1	ARTICLE 20
2	SECTION 1. Sections 2-26-1, 2-26-3, 2-26-4, 2-26-5, 2-26-6, and 2-26-7 of the General Laws in
3	Chapter 2-26 entitled "Hemp Growth Act" are hereby amended as follows:
4	2-26-1. Short title.
5	This chapter shall be known and may be cited as the "Industrial Hemp Growth Act."
6	2-26-3. Definitions.
7	When used in this chapter, the following terms shall have the following meanings:
8	(1) "Applicant" means any person, firm, corporation, or other legal entity who or that, on his, her,
9	or its own behalf, or on behalf of another, has applied for permission to engage in any act or activity that is
10	regulated under the provisions of this chapter.
11	(2) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana sativa L,
12	whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound,
13	manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin regardless of cannabinoid
14	content or cannabinoid potency including "marijuana" and "industrial hemp" or "industrial hemp products"
15	which satisfy the requirements of this chapter.
16	(3) "Cannabidiol" or "CBD" means cannabidiol (CBD) derived from a hemp plant as defined in §
17	2-26-3(8), not including products derived from exempt cannabis plant material as defined in 21 C.F.R. §
18	<u>1308.35.</u>
19	(2) (4)"Department" means the office of cannabis regulation within the department of business
20	regulation.
21	(3) (5) "Division" means the division of agriculture in the department of environmental
22	management.
23	(4) (6) "Grower" means a person or entity who or that produces hemp for commercial purposes.
24	(5) (7) "Handler" means a person or entity who or that produces
25	or processes hemp or agricultural hemp seed for processing into commodities or who
26	manufactures hemp, products, or agricultural hemp seed.
27	(6) (8) "Hemp" or <u>"industrial hemp"</u> means the plant of the genus cannabis and any part of such
28	plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration that does not exceed three-
29	tenths percent (0.3%) on a dry-weight basis of any part of the plant cannabis, or per volume or weight of
30	marijuana product or the combined percent of delta-9 tetrahydrocannabinol and tetrahydrocannabinolic acid
31	in any part of the plant cannabis regardless of the moisture content. Hemp is also commonly referred to in

1 this context as "industrial hemp." means the plant Cannabis sativa L. and any part of that plant, including

2 the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers,

3 whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on

- 4 <u>a dry weight or per volume basis regardless of moisture content, and which satisfies the requirements of</u>
- 5 this chapter.
- 6 (9) "Hemp-derived consumable CBD product" means any product meant for ingestion, including
 7 but not limited to concentrates, extracts, and cannabis-infused foods and products, which contains
 8 cannabidiol derived from a hemp plant as defined in § 2-26-3(8), which shall only be sold to persons age
 9 twenty-one (21) or older, and which shall not include not including products derived from exempt cannabis
- 10 plant material as defined in 21 C.F.R. § 1308.35.
- (7) (10) "Hemp products" or "industrial hemp products" means all products made from the plants,
 including, but not limited to, concentrated oil, cloth, cordage, fiber, food, fuel, <u>hemp-derived consumable</u>
 <u>CBD products</u>, paint, paper, construction materials, plastics, seed, seed meal, seed oil, and <u>seed</u> certified
 for cultivation-, <u>which satisfy the requirements of this chapter.</u>
- 15 (11) "Licensed CBD distributor" means a person licensed to distribute hemp-derived consumable
- 16 <u>CBD products pursuant to this chapter.</u>
- 17 (12) "Licensed CBD retailer" means a person licensed to sell hemp-derived consumable CBD
 18 products pursuant to this chapter.
- 19 (8) (13) "THC" means tetrahydrocannabinol, the principal psychoactive constituent of cannabis.
- 20 (9) (14) "THCA" means tetrahydrocannabinol acid.
- 21 **2-26-4. Hemp an agricultural product.**

Hemp is an agricultural product that may be grown as a crop, produced, possessed, distributed, <u>sold</u> <u>at retail</u>, and commercially traded pursuant to the provisions of this chapter. Hemp is subject to primary regulation by the department. The division may assist the department in the regulation of hemp growth and production.

- 26 **2-26-5.** Authority over licensing and sales.
- (a) The department shall promulgate rules and regulations for the licensing and regulation of hemp
 growers, and-handlers, licensed CBD distributors, and licensed CBD retailers and or persons otherwise
 employed by the applicant and shall be responsible for the enforcement of such licensing and regulation.
- 30 (b) All growers, and handlers, and licensed CBD distributors, and licensed CBD retailers must have
- a hemp license issued by the department. All production, distribution and retail sale of hemp-derived
- 32 consumable CBD products must be consistent with any applicable state or local food processing and safety
- 33 regulations, and the applicant shall be responsible to ensure its compliance with such regulations and any

applicable food safety licensing requirements including but not limited to those promulgated by the Rhode 1 2 Island Department of Health. 3 4 (c) The application for a hemp license shall include, but not be limited to, the following: 5 (1) (i) The name and address of the applicant who will supervise, manage, or direct the growing 6 and handling of hemp and the names and addresses of any person or entity partnering or providing 7 consulting services regarding the growing or handling of hemp-; and 8 (ii) The name and address of the applicant who will supervise, manage, or direct the distribution or 9 sale of hemp-derived consumable CBD products, and names and addresses of any person or entity 10 partnering or providing consulting services regarding the distribution or sale of hemp-derived CBD 11 products. 12 (2) A certificate of analysis that the seeds or plants obtained for cultivation are of a type and variety 13 that do not exceed the maximum concentration of delta-9 THC, as set forth in § 2-26-3(8); any seeds that 14 are obtained from a federal agency are presumed not to exceed the maximum concentration and do not 15 require a certificate of analysis. 16 (3) (i) The location of the facility, including the Global Positioning System location, and other field 17 reference information as may be required by the department with a tracking program and security layout to 18 ensure that all hemp grown is tracked and monitored from seed to distribution outlets-; and 19 (ii) The location of the facility and other information as may be required by the department as to 20 where the distribution or sale of hemp-derived consumable CBD products will occur. 21 (4) An explanation of the seed to sale tracking, cultivation method, extraction method, and

certificate of analysis or certificate of analysis for the standard hemp seeds or hemp product if required by
 the department.

- (5) Verification, prior to planting any seed, that the plant to be grown is of a type and variety of
 hemp that will produce a delta-9 THC concentration of no more than three-tenths of one percent (0.3%) on
 a dry-weight basis.
- 27 (6) Documentation that the licensee and/or its agents have entered into a purchase agreement with
 28 a hemp handler, or processor, distributor or retailer, if required by the department.

29 (7) All applicants:

(i) Shall apply to the state police, <u>attorney general</u>, <u>or local law enforcement</u> for a National Criminal
Identification records check that shall include fingerprints submitted to the Federal Bureau of Investigation.
Upon the discovery of a disqualifying conviction defined in paragraph (iv) and (v), and in accordance with
the rules promulgated by the department, the state police shall inform the applicant, in writing, of the nature

1 of the conviction, and the state police shall notify the department, in writing, without disclosing the nature 2 of the conviction, that a conviction has been found;

3 (ii) In those situations in which no conviction has been found, the state police shall inform the 4 applicant and the department, in writing, of this fact;

5 (iii) All applicants shall be responsible for any expense associated with the criminal background 6 check with fingerprints.

7 (iv) Any applicant who has been convicted of any felony offense under chapter 28 of title 21, or 8 any person who has been convicted of murder, manslaughter, first-degree sexual assault, second-degree 9 sexual assault, first-degree child molestation, second-degree child molestation, kidnapping, first-degree 10 arson, second-degree arson, mayhem, robbery, burglary, breaking and entering, assault with a dangerous 11 weapon, or any assault and battery punishable as a felony or assault with intent to commit any offense 12 punishable as a felony, shall be disqualified from holding any license or permit under this chapter. The 13 department shall notify any applicant, in writing, of for a denial of a license pursuant to this subsection.

14 (v) For purposes of this section, "conviction" means, in addition to judgments of conviction entered 15 by a court subsequent to a finding of guilty, or plea of guilty, those instances where the defendant has 16 entered a plea of nolo contendere and has received a jail sentence or a suspended jail sentence, or those 17 instances wherein the defendant has entered into a deferred sentence agreement with the Rhode Island 18 attorney general and the period of deferment has not been completed.

(8) Any other information as set forth in rules and regulations as required by the department.

19

20

(d) All employees of the applicant shall register with the Rhode Island state police.

(e) (d) The department shall issue a hemp license to the grower or handler applicant if he, she, or it 21 22 meets the requirements of this chapter, upon the applicant paying a licensure fee of two thousand five hundred dollars (\$2,500). Said license shall be renewed every two (2) years upon payment of a two thousand 23 24 five hundred dollar (\$2,500) renewal fee. Any licensee convicted of any disqualifying offense described in subsection (c)(7)(iv) shall have his, her, or its license revoked. All license fees shall be directed to the 25 department to help defray the cost of enforcement. The department shall collect a nonrefundable application 26 27 fee of two hundred fifty dollars (\$250) for each application to obtain a license.

28

(e) Any grower or handler license applicant or license holder may also apply for, and be issued a 29 CBD distributor and/or CBD retailer license at no additional cost provided their grower or handler license 30 is issued or renewed. CBD distributor and CBD retailer licenses shall be renewed each year at no additional

31 fee provided the applicant also holds or renews a grower and/or handler license.

32 (f) For applicants who do not hold, renew, or receive a grower or handler license, CBD handler 33 distributor and CBD retailer licenses shall have a licensure fee of five hundred dollars (\$500). Said licenses 1 <u>shall be renewed each year upon approval by the department and payment of a five hundred dollars (\$500)</u>

2 <u>renewal fee.</u>

3 **2-26-6. Rulemaking authority.**

(a) The department shall adopt rules to provide for the implementation of this chapter, which shall
include rules to require hemp to be tested during growth for THC levels and to require inspection of hemp
during sowing, growing season, harvest, storage, and processing. Included in these rules should be a system
requiring the licensee to submit crop samples to an approved testing facility, as determined by the
department, for testing and verification of compliance with the limits on delta-9 THC concentration.

9 (b) The department shall adopt rules and regulations for all operational requirements for licensed
 10 growers, handlers, CBD distributors and retailers, including without limitation regulations to ensure
 11 consistency in manufactured products and appropriate packaging, labeling, and placement with respect to

12 retail sales.

(b) (c) The department shall not adopt under this or any other section, a rule that would prohibit a
 person or entity to grow, or distribute or sell hemp based solely on the legal status of hemp under federal
 law.

(d) The department may adopt rules and regulations based on federal law provided those rules and
 regulations are designed to comply with federal guidance and mitigate federal enforcement against the

18 licenses issued under this chapter.

19 **2-26-7.** RegistrationLicensure.

(a) Except as provided in this section, beginning sixty (60) days after the effective date of this
chapter, the department shall accept the application for licensure to cultivate hemp submitted by the
applicant.

(b) A person or entity registered with licensed by the department pursuant to this chapter shall allow hemp crops or hemp products, throughout sowing, year-long growing seasons, harvest storage, and processing, manufacturing, and retail facilities, to be inspected and tested by and at the discretion of the department and as required pursuant to any applicable state or local food processing and safety regulations including but not limited to those promulgated by the Rhode Island Department of Health..

28 SECTION 2. Chapter 2-26 of the General Laws entitled "Hemp Growth Act" is hereby amended
29 by adding the following Sections 2-26-10, 2-26.11 and 2-26-12:

30 <u>2-26-10 Tax obligations; enforcement.</u>

31 Licensees under this chapter shall comply with provisions of chapter 44-49.1 of the general laws,

32 and upon the failure of a licensee to comply with its obligations under chapter 44-49.1 the department may

33 revoke or suspend a license upon the request of the tax administrator.

34 **<u>2-26-11 Enforcement of violations of chapter.</u>**

- 1 (a) (1) Notwithstanding any other provision of this chapter, if the director of the department or his 2 or her designee has cause to believe that a violation of any provision of this chapter 2-26 or any regulations 3 promulgated hereunder has occurred by a licensee that is under the department's jurisdiction pursuant to this chapter, or that any person or entity is conducting any activities requiring licensure by the department 4 5 under this chapter or the regulations promulgated hereunder without such licensure, the director or his or 6 her designee may, in accordance with the requirements of the administrative procedures act, chapter 35 of 7 title 42: 8 (i) Revoke or suspend a license; 9 (ii) Levy an administrative penalty in an amount established pursuant to regulations promulgated 10 by the department; 11 (iii) Order the violator to cease and desist such actions; 12 (iv) Require a licensee or person or entity conducting any activities requiring licensure under this chapter 2-26 to take such actions as are necessary to comply with such chapter and the regulations 13 14 promulgated thereunder; or 15 (v) Any combination of the above penalties. 16 (2) If the director of the department finds that public health, safety, or welfare requires emergency 17 action, and incorporates a finding to that effect in his or her order, summary suspension of license and/or 18 cease and desist may be ordered pending proceedings for revocation or other action. These proceedings 19 shall be promptly instituted and determined. 20 2-26-12 Revenue. 21 (a) There is created within the general fund a restricted receipt account to be known as the 22 "industrial hemp licensing" or "industrial hemp licensing program" account. Fees collected pursuant to this 23 chapter shall be deposited into this account and be used to finance costs of administering this chapter, 24 including but not limited to licensing, inspections, and enforcement. The restricted receipt account will be 25 housed within the budgets of the departments of business regulation, behavioral healthcare, developmental 26 disabilities and hospitals, health, revenue and public safety, and the executive office of health and human 27 services. All amounts deposited into the industrial hemp licensing account shall be exempt from the indirect 28 cost recovery provisions of § 35-4-27.
- (b) All revenues remaining in the restricted-receipt accounts after payments specified in subsection
 (a) of this section shall first be paid to cover any existing deficit in the department of business regulation's
 restricted-receipt account. These transfers shall be made annually on the last business day of the fiscal year.

- (c) All revenues remaining in the restricted-receipt accounts after payments specified in subsections
- 2 (a) and (b) shall be paid into the state's general fund. These payments shall be made annually on the last
- 3 business day of the fiscal year.
- 4 SECTION 3. Section 21-28-1.02 of Chapter 21-28 of the General Laws entitled "Uniform
 5 Controlled Substances Act" is hereby amended as follows:
- 6

1

§ 21-28-1.02. Definitions. [Effective until January 1, 2023.]

- 7 Unless the context otherwise requires, the words and phrases as defined in this section are used in
 8 this chapter in the sense given them in the following definitions:
- 9 (1) "Administer" refers to the direct application of controlled substances to the body of a patient or 10 research subject by:

11 (i) A practitioner, or, in his or her presence by his or her authorized agent; or

(ii) The patient or research subject at the direction and in the presence of the practitioner whetherthe application is by injection, inhalation, ingestion, or any other means.

14 (2) "Agent" means an authorized person who acts on behalf of, or at the direction of, a 15 manufacturer, wholesaler, distributor, or dispenser; except that these terms do not include a common or 16 contract carrier or warehouse operator, when acting in the usual and lawful course of the carrier's or 17 warehouse operator's business.

(3) "Apothecary" means a registered pharmacist as defined by the laws of this state and, where the context requires, the owner of a licensed pharmacy or other place of business where controlled substances are compounded or dispensed by a registered pharmacist; and includes registered assistant pharmacists as defined by existing law, but nothing in this chapter shall be construed as conferring on a person who is not registered as a pharmacist any authority, right, or privilege that is not granted to him or her by the pharmacy laws of the state.

(4) "Automated data processing system" means a system utilizing computer software and hardware
 for the purposes of record keeping.

(5) "Certified law enforcement prescription drug diversion investigator" means a certified law
 enforcement officer assigned by his or her qualified law enforcement agency to investigate prescription
 drug diversion.

29 (6) "Computer" means programmable electronic device capable of multi-functions, including, but
 30 not limited to: storage, retrieval, and processing of information.

(7) "Control" means to add a drug or other substance or immediate precursor to a schedule under
 this chapter, whether by transfer from another schedule or otherwise.

(8) "Controlled substance" means a drug, substance, immediate precursor, or synthetic drug in
 schedules I – V of this chapter. The term shall not include distilled spirits, wine, or malt beverages, as those
 terms are defined or used in chapter 1 of title 3, nor tobacco.

4 (9) "Co-prescribing" means issuing a prescription for an opioid antagonist along with a prescription
5 for an opioid analgesic.

6 (10) "Counterfeit substance" means a controlled substance that, or the container or labeling of 7 which, without authorization bears the trademark, trade name, or other identifying mark, imprint, number, 8 or device, or any likeness of them, of a manufacturer, distributor, or dispenser, other than the person or 9 persons who in fact manufactured, distributed, or dispensed the substance and that thereby falsely purports 10 or is represented to be the product of, or to have been distributed by, the other manufacturer, distributor, or 11 dispenser, or which substance is falsely purported to be or represented to be one of the controlled substances 12 by a manufacturer, distributor, or dispenser.

13

(11) "CRT" means cathode ray tube used to impose visual information on a screen.

(12) "Deliver" or "delivery" means the actual, constructive, or attempted transfer of a controlled
 substance or imitation controlled substance, whether or not there exists an agency relationship.

16 (13) "Department" means the department of health of this state.

17 (14) "Depressant or stimulant drug" means:

18 (i) A drug that contains any quantity of:

19 (A) Barbituric acid or derivatives, compounds, mixtures, or preparations of barbituric acid; and

20 (B) "Barbiturate" or "barbiturates" includes all hypnotic and/or somnifacient drugs, whether or not

21 derivatives of barbituric acid, except that this definition shall not include bromides and narcotics.

