

April 8, 2025

The Honorable Joseph J. Solomon, Jr. Chairman, House Committee on Corporations Rhode Island House of Representatives 82 Smith Street Providence, RI 02903

Subject: H 6056 – An Act Relating to Food and Drugs – The Rhode Island Hemp THC-Infused Beverages Act

Dear Chairman Solomon,

I write to provide background and context regarding House Bill 6056, also known as the Rhode Island Hemp THC-Infused Beverages Act. While we support the development of thoughtful, comprehensive regulation of cannabinoid products, we respectfully submit that the legislation in its current form presents several challenges that warrant further consideration, particularly in the areas of public safety, public health, impact to small businesses, and regulatory conflicts across state agencies.

Public Safety - Risks of Onsite Consumption Without Adequate Oversight

H6056 would permit the sale and onsite consumption of intoxicating hemp-derived beverages in licensed venues such as bars and restaurants. While we recognize the intent to create new market opportunities, this shift introduces significant public safety concerns. The Rhode Island Cannabis Act intentionally deferred regulating social consumption establishments until a regulatory framework could be thoughtfully analyzed and developed, one that considers issues such as impaired driving, enforcement, municipal impact, and community education. Our Commission has not completed studying and evaluating this type of licensed activity and has assigned these topics to the Cannabis Advisory Board to continue studying this calendar year. Moving forward without adequate safeguards may inadvertently compromise public safety.

Public Health – Unregulated THC Potency and Product Safety

The legislation allows for products containing up to 5mg of Delta-9 THC per serving to be sold outside of licensed cannabis retailers, and without requiring product testing, labeling restrictions, and additional safety protocols required under current and forthcoming cannabis regulations. The Department of Business Regulation's 2024 update to the hemp regulations underscored the importance of consistent standards across cannabinoid products. The absence of clear requirements for psychoactive hemp-derived products increases the risk of accidental overconsumption and potential exposure to vulnerable populations, including youth.

Impacts on Small Rhode Island Businesses

H6056, as written, would revoke several existing hemp licenses, affecting small business owners in

Rhode Island who have invested significantly to comply with state regulations. Moreover, the bill's approach of linking the ability to sell cannabinoid beverages to alcohol licenses creates structural barriers that may exclude entrepreneurs in different sectors and contradicts the state's commitment to building a robust cannabis economy. The Office of Cannabis Regulation currently licenses wholesale distributors and retailers of hemp-derived THC beverages. Approximately one-third of these licensees are Rhode Island, licensed liquor stores or liquor wholesalers.

Regulatory Fragmentation and Inconsistency with the Governor's Proposed Budget

The bill also conflicts with Article 10 of the Governor's FY2025 proposed budget, which calls for the transfer of regulatory authority over hemp-derived cannabinoids from the Department of Business Regulation to the Cannabis Control Commission. Hemp and cannabis are derived from the same plant and as such, should be regulated by the same agency to avoid confusion. By assigning enforcement responsibilities to the Department of Business Regulation and requiring licenses from multiple agencies, including the Department of Health and Department of Revenue, H6056 risks creating a fragmented regulatory system that could confuse licensees, burden agencies with duplicative oversight, and leaves gaps in public protection. Rhode Island has worked diligently to establish a clear and unified regulatory framework for both cannabis and hemp; this bill would deviate from these aligned regulatory structures.

We respectfully ask the General Assembly to consider pausing the advancement of H6056 to allow for additional study, stakeholder engagement, and alignment with the state's broader cannabis and hemp regulatory strategy. The Commission remains committed to working collaboratively with the legislature and other state agencies to ensure that Rhode Island's regulatory framework promotes innovation while safeguarding public health, safety, and equity.

Thank you for your thoughtful consideration.

Sincerely,

Kimberly Ahern, Chairperson

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Rhode Island Cannabis Control Commission

CC: The Honorable Members of the House Committee on Corporations The Honorable Jacquelyn M. Baginski Nicole McCarty, Esquire, Chief Legal Counsel Lynne Urbani, Director of House Policy