



Ohio Administrative Code

Rule 3796:6-2-11 Medical marijuana dispensary - license bond.

Effective: September 8, 2017

(A) For the purposes of this rule, a bond is a requirement for the issuance of a dispensary license, the maintenance of a certificate, or reactivation of a license. The bond shall be used to guarantee that the dispensary complies with state tax requirements and conducts the dispensary operations in accordance with Chapter 3796. of the Revised Code and this division.

(B) Evidence of financial responsibility shall be provided by one of the following:

(1) Establishing and maintaining an escrow or surety account in an Ohio financial institution in the amount of fifty thousand dollars, with escrow terms, approved by the state board of pharmacy, that it shall be payable to the treasurer, state of Ohio, in the event of circumstances provided in paragraph (A) of this rule. A financial institution may not return money in an escrow or surety account to the dispensing organization that established the account or a representative of the organization unless the organization or representative presents a statement issued by the state board of pharmacy indicating that the account may be released.

(2) Providing a surety bond in the amount of fifty thousand dollars, naming the dispensing organization as principal of the bond, with terms, approved by the state board of pharmacy, that the bond defaults to the state board of pharmacy in the event of circumstances outlined in paragraph (A) of this rule. Bond terms include:

(a) The bond must be written by a surety company authorized and licensed through the state of Ohio;

(b) The business name and registration number on the bond must correspond exactly with the business name and registration number in the state board of pharmacy records;

(c) The bond must be written on a form approved by the state board of pharmacy;

(d) A copy of the bond must be received by the state board of pharmacy within ninety days after the



effective date of the provisional license;

(e) The state board of pharmacy shall receive written notice within thirty calendar days of when a dispensary knows a bond will be canceled. If a bond is canceled and the licensee fails to file a new bond with the state board of pharmacy in the required amount on or before the effective date of cancellation, the license may be revoked. The total and aggregate liability of the surety on the bond is limited to the amount specified by the bond.

(3) The provisions of this rule shall be operative at all times during which a bond, escrow account, or surety account are available in the market place.