- 22 (ii) A drug that contains any quantity of:
- 23 (A) Amphetamine or any of its optical isomers;

(B) Any salt of amphetamine and/or desoxyephedrine or any salt of an optical isomer of
 amphetamine and/or desoxyephedrine, or any compound, mixture, or preparation of them.

(iii) A drug that contains any quantity of coca leaves. "Coca leaves" includes cocaine, or any
compound, manufacture, salt, derivative, mixture, or preparation of coca leaves, except derivatives of coca
leaves, that do not contain cocaine, ecgonine, or substance from which cocaine or ecgonine may be
synthesized or made.

30 (iv) Any other drug or substance that contains any quantity of a substance that the attorney general 31 of the United States, or the director of health, after investigation, has found to have, or by regulation 32 designates as having, a potential for abuse because of its depressant or stimulant effect on the central 33 nervous system.

34 (15) "Director" means the director of health.

(16) "Dispense" means to deliver, distribute, leave with, give away, or dispose of a controlled
 substance to the ultimate user or human research subject by or pursuant to the lawful order of a practitioner,
 including the packaging, labeling, or compounding necessary to prepare the substance for that delivery.

4 (17) "Dispenser" is a practitioner who delivers a controlled substance to the ultimate user or human
5 research subject.

6 (18) "Distribute" means to deliver (other than by administering or dispensing) a controlled
7 substance or an imitation controlled substance and includes actual constructive, or attempted transfer.
8 "Distributor" means a person who so delivers a controlled substance or an imitation controlled substance.

9 (19) "Downtime" means that period of time when a computer is not operable.

(20) "Drug addicted person" means a person who exhibits a maladaptive pattern of behavior
 resulting from drug use, including one or more of the following: impaired control over drug use; compulsive
 use; and/or continued use despite harm, and craving.

13 (21) "Drug Enforcement Administration" means the Drug Enforcement Administration United
14 States Department of Justice or its successor.

(22) "Federal law" means the Comprehensive Drug Abuse Prevention and Control Act of 1970, (84
stat. 1236) (see generally 21 U.S.C. § 801 et seq.), and all regulations pertaining to that federal act.

17 (23) "Hardware" means the fixed component parts of a computer.

18 (24) "Hospital" means an institution as defined in chapter 17 of title 23.

19 (25) "Imitation controlled substance" means a substance that is not a controlled substance, that by 20 dosage unit, appearance (including color, shape, size, and markings), or by representations made, would 21 lead a reasonable person to believe that the substance is a controlled substance and, which imitation 22 controlled substances contain substances that if ingested, could be injurious to the health of a person. In 23 those cases when the appearance of the dosage unit is not reasonably sufficient to establish that the 24 substance is an "imitation controlled substance" (for example in the case of powder or liquid), the court or 25 authority concerned should consider, in addition to all other logically relevant factors, the following factors as related to "representations made" in determining whether the substance is an "imitation controlled 26 27 substance":

(i) Statement made by an owner, possessor, transferor, recipient, or by anyone else in control of the
substance concerning the nature of the substance, or its use or effect.

30 (ii) Statements made by the owner, possessor, or transferor, to the recipient that the substance may
31 be resold for substantial profit.

32 (iii) Whether the substance is packaged in a manner reasonably similar to packaging of illicit33 controlled substances.

- (iv) Whether the distribution or attempted distribution included an exchange of or demand for
 money or other property as consideration, and whether the amount of the consideration was substantially
 greater than the reasonable value of the non-controlled substance.
- 4 (26) "Immediate precursor" means a substance:
- 5 (i) That the director of health has found to be and by regulation designated as being the principal
 6 compound used, or produced primarily for use, in the manufacture of a controlled substance;
- 7 (ii) That is an immediate chemical intermediary used or likely to be used in the manufacture of8 those controlled substances; and
- 9 (iii) The control of which is necessary to prevent, curtail, or limit the manufacture of that controlled
 10 substance.
- 11 (27) "Laboratory" means a laboratory approved by the department of health as proper to be 12 entrusted with controlled substances and the use of controlled substances for scientific and medical 13 purposes and for the purposes of instruction.
- (28) "Manufacture" means the production, preparation, propagation, cultivation, compounding, or processing of a drug or other substance, including an imitation controlled substance, either directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis and includes any packaging or repackaging of the substance or labeling or relabeling of its container in conformity with the general laws of this state except by a practitioner as an incident to his or her administration or dispensing of the drug or substance in the course of his or her professional practice.
- (29) "Manufacturer" means a person who manufactures but does not include an apothecary who
 compounds controlled substances to be sold or dispensed on prescriptions.
- 23 (30) "Marijuana" means all parts of the plant cannabis sativa L., whether growing or not; the seeds 24 of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, 25 derivative, mixture, or preparation of the plant, its seeds or resin, but shall not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, 26 27 manufacture, salt, derivative, mixture, or preparation of mature stalks, (except the resin extracted from it), 28 fiber, oil or cake, or the sterilized seed from the plant which is incapable of germination. Marijuana shall 29 not include "industrial hemp" or" industrial hemp products" which satisfy the requirements of chapter 2-26 30 of the general laws and the regulations promulgated thereunder.
- (31) "Narcotic drug" means any of the following, whether produced directly or indirectly by
 extraction from substances of vegetable origin, or independently by means of chemical synthesis or by a
 combination of extraction and chemical synthesis:
- 34 (i) Opium and opiates.

- 1 (ii) A compound, manufacture, salt, derivative, or preparation of opium or opiates.
- 2 (iii) A substance (and any compound, manufacture, salt, derivative, or preparation of it) that is 3 chemically identical with any of the substances referred to in paragraphs (i) and (ii) of this subdivision.

4 (iv) Any other substance that the attorney general of the United States, or his or her successor, or 5 the director of health, after investigation, has found to have, and by regulation designates as having, a potential for abuse similar to opium and opiates. 6

7 (32) "Official written order" means an order written on a form provided for that purpose by the 8 Drug Enforcement Administration under any laws of the United States making provision for an official 9 form, if order forms are authorized and required by federal law, and if no order form is provided then on an 10 official form provided for that purpose by the director of health.

11 (33) "Opiate" means any substance having an addiction-forming or addiction-sustaining liability 12 similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-13 sustaining liability.

14 (34) "Opioid analgesics" means and includes, but is not limited to, the medicines buprenophine, 15 butorphanol, codeine, hydrocodone, hydromorphone, levorphanol, meperidine, methadone, morphine, 16 nalbuphine, oxycodone, oxymorphone, pentazocine, propoxyphene as well as their brand names, isomers, 17 and combinations, or other medications approved by the department.

(35) "Opioid antagonist" means naloxone hydrochloride and any other drug approved by the United 18 19 States Food and Drug Administration for the treatment of opioid overdose.

20 (36) "Opium poppy" means the plant of the species papaver somniferum L., except the seeds of the plant. 21

22 (37) "Ounce" means an avoirdupois ounce as applied to solids and semi-solids, and a fluid ounce 23 as applied to liquids.

24 (38) "Person" means any corporation, association, partnership, or one or more individuals.

25 (39) "Physical dependence" means a state of adaptation that is manifested by a drug class specific withdrawal syndrome that can be produced by abrupt cessation, rapid dose reduction, decreasing blood 26 27 level of the drug, and/or administration of an antagonist.

28

(40) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

29 (41) "Practitioner" means:

30 (i) A physician, osteopath, dentist, chiropodist, veterinarian, scientific investigator, or other person 31 licensed, registered or permitted to distribute, dispense, conduct research with respect to or to administer a 32 controlled substance in the course of professional practice or research in this state.

(ii) A pharmacy, hospital, or other institution licensed, registered or permitted to distribute,
 dispense, conduct research with respect to, or to administer a controlled substance in the course of
 professional practice or research in this state.

4 (42) "Printout" means a hard copy produced by computer that is readable without the aid of any
5 special device.

6 (43) "Production" includes the manufacture, planting, cultivation, growing, or harvesting of a
7 controlled substance.

8 (44) "Qualified law enforcement agency" means the U.S. Food and Drug Administration, Drug
9 Enforcement Administration, Federal Bureau of Investigation, Office of Inspector General of the U.S.
10 Department of Health & Human Services, or the Medicaid Fraud and Patient Abuse Unit in the Office of
11 the Attorney General.

12 (45) "Researcher" means a person authorized by the director of health to conduct a laboratory as13 defined in this chapter.

14 (46) "Sell" includes sale, barter, gift, transfer, or delivery in any manner to another, or to offer or
15 agree to do the same.

16 (47) "Software" means programs, procedures and storage of required information data.

17 (48) "Synthetic drugs" means any synthetic cannabinoids or piperazines or any synthetic cathinones
18 as provided for in schedule I.

(49) "Ultimate user" means a person who lawfully possesses a controlled substance for his or her
own use or for the use of a member of his or her household, or for administering to an animal owned by
him or her or by a member of his or her household.

(50) "Wholesaler" means a person who sells, vends, or distributes at wholesale, or as a jobber,
broker agent, or distributor, or for resale in any manner in this state any controlled substance.

24 § 21-28-1.02. Definitions. [Effective January 1, 2023.]

25 Unless the context otherwise requires, the words and phrases as defined in this section are used in 26 this chapter in the sense given them in the following definitions:

(1) "Administer" refers to the direct application of controlled substances to the body of a patient or
 research subject by:

29 (i) A practitioner, or, in his or her presence by his or her authorized agent; or

(ii) The patient or research subject at the direction and in the presence of the practitioner whether
 the application is by injection, inhalation, ingestion, or any other means.

32 (2) "Agent" means an authorized person who acts on behalf of, or at the direction of, a
 33 manufacturer, wholesaler, distributor, or dispenser; except that these terms do not include a common or

contract carrier or warehouse operator, when acting in the usual and lawful course of the carrier's or
 warehouse operator's business.

(3) "Apothecary" means a registered pharmacist as defined by the laws of this state and, where the
context requires, the owner of a licensed pharmacy or other place of business where controlled substances
are compounded or dispensed by a registered pharmacist; and includes registered assistant pharmacists as
defined by existing law, but nothing in this chapter shall be construed as conferring on a person who is not
registered as a pharmacist any authority, right, or privilege that is not granted to him or her by the pharmacy
laws of the state.

9 (4) "Automated data processing system" means a system utilizing computer software and hardware
10 for the purposes of record keeping.

(5) "Computer" means programmable electronic device capable of multi-functions, including, but
 not limited to: storage, retrieval, and processing of information.

(6) "Control" means to add a drug or other substance or immediate precursor to a schedule under
this chapter, whether by transfer from another schedule or otherwise.

(7) "Controlled substance" means a drug, substance, immediate precursor, or synthetic drug in
 schedules I – V of this chapter. The term shall not include distilled spirits, wine, or malt beverages, as those
 terms are defined or used in chapter 1 of title 3, nor tobacco.

(8) "Co-prescribing" means issuing a prescription for an opioid antagonist along with a prescription
for an opioid analgesic.

(9) "Counterfeit substance" means a controlled substance that, or the container or labeling of which, without authorization bears the trademark, trade name, or other identifying mark, imprint, number, or device, or any likeness of them, of a manufacturer, distributor, or dispenser, other than the person or persons who in fact manufactured, distributed, or dispensed the substance and that thereby falsely purports or is represented to be the product of, or to have been distributed by, the other manufacturer, distributor, or dispenser, or which substance is falsely purported to be or represented to be one of the controlled substances by a manufacturer, distributor, or dispenser.

27

(10) "CRT" means cathode ray tube used to impose visual information on a screen.

(11) "Deliver" or "delivery" means the actual, constructive, or attempted transfer of a controlled substance
or imitation controlled substance, whether or not there exists an agency relationship.

30 (12) "Department" means the department of health of this state.

31 (13) "Depressant or stimulant drug" means:

32 (i) A drug that contains any quantity of:

33 (A) Barbituric acid or derivatives, compounds, mixtures, or preparations of barbituric acid; and

(B) "Barbiturate" or "barbiturates" includes all hypnotic and/or somnifacient drugs, whether or not
 derivatives of barbituric acid, except that this definition shall not include bromides and narcotics.

3 (ii) A drug that contains any quantity of:

(A) Amphetamine or any of its optical isomers;

5 (B) Any salt of amphetamine and/or desoxyephedrine or any salt of an optical isomer of 6 amphetamine and/or desoxyephedrine, or any compound, mixture, or preparation of them.

7 (iii) A drug that contains any quantity of coca leaves. "Coca leaves" includes cocaine, or any
8 compound, manufacture, salt, derivative, mixture, or preparation of coca leaves, except derivatives of coca
9 leaves, that do not contain cocaine, ecgonine, or substance from which cocaine or ecgonine may be
10 synthesized or made.

(iv) Any other drug or substance that contains any quantity of a substance that the attorney general of the United States, or the director of health, after investigation, has found to have, or by regulation designates as having, a potential for abuse because of its depressant or stimulant effect on the central nervous system.

15

4

(14) "Director" means the director of health.

(15) "Dispense" means to deliver, distribute, leave with, give away, or dispose of a controlled
substance to the ultimate user or human research subject by or pursuant to the lawful order of a practitioner,
including the packaging, labeling, or compounding necessary to prepare the substance for that delivery.

(16) "Dispenser" is a practitioner who delivers a controlled substance to the ultimate user or human
 research subject.

(17) "Distribute" means to deliver (other than by administering or dispensing) a controlled
 substance or an imitation controlled substance and includes actual constructive, or attempted transfer.
 "Distributor" means a person who so delivers a controlled substance or an imitation controlled substance.

24

(18) "Downtime" means that period of time when a computer is not operable.

(19) "Drug addicted person" means a person who exhibits a maladaptive pattern of behavior
 resulting from drug use, including one or more of the following: impaired control over drug use; compulsive
 use; and/or continued use despite harm, and craving.

(20) "Drug Enforcement Administration" means the Drug Enforcement Administration United
 States Department of Justice or its successor.

30 (21) "Federal law" means the Comprehensive Drug Abuse Prevention and Control Act of 1970, (84

31 stat. 1236) (see generally 21 U.S.C. § 801 et seq.), and all regulations pertaining to that federal act.

32 (22) "Hardware" means the fixed component parts of a computer.

33 (23) "Hospital" means an institution as defined in chapter 17 of title 23.

1 (24) "Imitation controlled substance" means a substance that is not a controlled substance, that by 2 dosage unit, appearance (including color, shape, size, and markings), or by representations made, would 3 lead a reasonable person to believe that the substance is a controlled substance and, which imitation 4 controlled substances contain substances that if ingested, could be injurious to the health of a person. In 5 those cases when the appearance of the dosage unit is not reasonably sufficient to establish that the substance is an "imitation controlled substance" (for example in the case of powder or liquid), the court or 6 7 authority concerned should consider, in addition to all other logically relevant factors, the following factors 8 as related to "representations made" in determining whether the substance is an "imitation controlled 9 substance":

(i) Statement made by an owner, possessor, transferor, recipient, or by anyone else in control of the
substance concerning the nature of the substance, or its use or effect.

(ii) Statements made by the owner, possessor, or transferor, to the recipient that the substance maybe resold for substantial profit.

(iii) Whether the substance is packaged in a manner reasonably similar to packaging of illicitcontrolled substances.

16 (iv) Whether the distribution or attempted distribution included an exchange of or demand for 17 money or other property as consideration, and whether the amount of the consideration was substantially 18 greater than the reasonable value of the non-controlled substance.

19 (25) "Immediate precursor" means a substance:

(i) That the director of health has found to be and by regulation designated as being the principal
 compound used, or produced primarily for use, in the manufacture of a controlled substance;

(ii) That is an immediate chemical intermediary used or likely to be used in the manufacture of
 those controlled substances; and

(iii) The control of which is necessary to prevent, curtail, or limit the manufacture of that controlled
 substance.

(26) "Laboratory" means a laboratory approved by the department of health as proper to be
 entrusted with controlled substances and the use of controlled substances for scientific and medical
 purposes and for the purposes of instruction.

(27) "Manufacture" means the production, preparation, propagation, cultivation, compounding, or processing of a drug or other substance, including an imitation controlled substance, either directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis and includes any packaging or repackaging of the substance or labeling or relabeling of its container in conformity with the general laws of this state except by a practitioner as an incident to his or her administration or dispensing of the drug or
 substance in the course of his or her professional practice.

3 (28) "Manufacturer" means a person who manufactures but does not include an apothecary who
4 compounds controlled substances to be sold or dispensed on prescriptions.

5 (29) "Marijuana" means all parts of the plant cannabis sativa L., whether growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, 6 7 derivative, mixture, or preparation of the plant, its seeds or resin, but shall not include the mature stalks of 8 the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, 9 manufacture, salt, derivative, mixture, or preparation of mature stalks, (except the resin extracted from it), fiber, oil or cake, or the sterilized seed from the plant which is incapable of germination. Marijuana shall 10 11 not include "industrial hemp" or" industrial hemp products" which satisfy the requirements of chapter 2-26 12 of the general laws and the regulations promulgated thereunder.

(30) "Narcotic drug" means any of the following, whether produced directly or indirectly by
extraction from substances of vegetable origin, or independently by means of chemical synthesis or by a
combination of extraction and chemical synthesis:

16 (i) Opium and opiates.

17

(ii) A compound, manufacture, salt, derivative, or preparation of opium or opiates.

(iii) A substance (and any compound, manufacture, salt, derivative, or preparation of it) that is
chemically identical with any of the substances referred to in paragraphs (i) and (ii) of this subdivision.

(iv) Any other substance that the attorney general of the United States, or his or her successor, or
the director of health, after investigation, has found to have, and by regulation designates as having, a
potential for abuse similar to opium and opiates.

(31) "Official written order" means an order written on a form provided for that purpose by the
Drug Enforcement Administration under any laws of the United States making provision for an official
form, if order forms are authorized and required by federal law, and if no order form is provided then on an
official form provided for that purpose by the director of health.

