TO HARM BY THE APPLICANT,
24 LICENSEE, OR AGENT THEREOF.

25 (3) AN APPLICANT OR LICENSEE MUST INCLUDE WITH THE FILING
26 REQUIRED PURSUANT TO THIS SECTION AN ATTESTATION OF COMPLIANCE
27 WITH THIS SECTION ON A FORM APPROVED BY THE STATE LICENSING
28 AUTHORITY. AN OFFICER OF THE INSURER THAT ISSUES THE LIABILITY
29 INSURANCE POLICY DESCRIBED IN THIS SECTION MUST SIGN THE
30 ATTESTATION OF COMPLIANCE.

31 (4) AN APPLICANT OR A LICENSEE MAY FURNISH PROOF OF
32 FINANCIAL RESPONSIBILITY THAT EXCEEDS THE REQUIREMENTS OF THIS
33 SECTION.

34 (5) IF AT ANY TIME A LICENSEE FAILS TO MAINTAIN PROOF OF
35 FINANCIAL RESPONSIBILITY AS REQUIRED PURSUANT TO THIS SECTION, THE
36 STATE LICENSING AUTHORITY SHALL IMMEDIATELY SUSPEND THE
37 LICENSEE'S LICENSE UNTIL THE LICENSEE PROVIDES PROOF TO THE STATE
38 LICENSING AUTHORITY AS REQUIRED.

39 (6) AN INSURED LICENSEE SHALL NOT CANCEL THE INSURANCE
40 POLICY REQUIRED PURSUANT TO THIS SECTION UNLESS THE LICENSEE
41 GIVES NOT LESS THAN THIRTY DAYS' PRIOR WRITTEN NOTICE TO THE STATE
42 LICENSING AUTHORITY AND PROCURES A NEW PROOF OF FINANCIAL
43 RESPONSIBILITY POLICY REQUIRED UNDER THIS SECTION WITH THE STATE
44 LICENSING AUTHORITY WITHIN THIRTY DAYS AFTER GIVING NOTICE TO THE
45 STATE LICENSING AUTHORITY OF THE CANCELLATION OF THE INITIAL
46 INSURANCE POLICY."

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