(32) "Opiate" means any substance having an addiction-forming or addiction-sustaining liability
 similar to morphine or being capable of conversion into a drug having addiction-forming or addiction sustaining liability.

(33) "Opioid analgesics" means and includes, but is not limited to, the medicines buprenophine,
 butorphanol, codeine, hydrocodone, hydromorphone, levorphanol, meperidine, methadone, morphine,
 nalbuphine, oxycodone, oxymorphone, pentazocine, propoxyphene as well as their brand names, isomers,
 and combinations, or other medications approved by the department.

- (34) "Opioid antagonist" means naloxone hydrochloride and any other drug approved by the United
 States Food and Drug Administration for the treatment of opioid overdose.
- 3 (35) "Opium poppy" means the plant of the species papaver somniferum L., except the seeds of the
 4 plant.
- 5 (36) "Ounce" means an avoirdupois ounce as applied to solids and semi-solids, and a fluid ounce
 6 as applied to liquids.
- 7 (37) "Person" means any corporation, association, partnership, or one or more individuals.

8 (38) "Physical dependence" means a state of adaptation that is manifested by a drug class specific
9 withdrawal syndrome that can be produced by abrupt cessation, rapid dose reduction, decreasing blood
10 level of the drug, and/or administration of an antagonist.

11 (39) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

12 (40) "Practitioner" means:

(i)(ii) A physician, osteopath, dentist, chiropodist, veterinarian, scientific investigator, or other
 person licensed, registered or permitted to distribute, dispense, conduct research with respect to or to
 administer a controlled substance in the course of professional practice or research in this state.

- 16 (41) "Printout" means a hard copy produced by computer that is readable without the aid of any17 special device.
- (42) "Production" includes the manufacture, planting, cultivation, growing, or harvesting of acontrolled substance.
- 20 (43) "Researcher" means a person authorized by the director of health to conduct a laboratory as
 21 defined in this chapter.
- (44) "Sell" includes sale, barter, gift, transfer, or delivery in any manner to another, or to offer or
 agree to do the same.
- 24 (45) "Software" means programs, procedures and storage of required information data.
- (46) "Synthetic drugs" means any synthetic cannabinoids or piperazines or any synthetic cathinones
 as provided for in schedule I.
- (47) "Ultimate user" means a person who lawfully possesses a controlled substance for his or her
 own use or for the use of a member of his or her household, or for administering to an animal owned by
 him or her or by a member of his or her household.
- 30 (48) "Wholesaler" means a person who sells, vends, or distributes at wholesale, or as a jobber,
 31 broker agent, or distributor, or for resale in any manner in this state any controlled substance.
 32 SECTION 4. Section 21-28.5-2 of Chapter 21-28.5 of the General Laws entitled "Sale of Drug
 33 Paraphernalia" is hereby amended as follows:
- 34
- § 21-28.5-2. Manufacture or delivery of drug paraphernalia Penalty.

1 It is unlawful for any person to deliver, sell, possess with intent to deliver, or sell, or manufacture 2 with intent to deliver, or sell drug paraphernalia, knowing that it will be used to plant, propagate, cultivate, 3 grow, harvest, manufacture, compound, convert, produce, process, prepare, test, analyze, pack, repack, 4 store, contain, conceal, inject, ingest, inhale, or introduce into the human body a controlled substance in 5 violation of chapter 28 of this title. A violation of this section shall be punishable by a fine not exceeding 6 five thousand dollars (\$5,000) or imprisonment not exceeding two (2) years, or both.

7

Notwithstanding any other provision of the general laws, the sale, manufacture, or delivery of drug

paraphernalia to a person acting in accordance with chapters 21-28.6, 21-28.10, or 21-28.11 of the general 8

9 laws shall not be considered a violation of this chapter.

10 SECTION 5. Sections 21-28.6-3, 21-28.6-4, 21-28.6-5, 21-28.6-6, 21-28.6-7, 21-28.6-8, 21-28.6-9,

11 21-28.6-12, 21-28.6-14, 21-28.6-15, 21-28.6-16, 21-28.6-16.2, 21-28.6-16.3, and 21-28.6-17 of the

12 General Laws in Chapter 21-28.6 entitled "The Edward O. Hawkins and Thomas C. Slater Medical

Marijuana Act" are hereby amended as follows: 13

14 21-28.6-3 Definitions.

15 For the purposes of this chapter:

(1) "Authorized purchaser" means a natural person who is at least twenty-one (21) years old and 16 17 who is registered with the department of health for the purposes of assisting a qualifying patient in 18 purchasing marijuana from a compassion center. An authorized purchaser may assist no more than one 19 patient, and is prohibited from consuming marijuana obtained for the use of the qualifying patient. An 20 authorized purchaser shall be registered with the department of health and shall possesses a valid registry 21 identification card.

22 (2) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana sativa L, 23 whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, 24 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin regardless of cannabinoid content or cannabinoid potency including "marijuana", and "industrial hemp" or "industrial hemp products" 25 which satisfy the requirements of chapter 2-26 of the general laws and the regulations promulgated 26 27 thereunder. (15)(3) "Medical marijuana Cannabis testing laboratory" means a third party analytical testing 28 29 laboratory licensed by the department of health, in coordination with the department of business regulation,

30 to collect and test samples of cannabis marijuana pursuant to regulations promulgated by the departments. (2)(4) "Cardholder" means a person who has been registered or licensed with the department of
 health or the department of business regulation pursuant to this chapter and possesses a valid registry
 identification card or license.

4 (3)(5) "Commercial unit" means a building, office, suite, or room other space within a commercial
5 or industrial building as authorized by the department of business regulation, for use by one business or
6 person and is rented or owned by that business or person.

(4)(6)(i) "Compassion center" means a not-for-profit corporation, subject to the provisions of
chapter 6 of title 7, or a for profit entity which satisfies the requirements of <u>21-28.11-14(d)</u>, and registered
<u>is licensed</u> under § 21-28.6-12, that acquires, possesses, <u>cultivates</u>, <u>manufactures</u>, <u>delivers</u>, transfers,
transports, supplies, or dispenses medical marijuana, and/or related supplies and educational materials, to
patient cardholders and/or their registered caregiver, cardholder or authorized purchaser <u>in accordance with</u>
regulations promulgated by the department of business regulation.

(ii) "Compassion center cardholder" means a principal officer, board member, employee, volunteer,
 or agent of a compassion center who has registered with the department of health or the department of
 business regulation and has been issued and possesses a valid, registry identification card.

16

(5)(7) "Debilitating medical condition" means:

(i) Cancer, glaucoma, positive status for human immunodeficiency virus, acquired immune
 deficiency syndrome, Hepatitis C, post-traumatic stress disorder, or the treatment of these conditions;

(ii) A chronic or debilitating disease or medical condition, or its treatment, that produces one or more of the following: cachexia or wasting syndrome; severe, debilitating, chronic pain; severe nausea; seizures, including but not limited to, those characteristic of epilepsy; or severe and persistent muscle spasms, including but not limited to, those characteristic of multiple sclerosis or Crohn's disease; or agitation of Alzheimer's Disease; or

(iii) Any other medical condition or its treatment approved by the department <u>of health</u>, as provided
for in § 21-28.6-5.

26 (6)(8) "Department of business regulation" means the Rhode Island department of business
 27 regulation or its successor agency.

(7)(9) "Department of health" means the Rhode Island department of health or its successor agency.
 (8)(10) "Department of public safety" means the Rhode Island department of public safety or its
 successor agency.

31 (9)(11) "Dried, useable marijuana" means the dried leaves and flowers of the marijuana plant as
 32 defined by regulations promulgated by the departments of health business regulation.

(10)(12) "Dwelling unit" means the room, or group of rooms, within a <u>residential</u> dwelling used or
 intended for use by one family or household, or by no more than three (3) unrelated individuals, <u>with</u>
 <u>facilities</u> for living, sleeping, <u>sanitation</u>, cooking, and eating.

4 (11)(13) "Equivalent amount" means the portion of usable marijuana, be it in extracted, edible,
5 concentrated, or any other form, found to be equal to a portion of dried, usable marijuana, as defined by
6 regulations promulgated by the departments of health and business regulation.

- 7 (14) "Immature marijuana plant" means a marijuana plant, rooted or unrooted, with no observable
 8 flower or buds.
- 9 <u>(12)(15)</u> "Licensed <u>medical marijuana</u> cultivator" means a person <u>or entity</u>, as identified 10 in § 43-3-6, who has been licensed by the department of business regulation to cultivate <u>medical</u> 11 marijuana pursuant to § 21-28.6-16.
- (16) "Licensed medical marijuana processor" means a person or entity, as identified in § 43-3-6,
 who has been licensed by the department of business regulation to manufacture medical marijuana products
 and/or process medical marijuana products pursuant to § 21-28.6-16.1.
- 15 (13)(17) "Marijuana" has the meaning given that term in § 21-28-1.02(30).
- 16 (18) "Marijuana establishment licensee" means any person or entity licensed by the department of 17 business regulation under chapters 21-28.6 or 21-28.11 whose license permits it to engage in or conduct 18 activities in connection with the medical marijuana program or adult use marijuana industry. "Marijuana 19 establishment licensees" shall include but not be limited to, compassion centers, medical marijuana 20 cultivators, medical marijuana processors, marijuana retailers, marijuana cultivators, marijuana processors, cannabis testing laboratories, and the holder of any other license issued by the department of business 21 regulation under chapters 21-28.6 or 21-28.11 of the Rhode Island General Laws and/or as specified and 22 23 defined in regulations promulgated by the department of business regulation.
- (14)(19) "Mature marijuana plant" means a marijuana plant that has flowers or buds that are readily
 observable by an unaided visual examination.
 (20) "Medical marijuana emporium" means any establishment, facility or club, whether operated
 for-profit or nonprofit, or any commercial unit or other premises as further defined through regulations
 promulgated by the department of business regulation, at which the sale, distribution, transfer or use of
 medical marijuana or medical marijuana products is proposed and/or occurs to, by or among registered

1 patients, registered caregivers, authorized purchaser cardholders or other persons as further defined through 2 regulations promulgated by the department of business regulation. This shall not include a compassion 3 center regulated and licensed by the department of business regulation pursuant to the terms of this chapter. 4 (21) "Medical marijuana" means marijuana and marijuana products which satisfy the requirements of this chapter and have been given the designation of "medical marijuana" due to dose, potency, form, or 5 6 any other factor in accordance with regulations promulgated by the department of business regulation. 7 Medical marijuana products are only available for use by patient cardholders, and may only be sold to or 8 possessed by patient cardholders, or their registered caregiver, or authorized purchaser in accordance with 9 this chapter. Medical marijuana may not be sold to, possessed by, manufactured by, or used except as 10 permitted under this chapter. (21) (22) "Medical marijuana plant tag set" or "plant tag" means any tag, identifier, registration, 11 12 certificate, or inventory tracking system authorized or issued by the department or which the department 13 requires be used for the lawful possession and cultivation of medical marijuana plants in accordance with 14 this chapter. 15 (16)(22) (23) "Medical use" means the acquisition, possession, cultivation, manufacture, use, 16 delivery, transfer, or transportation of marijuana or paraphernalia relating to the consumption of marijuana 17 to alleviate a patient cardholder's debilitating medical condition or symptoms associated with the medical condition in accordance with the provisions of this chapter. 18 19 (17)(23) (24) "Practitioner" means a person who is licensed with authority to prescribe drugs 20 pursuant to chapters 34, 37, and 54 of title 5 or a physician licensed with authority to prescribe drugs in 21 Massachusetts or Connecticut, who may provide a qualifying patient with a written certification in accordance with regulations promulgated by the department of health. or a physician licensed with authority 22 to prescribe drugs in Massachusetts or Connecticut. 23 (18)(24) (25) "Primary caregiver" means a natural person who is at least twenty-one (21) years old 24 25 who is registered under this chapter in order to, and who. A primary caregiver may, assist one (1) qualifying patient, or upon a demonstration of need in accordance with regulations promulgated by the department of 26 27 business regulation, up to but no more than five (5) qualifying patients with their medical use of marijuana 28 in accordance with regulations promulgated by the department of business regulation, provided that a 29 qualified patient may also serve as their own primary caregiver subject to the registration and requirements 30 set forth in § 21-28.6-4 and any regulations promulgated thereunder. 31 (19)(25) (26) "Qualifying patient" means a person who has been diagnosed certified by a 32 practitioner as having a debilitating medical condition and is a resident of Rhode Island. (20)(26) (27) "Registry identification card" means a document issued by the department of health 33 34 or the department of business regulation, as applicable, that identifies a person as a registered qualifying

patient, a registered primary caregiver, or authorized purchaser, or a document issued by the department of business regulation or department of health that identifies a person as a registered principal officer, board member, employee, volunteer, or agent of a compassion center, <u>licensed medical marijuana cultivator</u>, <u>medical marijuana processor</u>, cannabis testing lab, or any other medical marijuana licensee or marijuana

5 <u>establishment.</u>

6

(21) "Seedling" means a marijuana plant with no observable flowers or buds.

7 (22)(27) (28) "Unusable marijuana" means marijuana seeds, stalks, seedlings and unusable roots
 8 and shall not count towards any weight based possession limits established in the act.

9 (23)(28) (29) "Usable marijuana" means the dried-leaves and flowers of the marijuana plant, and
 10 any mixture or preparation thereof, but does not include the seeds, stalks, and roots of the plant.

(24)(29)(30) "Wet marijuana" means the harvested leaves and flowers of the marijuana plant before
 they have reached a dry useable state, as defined by regulations promulgated by the departments of health
 and business regulation.

14 (25)(30) (31) "Written certification" means the qualifying patient's medical records, and a statement 15 signed by a practitioner, stating that, in the practitioner's professional opinion, the potential benefits of the 16 medical use of marijuana would likely outweigh the health risks for the qualifying patient. A written 17 certification shall be made only in the course of a bona fide, practitioner-patient relationship after the 18 practitioner has completed a full assessment of the qualifying patient's medical history. The written 19 certification shall specify the qualifying patient's debilitating medical condition or conditions and include 20 any other information required by regulations promulgated by the department of health which may include the qualifying patient's relevant medical records. 21

22

21-28.6-4 Protections for the medical use of marijuana.

(a) A qualifying patient cardholder who has in his or her possession a registry identification card
shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege,
including, but not limited to, civil penalty or disciplinary action by a business or occupational or
professional licensing board or bureau, <u>solely</u> for the medical use of marijuana; provided;

27 (1) Before July 1, 2019, tThe qualifying patient cardholder possesses an amount of marijuana that 28 does not exceed twelve (12) mature marijuana plants and twelve (12) immature marijuana plants that are 29 accompanied by valid medical marijuana tags (provided that if a qualifying patient cardholder has valid 30 medical marijuana tags that were ordered and issued prior to July 1, 2019, and such tags have an expiration 31 date that is on or after July 1, 2019, the plant possession limits set forth in this subsection shall apply to 32 such qualifying patient until the expiration date of the issued tags), two and one-half (2.5)three (3) ounces 33 of <u>dried</u>usable marijuana, or its equivalent amount <u>which satisfies the requirements of this chapter</u>, and an 34 amount of wet marijuana to be set by regulations promulgated by the departments of health and business

1 regulation. Said plants shall be stored in an indoor facility. <u>Marijuana plants and the marijuana they produce</u>

2 shall only be grown, stored, manufactured, and processed in accordance with regulations promulgated by

3 the department of business regulation; and

4 (2) On and after July 1, 2019, the qualifying patient cardholder possesses an amount of marijuana 5 that does not exceed six (6) mature marijuana plants and six (6) immature marijuana plants that are 6 accompanied by valid medical marijuana tags (provided that if a qualifying patient cardholder has valid 7 medical marijuana tags that were ordered and issued prior to July 1, 2019, and such tags have an expiration 8 date that is on or after July 1, 2019, the plant possession limits set forth in subsection (1) above shall apply 9 to such qualifying patient until the expiration date of the issued tags), three (3) ounces of dried marijuana, 10 or its equivalent amount which satisfies the requirements of this chapter, and an amount of wet marijuana 11 to be set by regulations promulgated by the department of business regulation. Said plants shall be stored 12 in an indoor facility. Marijuana plants and the marijuana they produce shall be grown, stored, manufactured, 13 and processed in accordance with regulations promulgated by the department of business regulation and; 14 (3) On and after July 1, 2019, in order to lawfully possess and grow marijuana plants, a qualifying

15 patient cardholder, prior to applying for, or renewing medical marijuana plant grow tags, must first apply

16 for and be issued a caregiver registration card by the department of business regulation. The department of

17 <u>business regulation may issue a caregiver registration card and plant tags to any qualified patient cardholder</u>

18 who qualifies to serve as their own caregiver through a demonstration of need in accordance with

19 regulations promulgated by the department of business regulation.

(b) An authorized purchaser who has in his or her possession a registry identification card shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business or occupational or professional licensing board or bureau, for the possession of marijuana; provided that the authorized purchaser possesses an amount of marijuana that does not exceed two and one half (2.5)three (3) ounces of driedusable marijuana, or its equivalent amount which satisfies the requirements of this chapter, and this marijuana was purchased legally from a compassion center for the use of their designated qualifying patient.

(c) A qualifying patient cardholder, who has in his or her possession a registry identification card, shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business or occupational or professional licensing board or bureau, for selling, giving, or distributing, on or before December 31, 2016 to a compassion center cardholder, marijuana of the type, and in an amount not to exceed, that set forth in subsection (a), that he or she has cultivated or manufactured pursuant to this chapter.

(d) No school, employer, or landlord may refuse to enroll, employ, or lease to, or otherwise
 penalize, a person solely for his or her status as a cardholder. Provided, however, due to the safety and

welfare concern for other tenants, the property, and the public, as a whole, a landlord may have the
discretion not to lease, or continue to lease, to a cardholder who cultivates, <u>manufactures</u>, <u>processes</u>,
<u>smokes</u>, <u>or vaporizes</u> marijuana in the leased premises.(e) No employer may refuse to employ, or otherwise
penalize, a person solely for his or her status as a cardholder, except:

- 5 (1) to the extent employer action is taken with respect to such person's;
- 6 (i) use or possession of marijuana or being under the influence of marijuana in any workplace,
- 7 (ii) undertaking a task under the influence of marijuana when doing so would constitute negligence

8 or professional malpractice or jeopardize workplace safety,

9 (iii) operation, navigation or actual physical control of any motor vehicle or other transport vehicle,

- 10 aircraft, motorboat, machinery or equipment, or firearms while under the influence of marijuana, or
- 11

(iv) violation of employment conditions pursuant to the terms of a collective bargaining agreement,

or

12

13 (2) where the employer is a federal contractor or otherwise subject to federal law such that failure 14 of the employer to take such action against the employee would cause the employer to lose a monetary or 15 licensing related benefit. (e) (f) A primary caregiver cardholder, who has in his or her possession a registry 16 identification card, shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right 17 or privilege, including, but not limited to, civil penalty or disciplinary action by a business or occupational 18 or professional licensing board or bureau, for assisting a patient cardholder, to whom he or she is connected 19 through the department of health or department of business regulation's registration process, with the 20 medical use of marijuana; provided, that;

21 (1)Before July 1, 2019, the primary caregiver cardholder possesses an amount of marijuana that 22 does not exceed twelve (12) mature marijuana plants and twelve (12) immature marijuana plants that are 23 accompanied by valid medical marijuana tags (provided that if a primary caregiver cardholder has valid 24 medical marijuana tags that were ordered and processed prior to July 1, 2019, and such tags have an 25 expiration date that is on or after July 1, 2019, the plant possession limits set forth in this subsection shall apply to such primary caregiver until the expiration date of the issued tags), two and one half (2.5)three (3) 26 27 ounces of driedusable marijuana, or its equivalent amount which satisfies the requirements of this chapter, 28 and an amount of wet marijuana set in regulations promulgated by the departments of health and business 29 regulation for each qualified patient cardholder to whom he or she is connected through the department of 30 health-business regulation's registration process. Said plants shall be stored in an indoor facility. Marijuana 31 plants and the marijuana they produce shall be grown, stored, manufactured, processed, and distributed to 32 qualified patient cardholders to whom the primary caregiver is connected and in accordance with 33 regulations promulgated by the department of business regulation; and

1 (2) On and after July 1, 2019, the primary caregiver cardholder possesses an amount of marijuana 2 that does not exceed six (6) mature marijuana plants and six (6) immature marijuana plants that are 3 accompanied by valid medical marijuana tags (provided that if a primary caregiver cardholder has valid 4 medical marijuana tags that were ordered and processed prior to July 1, 2019, and such tags have an expiration date that is on or after July 1, 2019, the plant possession limits set forth in subsection (1) above 5 6 shall apply to such primary caregiver until the expiration date of the issued tags), three (3) ounces of dried 7 marijuana, or its equivalent amount which satisfies the requirements of this chapter, and an amount of wet 8 marijuana set in regulations promulgated by the department of business regulation for each qualified patient 9 cardholder to whom he or she is connected through the department of business regulation's registration 10 process. Said plants shall be stored in an indoor facility. Marijuana plants and the marijuana they produce 11 shall be grown, stored, manufactured, processed, and distributed to qualified patient cardholders to whom 12 the primary caregiver is connected and in accordance with regulations promulgated by the department of 13 business regulation. 14 (f) A qualifying patient cardholder shall be allowed to possess a reasonable amount of unusable 15 marijuana, including up to twelve (12) seedlings that are accompanied by valid medical marijuana tags. A primary caregiver cardholder shall be allowed to possess a reasonable amount of unusable marijuana, 16 17 including up to twenty four (24) seedlings that are accompanied by valid medical marijuana tags and an 18 amount of wet marijuana set in regulations promulgated by the departments of health and business 19 regulation. 20 (g) There shall exist a presumption that a cardholder is engaged in the medical use of marijuana if the cardholder: 21 22 (1) Is in possession of a registry identification card; and 23 (2) Is in possession of an amount of marijuana that does not exceed the amount permitted under 24 this chapter. Such presumption may be rebutted by evidence that conduct related to marijuana was not for 25 the purpose of alleviating the qualifying patient's debilitating medical condition or symptoms associated with the medical condition. 26 27 (h)(g) A primary caregiver cardholder may receive reimbursement for costs associated with 28 assisting a qualifying patient cardholder's medical use of marijuana. A primary caregiver cardholder may 29 only receive reimbursement for the actual costs of goods, materials, services or utilities for which they have 30 incurred expenses. A primary caregiver may not receive reimbursement or compensation for their time, 31 knowledge, or expertise. Compensation shall not constitute sale of controlled substances under state law. 32 The department of business regulation may promulgate regulations for the documentation and tracking of 33 reimbursements and the transfer of marijuana between primary caregivers and their registered patients.

(i)(h) A primary caregiver cardholder, who has in his or her possession a registry identification 1 2 card, shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, 3 including, but not limited to, civil penalty or disciplinary action by a business or occupational or 4 professional licensing board or bureau, for selling, giving, or distributing, on or before December 31, 2016 5 to a compassion center cardholder, marijuana, of the type, and in an amount not to exceed that set forth in 6 subsection (e), if:

7

(1) The primary caregiver cardholder cultivated the marijuana pursuant to this chapter, not to 8 exceed the limits of subsection (e); and

9 (2) Each qualifying patient cardholder the primary caregiver cardholder is connected with through 10 the department of health's registration process has been provided an adequate amount of the marijuana to 11 meet his or her medical needs, not to exceed the limits of subsection (a).

12 (j)(i) A practitioner shall not be subject to arrest, prosecution, or penalty in any manner, or denied 13 any right or privilege, including, but not limited to, civil penalty or disciplinary action by the Rhode Island 14 board of medical licensure and discipline, or by any other business an employer or occupational or 15 professional licensing board or bureau solely for providing written certifications in accordance with this 16 chapter and regulations promulgated by the department of health, or for otherwise stating that, in the 17 practitioner's professional opinion, the potential benefits of the medical marijuana would likely outweigh 18 the health risks for a patient.

19 (k)(i) Any interest in, or right to, property that is possessed, owned, or used in connection with the 20 lawful medical use of marijuana, or acts incidental to such use, shall not be forfeited.

21 (1)(k) No person shall be subject to arrest or prosecution for constructive possession, conspiracy, 22 aiding and abetting, being an accessory, or any other offense, for simply being in the presence or vicinity 23 of the medical use of marijuana as permitted under this chapter, or for assisting a qualifying patient 24 cardholder with using or administering marijuana.

25 (m)(1)-A practitioner licensed with authority to prescribed drugs pursuant to chapters 34, 37 and 54 of title 5, or pharmacist licensed under chapter 19.1 of title 5, or certified school nurse teacher, shall not be 26 27 subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including, but not 28 limited to, civil penalty or disciplinary action by an employer business or occupational or professional 29 licensing board or bureau solely for:

30 (i) discussing the benefits or health risks of medical marijuana or its interaction with other 31 substances with a patient.-or;

32 (ii) administering a non-smokable and non-vaporized form of medical marijuana in a school setting 33 to a qualified patient registered in accordance with chapter 21-28.6 of the general laws.

(n)(m) A qualifying patient or primary caregiver registry identification card, or its equivalent,
issued under the laws of another state, U.S. territory, or the District of Columbia, to permit the medical use
of marijuana by a patient with a debilitating medical condition, or to permit a person to assist with the
medical use of marijuana by a patient with a debilitating medical condition, shall have the same force and
effect as a registry identification card.

6

(o)(n) Notwithstanding the provisions of subsection (e), no primary caregiver cardholder shall;

7 (1) Before July 1, 2019, pPossess an amount of marijuana in excess of twenty-four (24) mature 8 marijuana plants and twenty-four (24) immature marijuana plants that are accompanied by valid medical 9 marijuana tags (provided that if a primary caregiver cardholder has valid medical marijuana tags that were 10 ordered and processed prior to July 1, 2019, and such tags have an expiration date that is on or after July 1, 11 2019, the plant possession limits set forth in this subsection (1) shall apply to such primary caregiver until the expiration date of the issued tags) and five (5)six (6) ounces of driedusable marijuana, or its equivalent 12 13 which satisfies the requirements of this chapter, and an amount of wet marijuana set in regulations 14 promulgated by the departments of health and business regulation for patient cardholders to whom he or 15 she is connected through the department of health department of business regulation's registration process. 16 (2) On or after July 1, 2019, possess an amount of marijuana in excess of twelve (12) mature 17 marijuana plants and twelve (12) immature marijuana plants that are accompanied by valid medical marijuana tags (provided that if a primary caregiver cardholder has valid medical marijuana tags that were 18 19 ordered and processed prior to July 1, 2019, and such tags have an expiration date that is on or after July 1, 20 2019, the plant possession limits set forth in subsection (1) above shall apply to such primary caregiver 21 until the expiration date of the issued tags) and six (6) ounces of dried marijuana, or its equivalent which 22 satisfies the requirements of this chapter, and an amount of wet marijuana set in regulations promulgated 23 by the department of business regulation for patient cardholders to whom he or she is connected through 24 the department of business regulation's registration process.

(p) A qualifying patient or primary caregiver cardholder may give marijuana to another qualifying
 patient or primary caregiver cardholder to whom they are not connected by the department's registration
 process, provided that no consideration is paid for the marijuana, and that the recipient does not exceed the
 limits specified in this section.

29

30

(o)(p) Except as expressly authorized under this chapter, a qualifying patient or primary caregiver shall not deliver or otherwise transfer marijuana to any other person or entity.

(q)(p)-Qualifying patient cardholders and primary caregiver cardholders who are authorized to
 grow marijuana shall only grow at one premises, and this premises shall be registered with the department
 of-health_business regulation. Except for licensed compassion centers, licensed cooperative cultivations,
 licensed medical marijuana processors and licensed medical marijuana cultivators, no more than twenty-

1 four (24)-twelve (12) mature marijuana plants and twelve (12) immature marijuana plants that are 2 accompanied by valid medical marijuana tags shall be grown or otherwise located at any one dwelling unit 3 or commercial unit (provided that if a qualifying patient cardholder or a primary caregiver cardholder has 4 valid medical marijuana tags for the plants grown at such registered premises that were ordered and 5 processed prior to July 1, 2019, and such tags have an expiration date that is on or after July 1, 2019, the 6 plant possession limit of twenty-four (24) mature marijuana plants and twenty-four (24) immature 7 marijuana plants shall apply to such qualifying patient or primary caregiver until the expiration date of the 8 issued tags). The number of qualifying patients or primary caregivers residing, owning, renting, growing, 9 or otherwise operating at a dwelling or commercial unit does not affect this limit. The department of health 10 business regulation shall promulgate regulations to enforce this provision.

(r)(q) For the purposes of medical care, including organ transplants, a patient cardholder's
 authorized use of marijuana shall be considered the equivalent of the authorized use of any other medication
 used at the direction of a physician, and shall not constitute the use of an illicit substance.

(s)(<u>r</u>)-Notwithstanding any other provisions of the general laws, the manufacture of marijuana using
 a solvent extraction process that includes the use of a compressed, flammable gas as a solvent by a patient
 cardholder or primary caregiver cardholder shall not be subject to the protections of this chapter.

17 (t)(s)-Notwithstanding any provisions to the contrary, nothing in this chapter or the general laws 18 shall restrict or otherwise affect the manufacturing, distribution, transportation, sale, prescribing and 19 dispensing of a product that has been approved for marketing as a prescription medication by the U.S. Food 20 and Drug Administration and legally prescribed, nor shall hemp, as defined in in accordance with chapter 21 <u>26 of title 2 § 2-26-3</u>, be defined as marijuana or marihuana pursuant to this chapter, chapter 28 of this title 22 or elsewhere in the general laws.

(u) The possession limits for patient cardholders, caregiver cardholders, and authorized purchasers
 shall only apply to medical marijuana and shall be enforced separately, and is in addition to any possession
 limits for adult use marijuana afforded to registry identification cardholders under chapters 21-28.10 and
 21-28.11.

27

21-28.6-5 Departments of health and business regulation to issue regulations.

(a) Not later than ninety (90) days after the effective date of this chapter, the department of health
shall promulgate regulations governing the manner in which it shall consider petitions from the public to
add debilitating medical conditions to those included in this chapter. In considering such petitions, the
department of health shall include public notice of, and an opportunity to comment in a public hearing,
upon such petitions. The department of health shall, after hearing, approve or deny such petitions within
one hundred eighty (180) days of submission. The approval or denial of such a petition shall be considered
a final department of health action, subject to judicial review. Jurisdiction and venue for judicial review are

1 vested in the superior court. The denial of a petition shall not disqualify qualifying patients with that 2 condition, if they have a debilitating medical condition as defined in § 21-28.6-3(567). The denial of a 3 petition shall not prevent a person with the denied condition from raising an affirmative defense.

4 (b) Not later than ninety (90) days after the effective date of this chapter, the department of health 5 shall promulgate regulations governing the manner in which it shall consider applications for, and renewals of, registry identification cards for qualifying patients, primary caregivers, and authorized purchasers. The 6 7 department of health's regulations shall establish application and renewal fees that generate revenues 8 sufficient to offset all expenses of implementing and administering this chapter. The department of health 9 may vary the application and renewal fees along a sliding scale that accounts for a qualifying patient's or 10 caregiver's income. The department of health may accept donations from private sources in order to reduce 11 the application and renewal fees.

12 (c) Not later than October 1, 2019, the department of business regulation shall promulgate 13 regulations governing the manner in which it shall consider applications for, and renewals of, registry 14 identification cards for primary caregivers which may include criteria for eligibility or a demonstration of 15 need. The department of business regulation's regulations shall establish application and renewal fees. The 16 department of business regulation may vary the application and renewal fees along a sliding scale that 17 accounts for a qualifying patient's or caregiver's income. The department of business regulation may accept 18 donations from private sources in order to reduce the application and renewal fees. 19

21-28.6-6 Administration of departments of health and business regulation regulations.

20 (a) The department of health shall issue registry identification cards to qualifying patients who submit the following, in accordance with the department's regulations. Applications shall include but not 21 22 be limited to:

(1) Written certification as defined in § 21-28.6-3(2530 31) of this chapter; 23

24 (2) Application fee, as applicable;

25 (3) Name, address, and date of birth of the qualifying patient; provided, however, that if the patient 26 is homeless, no address is required;

27 (4) Name, address, and telephone number of the qualifying patient's practitioner;

28 (5) Whether the patient elects to apply to the department of business regulation to serve as their 29 own caregiver and grow medical marijuana plants for himself or herself; and

30 (6) Name, address, and date of birth of one primary caregiver of the qualifying patient and any 31 authorized purchaser for the qualifying patient, if any primary caregiver or authorized purchaser is chosen 32 by the patient or allowed in accordance with regulations promulgated by the departments of health or 33 business regulation.

- 1 (b) The department of health shall not issue a registry identification card to a qualifying patient 2 under the age of eighteen (18) unless:
- 3 (1) The qualifying patient's practitioner has explained the potential risks and benefits of the medical 4 use of marijuana to the qualifying patient and to a parent, guardian, or person having legal custody of the 5 qualifying patient; and

(2) A parent, guardian, or person having legal custody consents in writing to: 6

7 (i) Allow the qualifying patient's medical use of marijuana;

8

(ii) Serve as the qualifying patient's primary caregiver or authorized purchaser; and

9 (iii) Control the acquisition of the marijuana, the dosage, and the frequency of the medical use of 10 marijuana by the qualifying patient.

11 (c) The department of health shall renew registry identification cards to qualifying patients in 12 accordance with regulations promulgated by the department of health and subject to payment of any 13 applicable renewal fee.

- 14 (d) The department of health shall not issue a registry identification card to a qualifying patient 15 seeking treatment for post-traumatic stress disorder (PTSD) under the age of eighteen (18).
- 16 (e) The department of health shall verify the information contained in an application or renewal 17 submitted pursuant to this section, and shall approve or deny an application or renewal within thirty-five 18 (35) days of receiving it. The department may deny an application or renewal only if the applicant did not 19 provide the information required pursuant to this section, or if the department determines that the 20 information provided was falsified, or that the renewing applicant has violated this chapter under their 21 previous registration. Rejection of an application or renewal is considered a final department action, subject 22 to judicial review. Jurisdiction and venue for judicial review are vested in the superior court.
- 23 (f) If the qualifying patient's practitioner notifies the department of health in a written statement 24 that the qualifying patient is eligible for hospice care or chemotherapy, the department of health and department of business regulation, as applicable, shall give priority to these applications when verifying the 25 26 information in accordance with subsection (e) and issue a registry identification card to these qualifying 27 patients, primary caregivers and authorized purchasers within seventy-two (72) hours of receipt of the completed application. The departments shall not charge a registration fee to the patient, caregivers or 28 29 authorized purchasers named in the application. The department of health may identify through regulation 30 a list of other conditions qualifying a patient for expedited application processing.
- 31 (g) Following the promulgation of regulations pursuant to 21-28.6-5 (c), Tthe department of health 32 shall-department of business regulation may issue or renew a registry identification card to the qualifying 33 patient cardholder's primary caregiver, if any, who is named in the qualifying patient's approved application 34 provided the qualifying patient is eligible to appoint a primary caregiver, or serve as their own primary

1 caregiver pursuant to regulations promulgated by the department of business regulation and the caregiver 2 applicant has submitted all necessary application or renewal materials and fees pursuant to regulations promulgated by the department of business regulation. The department of business regulation shall verify 3 4 the information contained in applications and renewal forms submitted pursuant to this chapter prior to 5 issuing any registry identification card. The department of business regulation may deny an application or 6 renewal if the applicant or appointing patient did not provide the information required pursuant to this 7 section, or if the department determines that the information provided was falsified, or if the applicant or 8 appointing patient has violated this chapter under their previous registration or has otherwise failed to 9 satisfy the application or renewal requirements. 10 (1) Any qualifying patient who qualifies to grow medical marijuana for themselves and serve as

11 their own caregiver shall not be allowed to appoint a caregiver unless said qualifying patient is able to 12 demonstrate the necessity of appointing a caregiver in accordance with regulations promulgated by the 13 department of business regulation.

(2) A primary caregiver shall only be registered with and assist one patient cardholder with their
 medical use of marijuana except as allowed in subdivision (g)(3) of this section.

16 (3) A primary caregiver may be registered with more than one patient cardholder provided that any 17 additional patient is an immediate family member of the primary caregiver or is able to demonstrate the 18 necessity of appointing the caregiver in accordance with regulations promulgated by the department of 19 business regulation.

20 (1)(4) A primary caregiver applicant or an authorized purchaser applicant shall apply to the bureau 21 of criminal identification of the department of attorney general, department of public safety division of state 22 police, or local police department for a national criminal records check that shall include fingerprints 23 submitted to the Federal Bureau of Investigation. Upon the discovery of any disqualifying information as 24 defined in subdivision (g)(4)(8), and in accordance with the rules promulgated by the director, the bureau 25 of criminal identification of the department of attorney general, department of public safety division of state police, or the local police department shall inform the applicant, in writing, of the nature of the disqualifying 26 27 information; and, without disclosing the nature of the disqualifying information, shall notify the department 28 of business regulation or department of health, as applicable, in writing, that disqualifying information has 29 been discovered.

30 (2)(5) In those situations in which no disqualifying information has been found, the bureau of
 31 criminal identification of the department of attorney general, department of public safety division of state
 32 police, or the local police shall inform the applicant and the department <u>of business regulation or department</u>
 33 <u>of health, as applicable, in writing, of this fact.</u>

1 (3)(6) The department of health or department of business regulation, as applicable, shall maintain 2 on file evidence that a criminal records check has been initiated on all applicants seeking a primary 3 caregiver registry identification card or an authorized purchaser registry identification card and the results 4 of the checks. The primary caregiver cardholder shall not be required to apply for a national criminal records 5 check for each patient he or she is connected to through the department's registration process, provided that he or she has applied for a national criminal records check within the previous two (2) years in accordance 6 7 with this chapter. The department of health and department of business regulation, as applicable, shall not 8 require a primary caregiver cardholder or an authorized purchaser cardholder to apply for a national 9 criminal records check more than once every two (2) years.

10 (7) Notwithstanding any other provision of this chapter, the department of business regulation or 11 department of health may revoke or refuse to issue any class or type of registry identification card or license 12 if it determines that failing to do so would conflict with any federal law or guidance pertaining to regulatory, 13 enforcement and other systems that states, businesses, or other institutions may implement to mitigate the 14 potential for federal intervention or enforcement. This provision shall not be construed to prohibit the 15 overall implementation and administration of this chapter on account of the federal classification of 16 marijuana as a schedule I substance or any other federal prohibitions or restrictions.

17 (4)(8) Information produced by a national criminal records check pertaining to a conviction for any 18 felony offense under chapter 28 of title 21 ("Rhode Island Controlled Substances Act"), murder, 19 manslaughter, rape, first-degree sexual assault, second-degree sexual assault, first-degree child molestation, 20 second-degree child molestation, kidnapping, first-degree arson, second-degree arson, mayhem, robbery, burglary, breaking and entering, assault with a dangerous weapon, assault or battery involving grave bodily 21 22 injury, and/or assault with intent to commit any offense punishable as a felony or a similar offense from 23 any other jurisdiction shall result in a letter to the applicant and the department of health or department of 24 business regulation, as applicable, disqualifying the applicant. If disqualifying information has been found, 25 the department of health or department of business regulation, as applicable may use its discretion to issue a primary caregiver registry identification card or an authorized purchaser registry identification card if the 26 27 applicant's connected patient is an immediate family member and the card is restricted to that patient only. 28 (5)(9) The primary caregiver or authorized purchaser applicant shall be responsible for any expense 29 associated with the national criminal records check.

30 (6)(10) For purposes of this section, "conviction" means, in addition to judgments of conviction 31 entered by a court subsequent to a finding of guilty or a plea of guilty, those instances where the defendant 32 has entered a plea of nolo contendere and has received a sentence of probation and those instances where a 33 defendant has entered into a deferred sentence agreement with the attorney general.

- 1 (11) Notwithstanding any other provision of this chapter, a qualifying patient cardholder who 2 applies for a caregiver registration shall not be required to obtain a criminal background check and shall be 3 exempt from the requirements of § 21-28.6-6(g)(4), provided the qualifying patient cardholder is not 4 registered as, and does not apply to be, a caregiver for any other qualifying patient. 5 (12) The office of cannabis regulation may adopt rules and regulations based on federal guidance provided those rules and regulations are designed to comply with federal guidance and mitigate federal 6 7 enforcement against the registrations and licenses issued under this chapter. 8 9 (h) (i) On or before December 31, 2016, the department of health shall issue registry identification 10 cards within five (5) business days of approving an application or renewal that shall expire two (2) years 11 after the date of issuance. 12 (ii) Effective January 1, 2017, and thereafter, the department of health or the department of business 13 regulation, as applicable, shall issue registry identification cards within five (5) business days of approving 14 an application or renewal that shall expire one year after the date of issuance. 15 (iii) Registry identification cards shall contain: 16 (1) The date of issuance and expiration date of the registry identification card; 17 (2) A random registry identification number; 18 (3) A photograph; and 19 (4) Any additional information as required by regulation or the department of health or business 20 regulation as applicable. 21 (i) Persons issued registry identification cards by the department of health or department of business 22 regulation shall be subject to the following: (1) A qualifying patient cardholder shall notify the department of health of any change in his or her 23 24 name, address, primary caregiver, or authorized purchaser; or if he or she ceases to have his or her 25 debilitating medical condition, within ten (10) days of such change. (2) A qualifying patient cardholder who fails to notify the department of health of any of these 26 changes is responsible for a civil infraction, punishable by a fine of no more than one hundred fifty dollars 27 (\$150). If the patient cardholder has ceased to suffer from a debilitating medical condition, the card shall 28 29 be deemed null and void and the person shall be liable for any other penalties that may apply to the person's 30 nonmedical use of marijuana. 31 (3) A primary caregiver cardholder or authorized purchaser shall notify the issuing department-of 32 health of any change in his or her name or address within ten (10) days of such change. A primary caregiver cardholder or authorized purchaser who fails to notify the issuing department of any of these changes is 33
- responsible for a civil infraction, punishable by a fine of no more than one hundred fifty dollars (\$150).

1 (4) When a qualifying patient cardholder or primary caregiver cardholder notifies the department 2 of health or department of business regulation, as applicable, of any changes listed in this subsection, the 3 department of health or department of business regulation, as applicable, shall issue the qualifying patient 4 cardholder and each primary caregiver cardholder a new registry identification card within ten (10) days of 5 receiving the updated information and a ten-dollar (\$10.00) fee.

6

(5) When a qualifying patient cardholder changes his or her primary caregiver or authorized 7 purchaser, the department of health or department of business regulation, as applicable shall notify the 8 primary caregiver cardholder or authorized purchaser within ten (10) days. The primary caregiver 9 cardholder's protections as provided in this chapter as to that patient shall expire ten (10) days after 10 notification by the issuing department. If the primary caregiver cardholder or authorized purchaser is 11 connected to no other qualifying patient cardholders in the program, he or she must return his or her registry 12 identification card to the issuing department.

13 (6) If a cardholder or authorized purchaser loses his or her registry identification card, he or she shall notify the department that issued the card and submit a ten-dollar (\$10.00) fee within ten (10) days of 14 15 losing the card. Within five (5) days, the department of health or department of business regulation shall 16 issue a new registry identification card with new random identification number.

17 (7) Effective January 1, 2019, if a patient cardholder chooses to alter his or her registration with regard to the growing of medical marijuana for himself or herself, he or she shall notify the department 18 19 prior to the purchase of medical marijuana tags or the growing of medical marijuana plants.

20 (8)(7) If a cardholder or authorized purchaser willfully violates any provision of this chapter as 21 determined by the department of health or the department of business regulation, his or her registry 22 identification card may be revoked.

23 (j) Possession of, or application for, a registry identification card shall not constitute probable cause 24 or reasonable suspicion, nor shall it be used to support the search of the person or property of the person 25 possessing or applying for the registry identification card, or otherwise subject the person or property of the person to inspection by any governmental agency. 26

(k)(1) Applications and supporting information submitted by qualifying patients, including 27 information regarding their primary caregivers, authorized purchaser, and practitioners, are confidential 28 29 and protected under in accordance with the federal Health Insurance Portability and Accountability Act of 1996, as amended, and shall be exempt from the provisions of chapter 2 of title 38 et seq. (Rhode Island 30 access to public records act) and not subject to disclosure, except to authorized employees of the 31 32 departments of health and business regulation as necessary to perform official duties of the departments, 33 and pursuant to subsection (1) and (m).

1 (2) The application for qualifying patient's registry identification card shall include a question 2 asking whether the patient would like the department of health to notify him or her of any clinical studies 3 about marijuana's risk or efficacy. The department of health shall inform those patients who answer in the 4 affirmative of any such studies it is notified of, that will be conducted in Rhode Island. The department of 5 health may also notify those patients of medical studies conducted outside of Rhode Island.

6 (3) The department of health <u>and the department of business regulation, as applicable</u>, shall 7 maintain a confidential list of the persons to whom the department of health <u>or department of business</u> 8 <u>regulation</u> has issued <u>authorized patient</u>, <u>primary caregiver</u>, <u>and authorized purchaser registry</u> identification 9 cards. Individual names and other identifying information on the list shall be confidential, exempt from the 10 provisions of Rhode Island access to public information, chapter 2 of title 38, and not subject to disclosure, 11 except to authorized employees of the department<u>s</u> of health <u>and business regulation</u> as necessary to perform 12 official duties of the department<u>s</u> and <u>pursuant to subsections (1) and (m)</u>.

13 (1) Notwithstanding subsections (k) and (m), the departments of health and business regulation, as 14 applicable, shall verify to law enforcement personnel whether a registry identification card is valid and may 15 provide additional information to confirm whether a cardholder is compliant with the provisions of this 16 chapter and the regulations promulgated hereunder. solely by confirming the random registry identification 17 number or name. The department of business regulation shall verify to law enforcement personnel whether 18 a registry identification card is valid and may confirm whether the cardholder is compliant with the 19 provisions of this chapter and the regulations promulgated hereunder. This verification may occur through 20 the use of a shared database, provided that any medical records or confidential information in this database 21 related to a cardholder's specific medical condition is protected in accordance with subdivision (k)(1).

22 (m) It shall be a crime, punishable by up to one hundred eighty (180) days in jail and a one thousand dollar 23 (\$1,000) fine, for any person, including an employee or official of the departments of health, business 24 regulation, public safety, or another state agency or local government, to breach the confidentiality of 25 information obtained pursuant to this chapter. Notwithstanding this provision, the department of health and 26 department of business regulation employees may notify law enforcement about falsified or fraudulent 27 information submitted to the department or violations of this chapter. Nothing in this act shall be construed as to prohibit law enforcement, public safety, fire, or building officials from investigating violations of, or 28 29 enforcing state law.

30 (n) On or before the fifteenth day of the month following the end of each quarter of the fiscal year,
 31 the department <u>of health and the department of business regulation shall report to the governor, the speaker</u>

of the House of Representatives, and the president of the senate on applications for the use of marijuana for
 symptom relief. The report shall provide:

(1) The number of applications for registration as a qualifying patient, primary caregiver, or authorized purchaser that have been made to the department of health and the department of business regulation during the preceding quarter, the number of qualifying patients, primary caregivers, and authorized purchasers approved, the nature of the debilitating medical conditions of the qualifying patients, the number of registrations revoked, and the number and specializations, if any, of practitioners providing written certification for qualifying patients.

9 (o) On or before September 30 of each year, the department of health and the department of business
 10 regulation, as applicable, shall report to the governor, the speaker of the House of Representatives, and the
 11 president of the senate on the use of marijuana for symptom relief. The report shall provide:

(1) The total number of applications for registration as a qualifying patient, primary caregiver, or authorized purchaser that have been made to the department of health and the department of business regulation, the number of qualifying patients, primary caregivers, and authorized purchasers approved, the nature of the debilitating medical conditions of the qualifying patients, the number of registrations revoked, and the number and specializations, if any, of practitioners providing written certification for qualifying patients;

(2) The number of active qualifying patient, primary caregiver, and authorized purchaser
 registrations as of June 30 of the preceding fiscal year;

(3) An evaluation of the costs permitting the use of marijuana for symptom relief, including any
 costs to law enforcement agencies and costs of any litigation;

(4) Statistics regarding the number of marijuana-related prosecutions against registered patients
 and caregivers, and an analysis of the facts underlying those prosecutions;

(5) Statistics regarding the number of prosecutions against physicians for violations of this chapter;
 and

(6) Whether the United States Food and Drug Administration has altered its position regarding the
 use of marijuana for medical purposes or has approved alternative delivery systems for marijuana.

(p) After June 30, 2018, the department of business regulation shall report to the speaker of the
 house, senate president, the respective fiscal committee chairpersons, and fiscal advisors within 60 days of
 the close of the prior fiscal year. The report shall provide:

(1) The number of applications for registry identification cards to compassion center staff, the
 number approved, denied and the number of registry identification cards revoked, and the number of
 replacement cards issued;

34 (2) The number of applications for compassion centers and licensed cultivators;

- 1 (3) The number of marijuana plant tag sets ordered, delivered, and currently held within the state; 2 (4) The total revenue collections of any monies related to its regulator activities for the prior fiscal 3 year, by the relevant category of collection, including enumerating specifically the total amount of revenues 4 foregone or fees paid at reduced rates pursuant to this chapter. 5 21-28.6-7. Scope of chapter. 6 (a) This chapter shall not permit: 7 (1) Any person to undertake any task under the influence of marijuana, when doing so would 8 constitute negligence or professional malpractice; 9 (2) The smoking of marijuana: 10 (i) In a school bus or other form of public transportation; (ii) On any school grounds; 11 12 (iii) In any correctional facility; (iv) In any public place; 13 (v) In any licensed drug treatment facility in this state; or 14 (vi) Where exposure to the marijuana smoke significantly adversely affects the health, safety, or 15 welfare of children. 16 17 (3) Any person to operate, navigate, or be in actual physical control of any motor vehicle, aircraft, 18 or motorboat while under the influence of marijuana. However, a registered qualifying patient shall not be 19 considered to be under the influence solely for having marijuana metabolites in his or her system. 20 (4) The operation of a medical marijuana emporium is prohibited in this state without a license 21 issued by the department of business regulation. 22 (b) Nothing in this chapter shall be construed to require: 23 (1) A government medical assistance program or private health insurer to reimburse a person for 24 costs associated with the medical use of marijuana; or 25 (2) An employer to accommodate the medical use of marijuana in any workplace. 26 (c) Fraudulent representation to a law enforcement official of any fact or circumstance relating to 27 the medical use of marijuana to avoid arrest or prosecution shall be punishable by a fine of five hundred dollars (\$500) which shall be in addition to any other penalties that may apply for making a false statement 28 29 for the nonmedical use of marijuana.
- 30

21-28.6-8 Affirmative defense and dismissal.

(a) Except as provided in § 21-28.6-7, a qualifying patient may assert the medical purpose for using
 marijuana as a defense to any prosecution involving marijuana, and such defense shall be presumed valid
 where the evidence shows that:

(1) The qualifying patient's practitioner has stated that, in the practitioner's professional opinion,
 after having completed a full assessment of the person's medical history and current medical condition made
 in the course of a bona fide practitioner-patient relationship, the potential benefits of using marijuana for
 medical purposes would likely outweigh the health risks for the qualifying patient; and

5 (2) The qualifying patient <u>was compliant with this chapter and all regulations promulgated</u> 6 <u>hereunder and in possession of a quantity of marijuana that was not more than what is permitted under this</u> 7 chapter to ensure the uninterrupted availability of marijuana for the purpose of alleviating the person's 8 medical condition or symptoms associated with the medical condition.

9 (b) A person may assert the medical purpose for using marijuana in a motion to dismiss, and the 10 charges shall be dismissed following an evidentiary hearing where the defendant shows the elements listed 11 in subsection (a) of this section.

12 (c) Any interest in, or right to, property that was possessed, owned, or used in connection with a 13 qualifying patient's use of marijuana for medical purposes shall not be forfeited if the qualifying patient 14 demonstrates the qualifying patient's medical purpose for using marijuana pursuant to this section.

15 **<u>21-28.6-9 Enforcement.</u>**

(a) If the department of health fails to adopt regulations to implement this chapter within one
hundred twenty (120) days of the effective date of this act, a qualifying patient may commence an action in
a court of competent jurisdiction to compel the department to perform the actions mandated pursuant to the
provisions of this chapter.

(b) If the department of health or the department of business regulation fails to issue a valid registry
identification card in response to a valid application submitted pursuant to this chapter within thirty-five
(35) days of its submission, the registry identification card shall be deemed granted and a copy of the
registry identification application shall be deemed a valid registry identification card.

(c) The department of health and the department of business regulation shall revoke and shall not reissue, the registry identification card of any cardholder or licensee who is convicted of; placed on probation; whose case is filed pursuant to § 12-10-12 where the defendant pleads nolo contendere; or whose case is deferred pursuant to § 12-19-19 where the defendant pleads nolo contendere for any felony offense under chapter 28 of title 21 ("Rhode Island Controlled Substances Act") or a similar offense from any other jurisdiction.

30 (d) If a cardholder exceeds the possession limits set forth in §§ 21-28.6-4 or 21-28.6-14, or is in
31 violation of any other section of this chapter or the regulations promulgated hereunder, he or she shall may
32 be subject to arrest and prosecution under chapter 28 of title 21 ("Rhode Island Controlled Substances
33 Act").

1 (e) (1) Notwithstanding any other provision of this chapter, if the director of the department of

2 business regulation or his or her designee has cause to believe that a violation of any provision of chapter

3 21-28.6 or the regulations promulgated thereunder has occurred by a licensee or registrant under the

4 department's jurisdiction, or that any person or entity is conducting any activities requiring licensure or

- 5 registration by the department of business regulation under chapter 21-28.6 or the regulations promulgated
- 6 thereunder without such licensure or registration, the director or his or her designee may, in accordance
- 7 with the requirements of the administrative procedures act, chapter 35 of title 42:
- 8 (i) With the exception of patient and authorized purchaser registrations, revoke or suspend any 9 license or registration issued under chapters 2-26, 21-28.6 and 21-28.11;
- 10 (ii) Levy an administrative penalty in an amount established pursuant to regulations promulgated
- 11 by the department of business regulation;
- 12 (iii) Order the violator to cease and desist such actions;
- 13 (iv) Require a licensee or registrant or person or entity conducting any activities requiring licensure

14 or registration under chapter 21-28.6 to take such actions as are necessary to comply with such chapter and

- 15 <u>the regulations promulgated thereunder; or</u>
- 16 (v) Any combination of the above penalties.
- 17 (2) If the director of the department of business regulation finds that public health, safety, or welfare
 imperatively requires emergency action, and incorporates a finding to that effect in his or her order,
 summary suspension of license or registration and/or cease and desist may be ordered pending proceedings
 for revocation or other action. These proceedings shall be promptly instituted and determined.
- (f) All medical marijuana products that are held for sale or distribution within the borders of this state in violation of the requirements of this chapter are declared to be contraband goods and may be seized by the department of business regulation, the tax administrator or his or her agents, or employees, or by any sheriff, or his or her deputy, or any police officer when requested by the tax administrator or the department of business regulation to do so, without a warrant. All contraband goods seized by the state under this chapter may be destroyed.
- 27

21-28.6-12 Compassion centers.

(a) A compassion center registered <u>licensed</u> under this section may acquire, possess, cultivate,
 manufacture, deliver, transfer, transport, supply, or dispense marijuana, or related supplies and educational
 materials, to registered qualifying patients and their registered primary caregivers or authorized purchasers.
 <u>out of state patient cardholders, or other marijuana business license holders, in accordance with regulations</u>
 <u>promulgated by the department of business regulation</u>. Except as specifically provided to the contrary, all

provisions of the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, §§ 21-28.6-1 et seq.,
 apply to a compassion center unless they conflict with a provision contained in § 21-28.6-12.

3 (b) Registration License of compassion centers–authority of the departments of health and business
 4 regulation:

(1) Not later than ninety (90) days after the effective date of this chapter, the department of health
 shall promulgate regulations governing the manner in which it shall consider applications for registration
 certificates licenses for compassion centers, including regulations governing:

8 (i) The form and content of registration <u>license</u> and renewal applications;

9 (ii) Minimum oversight requirements for compassion centers;

10 (iii) Minimum record-keeping requirements for compassion centers;

11 (iv) Minimum security requirements for compassion centers; and

(v) Procedures for suspending, revoking, or terminating the <u>registration license</u> of compassion
 centers that violate the provisions of this section or the regulations promulgated pursuant to this subsection.

(2) Within ninety (90) days of the effective date of this chapter, the department of health shall begin
 accepting applications for the operation of a single compassion center.

(3) Within one hundred fifty (150) days of the effective date of this chapter, the department of
health shall provide for at least one public hearing on the granting of an application to a single compassion
center.

(4) Within one hundred ninety (190) days of the effective date of this chapter, the department of
 health shall grant a single registration certificate license to a single compassion center, providing at least
 one applicant has applied who meets the requirements of this chapter.

(5) If at any time after fifteen (15) months after the effective date of this chapter, there is no operational compassion center in Rhode Island, the department of health shall accept applications, provide for input from the public, and issue a registration certificate <u>license</u> for a compassion center if a qualified applicant exists.

(6) Within two (2) years of the effective date of this chapter, the department of health shall begin
accepting applications to provide registration certificates license for two (2) additional compassion centers.
The department shall solicit input from the public, and issue registration certificates licenses if qualified
applicants exist.

(7) (i) Any time a compassion center registration certificate license is revoked, is relinquished, or
 expires on or before December 31, 2016, the department of health shall accept applications for a new
 compassion center.

(ii) Any time a compassion center registration certificate license is revoked, is relinquished, or
 expires on or after January 1, 2017, the department of business regulation shall accept applications for a
 new compassion center.

(8) (i) If at any time after three (3) years after the effective date of this chapter and on or before
December 31, 2016, fewer than three (3) compassion centers are holding valid registration certificates
<u>licenses</u> in Rhode Island, the department of health shall accept applications for a new compassion center.
If at any time on or after January 1, 2019, fewer than three (3) nine (9) compassion centers are holding valid
registration certificates licenses in Rhode Island, or are approved by the department of business regulation,
the department of business regulation shall accept applications for a new compassion center. No more than
nine (9) three (3) compassion centers may hold valid registration certificates licenses at one time.

(ii) Before September 1, 2019 the department of business regulation shall not accept applications for additional compassion centers except for those submitted by a compassion center that is licensed by the department. A compassion center that holds a license in good standing by the department and whose application meets the requirements of this chapter including the payment of all applicable fees, shall be issued a second compassion center license for the retail sale of medical marijuana.

- (iii) On and after September 1, 2019 the department of business regulation shall accept applications
 from all other applicants.
- (9) Any compassion center application selected for approval by the department of health on or before December 31, 2016, or selected for approval by the department of business regulation on or after January 1, 2017, shall remain in full force and effect, notwithstanding any provisions of this chapter to the contrary, and shall be subject to state law adopted herein and rules and regulations adopted by the departments of health and business regulation subsequent to passage of this legislation.

23 (c) Compassion center and agent applications and registration license:

(1) Each application for a compassion center shall include be submitted in accordance with
 regulations promulgated by the department of business regulation and shall include but not be limited to:

- 26 (i) A non-refundable application fee paid to the department in the amount of two hundred fifty
 27 dollars (\$250)-ten thousand dollars (\$10,000);
- 28

(ii) The proposed legal name and proposed articles of incorporation of the compassion center;

(iii) The proposed physical address of the compassion center, if a precise address has been
determined, or, if not, the general location where it would be located. This may include a second location
for the <u>a second compassion center retail location in accordance with 21-28.6-12 (b)(8)(ii)-cultivation of</u>
medical marijuana;

33

(iv) A description of the enclosed, locked facility that would be used in the cultivation of marijuana;

1 (v) The name, address, and date of birth of each principal officer and board member of the 2 compassion center;

- 3 (vi)(v) Proposed security and safety measures that shall include at least one security alarm system
 4 for each location, planned measures to deter and prevent the unauthorized entrance into areas containing
 5 marijuana and the theft of marijuana, as well as a draft, employee-instruction manual including security
 6 policies, safety and security procedures, personal safety, and crime-prevention techniques; and
- 7

(vii)(vi) Proposed procedures to ensure accurate record keeping;

8 (2)(i) For applications submitted on or before December 31, 2016, any time one or more 9 compassion center registration <u>license</u> applications are being considered, the department of health shall also 10 allow for comment by the public and shall solicit input from registered qualifying patients, registered 11 primary caregivers; and the towns or cities where the applicants would be located;

(ii) For applications submitted on or after January 1, 2017, any time one or more compassion center registration <u>license</u> applications are being considered, the department of business regulation shall also allow for comment by the public and shall solicit input from registered qualifying patients, registered primary caregivers; and the towns or cities where the applicants would be located.

(3) Each time a <u>new</u> compassion center <u>certificate-license</u> is <u>granted-issued</u>, the decision shall be
based upon the overall health needs of qualified patients and the safety of the public, including, but not
limited to, the following factors:

(i) Convenience to patients from <u>underserved areas</u> throughout the state of Rhode Island. to the
 compassion centers if the applicant were approved;

(ii) The applicant's ability to provide a steady supply to the registered qualifying patients in thestate;

23 (iii) The applicant's experience running a non-profit or business;

(iv) The interests of qualifying patients regarding which applicant be granted a registration
 certificate license;

26 (v) The interests of the city or town where the dispensary would be located;

(vi) The sufficiency of the applicant's plans for record keeping and security, which records shall be
considered confidential health-care information under Rhode Island law and are intended to be deemed
protected health-care information for purposes of the Federal Health Insurance Portability and
Accountability Act of 1996, as amended; and

(vii) The sufficiency of the applicant's plans for safety and security, including proposed location,
 security devices employed, and staffing;

(4) A compassion center approved by the department of health on or before December 31, 2016,
 shall submit the following to the department before it may begin operations:

1 (i) A fee paid to the department in the amount of five thousand dollars (\$5,000); 2 (ii) The legal name and articles of incorporation of the compassion center; 3 (iii) The physical address of the compassion center; this may include a second address for the secure 4 cultivation of marijuana; 5 (iv) The name, address, and date of birth of each principal officer and board member of the 6 compassion center; and 7 (v) The name, address, and date of birth of any person who will be an agent of, employee, or 8 volunteer of the compassion center at its inception. 9 (5) A compassion center approved or renewed by the department of business regulation on or after 10 January 1, 2017, shall submit materials pursuant to regulations promulgated by the department of business 11 regulation the following to the department before it may begin operations which shall include but not be 12 limited to: 13 (i) A fee paid to the department in the amount of five<u>fifty</u> thousand dollars (\$550,000); 14 (ii) The legal name and articles of incorporation of the compassion center; 15 (iii) The physical address of the compassion center; this may include a second address for the secure 16 cultivation of marijuana 17 (iv) The name, address, and date of birth of each principal officer and board member of the 18 compassion center; 19 (v) The name, address, and date of birth of any person who will be an agent of, employee, or 20 volunteer of the compassion center at its inception. 21 (6) Except as provided in subdivision (7), the department of health or the department of business 22 regulation shall issue each principal officer, board member, agent, volunteer, and employee of a compassion center a registry identification card or renewal card after receipt of the person's name, address, date of birth; 23 24 a fee in an amount established by the department of health or the department of business regulation; and, except in the case of an employee, notification to the department of health or the department of business 25 26 regulation by the department of public safety division of state police, attorney general's office, or local law 27 enforcement that the registry identification card applicant has not been convicted of a felony drug offense or has not entered a plea of nolo contendere for a felony drug offense and received a sentence of probation. 28 29 Each card shall specify that the cardholder is a principal officer, board member, agent, volunteer, or 30 employee of a compassion center and shall contain the following: 31 (i) The name, address, and date of birth of the principal officer, board member, agent, volunteer, or 32 employee; 33 (ii) The legal name of the compassion center to which the principal officer, board member, agent, 34 volunteer, or employee is affiliated;

- 1
- (iii) A random identification number that is unique to the cardholder;

2 (iv) The date of issuance and expiration date of the registry identification card; and

- 3 (v) A photograph, if the department of health or the department of business regulation decides to
 4 require one: and
- 5

6

7

8

9

10

11

12

13

14

(vi) Any other information or card classification that the department of business regulation requires.
(7) Except as provided in this subsection, neither the department of health nor the department of business regulation shall issue a registry identification card to any principal officer, board member, <u>or</u> agent, volunteer, or employee of a compassion center who has been convicted of a felony drug offense or has entered a plea of nolo contendere for a felony drug offense and received a sentence of probation. If a registry identification card is denied, the compassion center will be notified in writing of the purpose for denying the registry identification card. A registry identification card may be granted if the offense was for conduct that occurred prior to the enactment of the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act or that was prosecuted by an authority other than the state of Rhode Island and for which the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act would otherwise have prevented a conviction.

15 (i) All registry identification card applicants shall apply to the department of public safety division 16 of state police, the attorney general's office, or local law enforcement for a national criminal identification 17 records check that shall include fingerprints submitted to the federal bureau of investigation. Upon the 18 discovery of a felony drug offense conviction or a plea of nolo contendere for a felony drug offense with a 19 sentence of probation, and in accordance with the rules promulgated by the department of health and the 20 department of business regulation, the department of public safety division of state police, the attorney general's office, or local law enforcement shall inform the applicant, in writing, of the nature of the felony 21 22 and the department of public safety division of state police shall notify the department of health or the 23 department of business regulation, in writing, without disclosing the nature of the felony, that a felony drug 24 offense conviction or a plea of nolo contendere for a felony drug offense with probation has been found.

(ii) In those situations in which no felony drug offense conviction or plea of nolo contendere for a felony drug offense with probation has been found, the department of public safety division of state police, the attorney general's office, or local law enforcement shall inform the applicant and the department of health or the department of business regulation, in writing, of this fact.

(iii) All registry identification card applicants <u>except for employees with no ownership, equity,</u>
 <u>financial interest, or managing control of a marijuana establishment license</u> shall be responsible for any
 expense associated with the criminal background check with fingerprints.

32 (8) A registry identification card of a principal officer, board member, agent, volunteer, or 33 employee, or any other designation required by the department of business regulation shall expire one year 34 after its issuance, or upon the expiration of the registered licensed organization's registration certificate <u>license</u>, or upon the termination of the principal officer, board member, agent, volunteer or employee's
 relationship with the compassion center, whichever occurs first.

(9) A compassion center cardholder shall notify and request approval from the department of
business regulation of any change in his or her name or address within ten (10) days of such change. A
compassion center cardholder who fails to notify the department of business regulation of any of these
changes is responsible for a civil infraction, punishable by a fine of no more than one hundred fifty dollars
(\$150).

8 (10) When a compassion center cardholder notifies the department of health or the department of 9 business regulation of any changes listed in this subsection, the department shall issue the cardholder a new 10 registry identification card within ten (10) days of receiving the updated information and a ten-dollar 11 (\$10.00) fee.

(11) If a compassion center cardholder loses his or her registry identification card, he or she shall
notify the department of health or the department of business regulation and submit a ten dollar (\$10.00)
fee within ten (10) days of losing the card. Within five (5) days, the department shall issue a new registry
identification card with new random identification number.

(12) On or before December 31, 2016, a compassion center cardholder shall notify the department
 of health of any disqualifying criminal convictions as defined in subdivision (c)(7). The department of
 health may choose to suspend and/or revoke his or her registry identification card after such notification.

(13) On or after January 1, 2017, a compassion center cardholder shall notify the department of business regulation of any disqualifying criminal convictions as defined in subdivision (c)(7). The department of business regulation may choose to suspend and/or revoke his or her registry identification card after such notification.

(14) If a compassion center cardholder violates any provision of this chapter or regulations
 promulgated hereunder as determined by the departments of health and business regulation, his or her
 registry identification card may be suspended and/or revoked.

26

(d) Expiration or termination of compassion center:

(1) On or before December 31, 2016, a compassion center's registration license shall expire two (2)
years after its registration certificate license is issued. On or after January 1, 2017, a compassion center's
registration license shall expire one year after its registration certificate license is issued. The compassion
center may submit a renewal application beginning sixty (60) days prior to the expiration of its registration
certificate license;

(2) The department of health or the department of business regulation shall grant a compassion
 center's renewal application within thirty (30) days of its submission if the following conditions are all
 satisfied:

- (i) The compassion center submits the materials required under subdivisions (c)(4) and (c)(5),
 including a two hundred fifty thousand dollar fifty thousand dollar (\$25050,000) fee;
- 3 (ii) The compassion center's registration license has never been suspended for violations of this
 4 chapter or regulations issued pursuant to this chapter; and
- 5 (iii) The department of health and the department of business regulation find that the compassion
 6 center is adequately providing patients with access to medical marijuana at reasonable rates;
- 7 (3) If the department of health or the department of business regulation determines that any of the 8 conditions listed in paragraphs (d)(2)(i) - (iii) have not been met, the department shall-may begin an open 9 application process for the operation of a compassion center. In granting a new registration certificate 10 license, the department of health or the department of business regulation shall consider factors listed in 11 subdivision (c)(3);
- (4) The department of health or the department of business regulation shall issue a compassion
 center one or more thirty-day (30) temporary registration certificates licenses after that compassion center's
 registration license would otherwise expire if the following conditions are all satisfied:
- (i) The compassion center previously applied for a renewal, but the department had not yet cometo a decision;
- 17 (ii) The compassion center requested a temporary registration certificate license; and
- 18 (iii) The compassion center has not had its registration certificate license suspended or revoked due
- 19 to violations of this chapter or regulations issued pursuant to this chapter.
- 20 (5) A compassion center's registry identification card <u>license</u> shall be subject to revocation if the 21 compassion center:
- 22 (i) Possesses an amount of marijuana exceeding the limits established by this chapter;
- 23 (ii) Is in violation of the laws of this state;
- 24 (iii) Is in violation of other departmental regulations; or
- (iv) Employs or enters into a business relationship with a medical practitioner who provides written
 certification of a qualifying patient's medical condition.
- 27

(e) Inspection. Compassion centers are subject to reasonable inspection by the department of health,

28 division of facilities regulation and the department of business regulation. During an inspection, the

29 departments may review the compassion center's confidential records, including its dispensing records,

30 which shall track transactions according to qualifying patients' registry identification numbers to protect

31 their confidentiality.

- 32 (f) Compassion center requirements:
- (1) A compassion center shall be operated on a not-for-profit basis for the mutual benefit of its
 patients. A compassion center need not be recognized as a tax-exempt organization by the Internal Revenue

- 1 Service; A compassion center shall be subject to regulations promulgated by the department of business
- 2 regulation for general operations and record keeping which shall include but not be limited to:
- 3 (i) Minimum security and surveillance requirements;
- 4 (ii) Minimum requirements for workplace safety and sanitation;
- 5 (iii) Minimum requirements for product safety and testing;
- 6 (iv) Minimum requirements for inventory tracking and monitoring;
- 7 (v) Minimum requirements for the secure transport and transfer of medical marijuana;
- 8 (vi) Minimum requirements to address odor mitigation:
- 9 (vii) Minimum requirements for product packaging and labeling;
- 10 <u>(viii) Minimum requirements for advertising;</u>
- 11 (ix) Minimum requirements for the testing and destruction of marijuana. Wherever destruction of
- 12 medical marijuana and medical marijuana product is required to bring a person or entity into compliance
- 13 with any provision of chapter 21-28.6, any rule or regulation promulgated thereunder, or any administrative
- 14 order issued in accordance therewith, the director of the department of business regulation may designate
- 15 <u>his or her employees or agents to facilitate said destruction;</u>
- 16 (x) A requirement that if a compassion center violates this chapter, or any regulation thereunder,
- 17 and the department of business regulation determines that violation does not pose an immediate threat to
- 18 public health or public safety, the compassion center shall pay to the department of business regulation a
- 19 fine of no less than five-hundred dollars (\$500); and
- 20 (xi) A requirement that if f a compassion center violates this chapter, or any regulation promulgated
- 21 hereunder, and the department of business regulation determines that the violation poses an immediate
- 22 threat to public health or public safety, the compassion center shall pay to the department of business
- 23 regulation a fine of no less than two-thousand dollars (\$2,000) and the department shall be entitled to pursue

24 <u>any other enforcement action provided for under this chapter and the regulations.</u>

- (2) A compassion center may not be located within one thousand feet (1000') of the property line
 of a preexisting public or private school;
- (3) On or before December 31, 2016, a compassion center shall notify the department of health within ten (10) days of when a principal officer, board member, agent, volunteer, or employee ceases to work at the compassion center. On or after January 1, 2017, a compassion center shall notify the department of business regulation within ten (10) days of when a principal officer, board member, agent, volunteer, or employee ceases to work at the compassion center. His or her card shall be deemed null and void and the person shall be liable for any penalties that may apply to any nonmedical possession or use of marijuana by the person;

(4)(i) On or before December 31, 2016, a compassion center shall notify the department of health
 in writing of the name, address, and date of birth of any new principal officer, board member, agent,
 volunteer or employee and shall submit a fee in an amount established by the department for a new registry
 identification card before that person begins his or her relationship with the compassion center;

5 (ii) On or after January 1, 2017, a compassion center shall notify the department of business 6 regulation, in writing, of the name, address, and date of birth of any new principal officer, board member, 7 agent, volunteer, or employee and shall submit a fee in an amount established by the department <u>of business</u> 8 <u>regulation</u> for a new registry identification card before that person begins his or her relationship with the 9 compassion center;

10 (5) A compassion center shall implement appropriate security measures to deter and prevent the 11 unauthorized entrance into areas containing marijuana and the theft of marijuana and shall insure that each 12 location has an operational security alarm system. Each compassion center shall request that the department 13 of public safety division of state police visit the compassion center to inspect the security of the facility and 14 make any recommendations regarding the security of the facility and its personnel within ten (10) days 15 prior to the initial opening of each compassion center. Said recommendations shall not be binding upon any 16 compassion center, nor shall the lack of implementation of said recommendations delay or prevent the 17 opening or operation of any center. If the department of public safety division of state police does not 18 inspect the compassion center within the ten-day (10) period, there shall be no delay in the compassion 19 center's opening.

(6) The operating documents of a compassion center shall include procedures for the oversight of
 the compassion center and procedures to ensure accurate record keeping.

(7) A compassion center is prohibited from acquiring, possessing, eultivating, manufacturing, delivering, transferring, transporting, supplying, or dispensing marijuana for any purpose except to assist registered qualifying patients cardholders with the medical use of marijuana directly or through the qualifying patient's primary caregiver or authorized purchaser, unless otherwise authorized by the department of business regulations in accordance with regulations promulgated by the department.

(8) All principal officers and board members of a compassion center must be residents of the stateof Rhode Island.

(9) Each time a new, registered, qualifying patient visits a compassion center, it shall provide the
patient with a frequently asked questions sheet, designed by the department, that explains the limitations
on the right to use medical marijuana under state law.

(10) Effective July 1, 20167, each compassion center shall be subject to any regulations
 promulgated by the departments of health <u>and business regulation</u> that specify how <u>usable</u> marijuana must
 be tested for items included but not limited to cannabinoid profile and contaminants.

- (11) Effective January 1, 2017, each compassion center shall be subject to any product labeling
 requirements promulgated by the department of business regulation.
- 3 (12) Each compassion center shall develop, implement, and maintain on the premises employee,
 4 volunteer, and agent policies and procedures to address the following requirements:
- 5 (i) A job description or employment contract developed for all employees and agents, and a 6 volunteer agreement for all volunteers, that includes duties, authority, responsibilities, qualifications, and 7 supervision; and
- 8

(ii) Training in, and adherence to, state confidentiality laws.

9 (13) Each compassion center shall maintain a personnel record for each employee, agent, and
10 volunteer that includes an application and a record of any disciplinary action taken.

(14) Each compassion center shall develop, implement, and maintain on the premises an on-site
 training curriculum, or enter into contractual relationships with outside resources capable of meeting
 employee training needs, that includes, but is not limited to, the following topics:

14 (i) Professional conduct, ethics, and patient confidentiality; and

15 (ii) Informational developments in the field of medical use of marijuana.

16 (15) Each compassion center entity shall provide each employee, agent, and volunteer, at the time

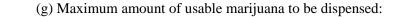
17 of his or her initial appointment, training in the following:

18 (i) The proper use of security measures and controls that have been adopted; and

(ii) Specific procedural instructions on how to respond to an emergency, including robbery orviolent accident.

(16) All compassion centers shall prepare training documentation for each employee and volunteer and have employees and volunteers sign a statement indicating the date, time, and place the employee and volunteer received said training and topics discussed, to include name and title of presenters. The compassion center shall maintain documentation of an employee's and a volunteer's training for a period of at least six (6) months after termination of an employee's employment or the volunteer's volunteering.

26



(1) A compassion center or principal officer, board member, agent, volunteer, or employee of a
compassion center may not dispense more than two and one half (2.5)three (3oz.) of driedusable marijuana,
or its equivalent, to a patient cardholder or qualifying patient directly or through a qualifying patient's
primary caregiver or authorized purchaser during a fifteen-day (15) period;

(2) A compassion center or principal officer, board member, agent, volunteer, or employee of a
 compassion center may not dispense an amount of usable marijuana, or its equivalent, seedlings, or mature
 marijuana plants, to a patient cardholder, qualifying patient, a qualifying patient's primary caregiver, or a
 qualifying patient's authorized purchaser that the compassion center, principal officer, board member,

agent, volunteer, or employee knows would cause the recipient to possess more marijuana than is permitted
 under the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act.

3 (3) Compassion centers shall utilize a database administered by the departments of health and 4 business regulation. The database shall contains all compassion centers' transactions according to qualifying 5 patients-<u>cardholders</u>, authorized purchasers', and primary caregivers', registry identification numbers, or 6 other means as specified by the department(s) to protect the confidentiality of patient personal and medical 7 information. Compassion centers will not have access to any applications or supporting information 8 submitted by qualifying patients, authorized purchasers or primary caregivers. Before dispensing marijuana 9 to any patient, caregiver, or authorized purchaser, the compassion center must utilize the database to ensure 10 that a qualifying patient cardholder is not dispensed more than two and one-half (2.5)three (3) ounces of 11 <u>dried</u> usable marijuana or its equivalent <u>which satisfies the requirements of this chapter</u> directly or through 12 the qualifying patient's primary caregiver or authorized purchaser during a fifteen-day (15) period.

13 (h) Immunity:

(1) No registered licensed compassion center shall be subject to prosecution; search, except by the departments pursuant to subsection (e); seizure; or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business, occupational, or professional licensing board or entity, solely for acting in accordance with this section to assist registered qualifying patients.

(2) No registered licensed compassion center shall be subject to prosecution, seizure, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action, by a business, occupational, or professional licensing board or entity, for selling, giving, or distributing marijuana in whatever form, and within the limits established by, the department of health or the department of business regulation to another registered compassion center.

(3) No principal officers, board members, agents, volunteers, or employees of a registered compassion center shall be subject to arrest, prosecution, search, seizure, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business, occupational, or professional licensing board or entity, solely for working for or with a compassion center to engage in acts permitted by this section.

(4) No state employee shall be subject to arrest, prosecution or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty, disciplinary action, termination, or loss of employee or pension benefits, for any and all conduct that occurs within the scope of his or her employment regarding the administration, execution and/or enforcement of this act, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this section.

34 (i) Prohibitions:

1 (1) A compassion center must limit its inventory of seedlings, plants, and usable marijuana to reflect 2 the projected needs of qualifying patients; (i) A compassion center may not cultivate marijuana or 3 manufacture or process marijuana products pursuant to its compassion center registration, provided that 4 cultivation, processing and manufacture may be conducted under a medical marijuana cultivator license 5 and/or a medical marijuana processor license which may be issued to a compassion center by the department 6 of business regulation pursuant to regulations promulgated by the department.

7 (ii) A compassion center which was approved by the department of health or renewed by the 8 department of business regulation prior to July 1, 2019 may also hold a medical marijuana cultivator license 9 and a medical marijuana processor license and shall be issued said license or licenses in accordance with 10 regulations promulgated by the department of business regulation, provided that the class or classes of said 11 medical marijuana cultivator license and medical marijuana processor license shall correspond to the size and scope of any growing, manufacturing, or processing facility or facilities which were in operation or 12 13 were approved prior to July 1, 2019.

14 (iii) A compassion center which is first approved by the department of business regulation on or 15 after July 1, 2019 may also hold a medical marijuana cultivator license and a medical marijuana processor 16 license in accordance with regulations promulgated by the department of business regulation, provided the

17 class or classes of said medical marijuana cultivator license and medical marijuana processor license shall

18 correspond to the size of any growing, manufacturing, or processing facility or facilities which were

19 licensed or approved by the department of business regulation prior to July 1, 2019.

20 (2) A compassion center may not dispense, deliver, or otherwise transfer marijuana to a person 21 other than a patient cardholder or to-such qualified patient's primary caregiver or authorized purchaser;

22 (3) A compassion center may not procure, purchase, transfer or sell marijuana to or from any entity 23 other than a marijuana establishment licensee in accordance with regulations promulgated by the 24 department of business regulation.

25 (34) A person found to have violated paragraph (2) or (3) of this subsection may not be an employee, agent, volunteer, principal officer, or board member of any compassion center; 26

27 (45) An employee, agent, volunteer, principal officer or board member of any compassion center 28 found in violation of paragraph (2) or (3) shall have his or her registry identification revoked immediately; 29 and

30 (56) No person who has been convicted of a felony drug offense or has entered a plea of nolo 31 contendere for a felony drug offense with a sentence or probation may be the principal officer, board 32 member, or agent, volunteer, or employee of a compassion center unless the department has determined 33 that the person's conviction was for the medical use of marijuana or assisting with the medical use of 34 marijuana in accordance with the terms and conditions of this chapter. A person who is employed by or is

1 an agent, volunteer, principal officer, or board member of a compassion center in violation of this section 2 is guilty of a civil violation punishable by a fine of up to one thousand dollars (\$1,000). A subsequent 3 violation of this section is a misdemeanor.

4 (i) Legislative oversight committee:

5 (1) The general assembly shall appoint a nine-member (9) oversight committee comprised of: one member of the house of representatives; one member of the senate; one physician to be selected from a list 6 7 provided by the Rhode Island medical society; one nurse to be selected from a list provided by the Rhode 8 Island state nurses association; two (2) registered qualifying patients; one registered primary caregiver; one 9 patient advocate to be selected from a list provided by the Rhode Island patient advocacy coalition; and the 10 superintendent of the department of public safety, or his/her designee. 11 (2) The oversight committee shall meet at least six (6) times per year for the purpose of evaluating

12 and making recommendations to the general assembly regarding:

- 13 (i) Patients' access to medical marijuana;
- 14 (ii) Efficacy of compassion centers;
- 15 (iii) Physician participation in the Medical Marijuana Program;
- 16 (iv) The definition of qualifying medical condition; and
- 17 (v) Research studies regarding health effects of medical marijuana for patients.
- (3) On or before January 1 of every even numbered year, the oversight committee shall report to 18

19 the general assembly on its findings.

- 20 (k) License required. No person or entity shall engage in activities described in this § 21-28.6-12
- 21 without a compassion center license issued by the department of business regulation.
- 22

§ 21-28.6-14. Cooperative cultivations.

- (a) Two (2) or more qualifying cardholders may cooperatively cultivate marijuana in residential or 23 non-residential locations subject to the following restrictions: 24
- 25 (1) Effective January 1, 2017, cooperative cultivations shall apply to the department of business 26 regulation for a license to operate;
- 27 (2) A registered patient or primary caregiver cardholder can only cultivate in one location, including 28 participation in a cooperative cultivation;
- 29 (3) No single location may have more than one cooperative cultivation. For the purposes of this
- section, location means one structural building, not units within a structural building; 30
- 31 (4) The cooperative cultivation shall not be visible from the street or other public areas;

(5) A written acknowledgement of the limitations of the right to use and possess marijuana for
 medical purposes in Rhode Island that is signed by each cardholder and is displayed prominently in the
 premises cooperative cultivation;

4

(6) Cooperative cultivations are restricted to the following possession limits:

(i) A non-residential, cooperative cultivation may have no more than ten (10) ounces of <u>dried usable</u>
marijuana, or its equivalent <u>which satisfies the requirements of this chapter</u>, and an amount of wet
marijuana set in regulations promulgated by the department of business regulation, forty-eight (48) mature
marijuana plants, and forty-eight (48) seedlings;

9 (ii) A residential, cooperative cultivation may have no more than ten (10) ounces of <u>dried useable</u> 10 marijuana, or its equivalent <u>which satisfies the requirements of this chapter</u>, and an amount of wet 11 marijuana set in regulations promulgated by the department of business regulation, twenty-four (24) mature 12 marijuana plants, and twenty-four (24) seedlings;

(iii) A non-residential or residential, cooperative cultivation must have displayed prominently on
the premises its license issued by the department of business regulation;

(iv) Every marijuana plant possessed by a cooperative cultivation must be accompanied by a valid medical marijuana tag issued by the department of business regulation pursuant to § 21-28.6-15. Each cooperative cultivation must purchase at least one medical marijuana tag in order to remain a licensed cooperative cultivation; and

- (v) Cooperative cultivations are subject to reasonable inspection by the department of business
 regulation for the purposes of enforcing regulations promulgated pursuant to this chapter and all applicable
 Rhode Island general laws.
- 22 (7) Cooperative cultivations must be inspected as follows:

(i) A non-residential, cooperative cultivation must have displayed prominently on the premises documentation from the municipality where the single location is located that the location and the cultivation has been inspected by the municipal building and/or zoning official and the municipal fire department and is in compliance with any applicable state or municipal housing and zoning codes; and

(ii) A residential, cooperative cultivation must have displayed prominently on the premises an affidavit by a licensed electrician that the cultivation has been inspected and is in compliance with any applicable state or municipal housing and zoning codes for the municipality where the cooperative cultivation is located. (8) Cooperative cultivations must report the location of the cooperative cultivation to the
 department of public safety.

3 (9) The reports provided to the department of public safety in subsection (8) of this section shall be 4 confidential, but locations may be confirmed for law enforcement purposes. The report of the location of 5 the cooperative cultivation alone shall not constitute probable cause for a search of the cooperative 6 cultivation.

7 (10) The department of business regulation shall promulgate regulations governing the licensing
8 and operation of cooperative cultivations, and may promulgate regulations that set a fee for a cooperative
9 cultivation license.

10 (b) Any violation of any provision of this chapter or regulations promulgated hereunder as 11 determined by the department of business regulation may result in the revocation/suspension of the 12 cooperative cultivation license.

(c) *License required*. No person or entity shall engage in activities described in this § 21-28.6-14
 without a cooperative cultivation license issued by the department of business regulation.

- (d) Effective July 1, 2019, except as to cooperative cultivator licenses issued by the department of
 business regulation before July 1, 2019, the department of business regulation shall no longer accept
 applications or renewals for licensed cooperative cultivations and cooperative cultivations shall no longer
 be permitted.
- (e) Effective July 1, 2019, except as permitted in regulations promulgated by the department of
 business regulation, not more than one registered cardholder shall be permitted to grow marijuana in a
 dwelling unit or commercial unit, except for two (2) or more qualifying patient or primary caregiver
 cardholder(s) who are primary residents of the same dwelling unit where the medical marijuana plants are
 grown and in all instances subject to the plant limits in § 21-28.6-4(p) (q).

24

<u>21-28.6-15. Medical Marijuana Plant Tags.</u>

(a) Effective January 1, 2017, the department of business regulation shall make medical marijuana
 tag sets available for purchase. Effective April 1, 2017, every marijuana plant, either mature or seedling
 <u>immature</u>, grown by a registered patient or primary caregiver must be accompanied by a physical medical

marijuana tag purchased through the department of business regulation and issued by the department of
 health-department of business regulation to qualifying patients and primary caregivers or by the department
 of business regulation to licensed cultivators.

4 (1) The department of business regulation shall charge an annual fee for each medical marijuana
5 tag set which shall include one tag for a mature medical marijuana plant and one tag for a seedling an
6 immature plant. If the required fee has not been paid, those medical marijuana tags shall be considered
7 expired and invalid. The fee established by the department of business regulation shall be in accordance
8 with the following requirements:

9 (i) For patient cardholders authorized to grow medical marijuana by the department of health
 10 department of business regulation, the fee per tag set shall not exceed twenty-five dollars (\$25);

11 (ii) For primary caregivers, the fee per tag set shall not exceed twenty-five dollars (\$25);

(iii) For patients that qualify for reduced-registration due to income or disability status, there shall
be no fee per tag set;

(iv) For caregivers who provide care for a patient cardholder who qualifies for reduced- registration
 due to income or disability status, there shall be no fee per tag set for such qualifying patient; and

(v) For licensed <u>medical marijuana</u> cultivators, the fee per tag set shall be established in regulations
 promulgated by the department of business regulation.

(2) Effective January 1, 2017,tThe department of business regulation shall verify with the
 department of health that all medical marijuana tag purchases are made by qualifying patient cardholders
 or primary caregiver cardholders <u>as applicable</u>. The department of health shall provide this verification
 according to qualifying patients' and primary caregivers' registry identification numbers and without
 providing access to any applications or supporting information submitted by qualifying patients to protect
 patient confidentiality;

24 (3) Effective January July 1, 20179 and thereafter, the department of business regulation shall 25 verify with the department of health that all medical marijuana tag purchases are made by registered patient 26 cardholders who have notified the department of health of their election to grow medical marijuana or 27 primary caregiver cardholders in accordance with regulations promulgated by the department. The department of health shall provide this verification according to qualifying patients' and primary caregivers' 28 29 registry identification numbers and without providing access to any applications or supporting information 30 submitted by qualifying patients to protect patient confidentiality; 31 (4) The department of business regulation shall maintain information pertaining to medical

32 marijuana tags and shall share that information with the department of health.

- (5) All primary caregivers shall purchase at least one medical marijuana tag set for each patient
 under their care and all patients growing medical marijuana for themselves or serving as their own caregiver
 shall purchase at least one medical marijuana tag set.
- 4 (6) All licensed <u>medical marijuana</u> cultivators shall purchase at least one medical marijuana tag <u>set</u>
 5 or utilize a seed to sale tracking system in accordance with regulations promulgated by the department of
 6 <u>business regulation</u>.
- 7 (7) The departments of business regulation and health shall jointly promulgate regulations to 8 establish a process by which medical marijuana tags may be returned to either department. The department 9 of business regulation may choose to reimburse a portion or the entire amount of any fees paid for medical 10 marijuana tags that are subsequently returned.

11 (b) Enforcement:

(1) If a patient cardholder, primary caregiver cardholder, <u>licensed medical marijuana processor</u>, <u>compassion center</u>, or licensed <u>medical marijuana</u> cultivator violates any provision of this chapter or the regulations promulgated hereunder as determined by the departments of business regulation and <u>or</u> health, his or her medical marijuana tags may be revoked. In addition, the department that issued the cardholder's registration or the license may revoke the cardholder's registration or license pursuant to §21-28.6-9.

17 (2) The department of business regulation may revoke and not reissue, pursuant to regulations, 18 medical marijuana tags to any cardholder or licensee who is convicted of; placed on probation; whose case 19 is filed pursuant to \$12-10-12 where the defendant pleads nolo contendere; or whose case is deferred 20 pursuant to \$12-19-19 where the defendant pleads nolo contendere for any felony offense under chapter 28 21 of title 21 ("Rhode Island Controlled Substances Act") or a similar offense from any other jurisdiction.

22 (3) If a patient cardholder, primary caregiver cardholder, licensed cooperative cultivation, 23 compassion center, licensed medical marijuana processor licensed medical marijuana cultivator or any other 24 person or entity is found to have mature marijuana plants, or marijuana material without valid medical 25 marijuana tags sets or which are not tracked in accordance with regulation, the department or health or department of business regulation shall impose an administrative penalty in accordance with regulations 26 27 promulgated by the department on such patient cardholder, primary caregiver cardholder, licensed 28 cooperative cultivation, compassion center, licensed medical marijuana processor, licensed medical 29 marijuana cultivator or other person or entity for each untagged mature marijuana plant or unit of untracked 30 marijuana material not in excess of the limits set forth in §21-28.6-4, §21-28.6-14 and §21-28.6-16 of no 31 more than the total fee that would be paid by a cardholder or licensee who purchased medical marijuana 32 tags for such plants in compliance with this chapter.

(4) If a patient cardholder, primary caregiver cardholder, or licensed cooperative cultivation is
 found to have mature marijuana plants exceeding the limits set forth in §21–28.6-4, §21–28.6-14, and §21–

28.6-16 in addition to any penalties that may be imposed pursuant to §21-28.6-9, the department of health
 or department of business regulation may impose an administrative penalty on that cardholder or license
 holder for each mature marijuana plant in excess of the applicable statutory limit of no less than the total
 fee that would be paid by a cardholder who purchased medical marijuana tags for such plants in compliance
 with this chapter.

6

21-28.6-16 Licensed medical marijuana cultivators.

7 (a) A licensed medical marijuana cultivator licensed under this section may acquire, possess, 8 cultivate, deliver, or transfer marijuana to licensed compassion centers, to a licensed medical marijuana 9 processor, to another licensed medical marijuana cultivator, or to any other marijuana establishment 10 licensee, in accordance with regulations promulgated by the department of business regulation. A licensed 11 medical marijuana cultivator shall not be a primary caregiver cardholder registered with any qualifying 12 patient(s) other than themselves in accordance with regulations promulgated by the department of business 13 regulation, and shall not hold a cooperative cultivation license. Except as specifically provided to the 14 contrary, all provisions of the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, §§ 21-15 28.6-1 – 21-28.6-15, apply to a licensed medical marijuana cultivator unless they conflict with a provision 16 contained in § 21-28.6-16.

(b) Licensing of <u>medical marijuana</u> cultivators – Department of business regulation authority. The
 department of business regulation shall promulgate regulations governing the manner in which it shall
 consider applications for the licensing of <u>medical marijuana</u> cultivators, including regulations governing:

20 (1) The form and content of licensing and renewal applications;

21 (2) Minimum oversight requirements for licensed <u>medical marijuana</u> cultivators;

22 (3) Minimum record-keeping requirements for cultivators;

23 (4) Minimum security requirements for cultivators; and

(5) Procedures for suspending, revoking, or terminating the license of cultivators that violate the
 provisions of this section or the regulations promulgated pursuant to this subsection.

(c) A licensed medical marijuana cultivator license issued by the department of business regulation 26 27 shall expire one year after it was issued and the licensed medical marijuana cultivator may apply for renewal 28 with the department in accordance with its regulations pertaining to licensed medical marijuana cultivators. 29 (d) The department of business regulation shall promulgate regulations that govern how many 30 marijuana plants, how many marijuana seedlings mature and immature, how much wet marijuana, and how 31 much usable marijuana a licensed medical marijuana cultivator may possess. Every marijuana plant 32 possessed by a licensed medical marijuana cultivator must be accompanied by valid medical marijuana tag 33 issued by the department of business regulation pursuant to § 21-28.6-15 or catalogued in a seed to sale

34 inventory tracking system in accordance with regulations promulgated by the department of business

1 regulation. Each cultivator must purchase at least one medical marijuana tag or in order to remain a licensed

2 cultivator.

3 (e) Medical marijuana cultivators shall only sell marijuana to compassion centers, a licensed 4 medical marijuana processor, another licensed medical marijuana cultivator, or other marijuana 5 establishment licensee, in accordance with regulations promulgated by the department of business 6 regulation. All marijuana possessed by a cultivator in excess of the possession limit established pursuant to 7 subsection (d) shall be under formal agreement to be purchased by a marijuana establishment in accordance 8 with regulations promulgated by the department of business regulation compassion center. If such excess 9 marijuana is not under formal agreement to be purchased, the cultivator will have a period of time, specified 10 in regulations promulgated by the department of business regulation, to sell or destroy that excess 11 marijuana. The department may suspend and/or revoke the cultivator's license and the license of any officer, 12 director, employee, or agent of such cultivator and/or impose an administrative penalty in accordance with 13 such regulations promulgated by the department for any violation of this section or the regulations. In 14 addition, any violation of this section or the regulations promulgated pursuant to this subsection and 15 subsection (d) shall cause a licensed medical marijuana cultivator to lose the protections described in subsection (m) and may subject the licensed medical marijuana cultivator to arrest and prosecution under 16 17 Chapter 28 of title 21 (the Rhode Island Controlled Substances Act).

(f) <u>Medical marijuana</u> cultivators shall be subject to any regulations promulgated by the department
 of health or department of business regulation that specify how marijuana must be tested for items,
 including, but not limited to, potency, cannabinoid profile, and contaminants;

(g) <u>Medical marijuana</u> cultivators shall be subject to any product labeling requirements
 promulgated by the department of business regulation and the department of health;

(h) Notwithstanding any other provisions of the general laws, the manufacture or processing of
 marijuana using a solvent extraction process that includes the use of a compressed, flammable gas as a
 solvent by a licensed <u>medical marijuana</u> cultivator shall not be subject to the protections of this chapter.

(i) <u>Medical Marijuana c</u>ultivators shall only be licensed to grow, marijuana at a single location,
 registered with the department of business regulation and the department of public <u>safety unless the</u>
 <u>cultivator's license is held by a compassion center which was approved by the department of health or</u>
 <u>renewed by the department of business regulation prior to July 1, 2019</u>. The department of business
 regulation may promulgate regulations governing where cultivators are allowed to grow. <u>Medical marijuana</u>
 cultivators must abide by all local ordinances, including zoning ordinances.

(j) Inspection. <u>Medical marijuana</u> cultivators shall be subject to reasonable inspection by the
 department of business regulation or the department of health for the purposes of enforcing regulations
 promulgated pursuant to this chapter and all applicable Rhode Island general laws.

1 (k) The cultivator applicant, unless they are an employee with no equity, ownership, financial 2 interest, or managing control, shall apply to the bureau of criminal identification of the department of 3 attorney general, department of public safety division of state police, or local police department for a 4 national criminal records check that shall include fingerprints submitted to the Federal Bureau of 5 Investigation. Upon the discovery of any disqualifying information as defined in subdivision (k)(2), and in accordance with the rules promulgated by the director of the department of business regulation, the bureau 6 7 of criminal identification of the department of attorney general, department of public safety division of state 8 police, or the local police department shall inform the applicant, in writing, of the nature of the disqualifying 9 information; and, without disclosing the nature of the disqualifying information, shall notify the department 10 of business regulation, in writing, that disqualifying information has been discovered.

(1) In those situations in which no disqualifying information has been found, the bureau of criminal
identification of the department of attorney general, department of public safety division of state police, or
the local police department shall inform the applicant and the department of business regulation, in writing,
of this fact.

15 (2) Information produced by a national criminal records check pertaining to a conviction for a 16 felony drug offense or a plea of nolo contendere for a felony drug offense and received a sentence of 17 probation shall result in a letter to the applicant and the department of business regulation disqualifying the 18 applicant.

(3) The Except for employees with no ownership, equity, financial interest, or managing control of
 a marijuana establishment license, the cultivator applicant shall be responsible for any expense associated
 with the national criminal records check.

22

(1) Persons issued medical marijuana cultivator licenses shall be subject to the following:

(1) A licensed <u>medical marijuana</u> cultivator <u>cardholder</u> shall notify and request approval from the
department of business regulation of any change in his or her name or address within ten (10) days of such
change. A cultivator <u>cardholder</u> who fails to notify the department of business regulation of any of these
changes is responsible for a civil infraction, punishable by a fine of no more than one hundred fifty dollars
(\$150).

(2) When a licensed <u>medical marijuana</u> cultivator <u>cardholder</u> notifies the department of business regulation of any changes listed in this subsection, the department of business regulation shall issue the cultivator <u>cardholder</u> a new <u>license-registry identification card</u> after the department approves the changes and receives from the licensee payment of a fee specified in regulation.

(3) If a licensed <u>medical marijuana</u> cultivator <u>cardholder</u> loses his or her <u>license card</u>, he or she
 shall notify the department of business regulation and submit a fee specified in regulation within ten (10)

days of losing the license card. The department of business regulation shall issue a new license card with a
 new random identification number.

3 (4) A licensed <u>medical marijuana</u> cultivator <u>cardholder</u> shall notify the department of business
4 regulation of any disqualifying criminal convictions as defined in subdivision (k)(2). The department of
5 business regulation may choose to suspend and/or revoke his or her <u>license card</u> after such notification.

6 (5) If a licensed <u>medical marijuana</u> cultivator <u>or cultivator cardholder</u> violates any provision of this
7 chapter or regulations promulgated hereunder as determined by the department of business regulation, his
8 or her <u>card and the issued</u> license may be suspended and/or revoked.

9 (m) Immunity:

(1) No licensed <u>medical marijuana</u> cultivator shall be subject to prosecution; search, except by the
departments pursuant to subsection (j); seizure; or penalty in any manner, or denied any right or privilege,
including, but not limited to, civil penalty or disciplinary action by a business, occupational, or professional
licensing board or entity, solely for acting in accordance with this section to assist registered qualifying;

(2) No licensed <u>medical marijuana</u> cultivator shall be subject to prosecution, seizure, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business, occupational, or professional licensing board or entity, for selling, giving, or distributing marijuana in whatever form and within the limits established by the department of business regulation to a <u>licensed medical marijuana processor or</u> registered compassion center;

(3) No principal officers, board members, agents, volunteers, or employees of a licensed <u>medical</u> <u>marijuana</u> cultivator shall be subject to arrest, prosecution, search, seizure, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business, occupational, or professional licensing board or entity, solely for working for or with a licensed <u>medical</u> <u>marijuana</u> cultivator to engage in acts permitted by this section.

(4) No state employee shall be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty, disciplinary action, termination, or loss of employee or pension benefits, for any and all conduct that occurs within the scope of his or her employment regarding the administration, execution, and/or enforcement of this act, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this section.

29

(*n*) License required. No person or entity shall engage in activities described in this § 21-28.6-16

30

31

§ 21-28.6-16.2. Medical marijuana testing laboratories – Immunity.

(a) No medical marijuana <u>cannabis testing</u> laboratory shall be subject to prosecution; search (except
 by the departments pursuant to regulations); seizure; or penalty in any manner, or denied any right or
 privilege, including, but not limited to, civil penalty or disciplinary action by a business, occupational, or

without a medical marijuana cultivator license issued by the department of business regulation.

professional licensing board or entity, solely for acting in accordance with the act and regulations
 promulgated hereunder to assist licensees.

3 (b) No medical marijuana <u>cannabis</u> testing laboratory shall be subject to prosecution, search (except 4 by the departments pursuant to regulations), seizure, or penalty in any manner, or denied any right or 5 privilege, including, but not limited to, civil penalty or disciplinary action, by a business, occupational, or 6 professional licensing board or entity, for selling, giving, or distributing marijuana in whatever form, and 7 within the limits established by, the department of health to another medical marijuana <u>cannabis</u> testing 8 laboratory.

9 (c) No principal officers, board members, agents, volunteers, or employees of a medical marijuana 10 <u>cannabis</u> testing laboratory shall be subject to arrest, prosecution, search, seizure, or penalty in any manner, 11 or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a 12 business, occupational, or professional licensing board or entity, solely for working for or with a medical 13 marijuana <u>cannabis</u> testing laboratory to engage in acts permitted by the act and the regulations promulgated 14 hereunder.

(d) No state employee shall be subject to arrest, prosecution or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty, disciplinary action, termination, or loss of employee or pension benefits, for any and all conduct that occurs within the scope of his or her employment regarding the administration, execution and/or enforcement of this act, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this section.

20 <u>21-28.6-17. Revenue.</u>

(a) Effective July 1, 2016, all fees collected by the departments of health and business regulation 21 22 from applicants, registered patients, primary caregivers, authorized purchasers, licensed medical marijuana 23 cultivators, licensed medical marijuana processors, cooperative cultivations, compassion centers, other 24 licensees licensed pursuant to this chapter, and compassion-center and other registry identification 25 cardholders shall be placed in restricted-receipt accounts to support the state's medical marijuana program, including but not limited to, payment of expenses incurred by the departments of health and business 26 27 regulation for the administration of the program. The restricted receipt account will be known as the "medical marijuana licensing account" or the "medical marijuana licensing program" account and will be 28 29 housed within the budgets of the departments of business regulation, behavioral healthcare, developmental 30 disabilities and hospitals, health, revenue and public safety, and the executive office of health and human 31 services. All amounts deposited into the medical marijuana licensing account or the marijuana licensing 32 program account shall be exempt from the indirect cost recovery provisions of § 35-4-27.

(b) All revenues remaining in the restricted-receipt accounts after payments specified in subsection
(a) of this section shall first be paid to cover any existing deficit in the department of health's restricted-

- 1 receipt account or the department of business regulation's restricted-receipt account. These transfers shall
- 2 be made annually on the last business day of the fiscal year.
- 3 (c) All revenues remaining in the restricted-receipt accounts after payments specified in subsections
 4 (a) and (b) shall be paid into the state's general fund. These payments shall be made annually on the last
 5 business day of the fiscal year.
- 6 SECTION 6. Chapter 21-28.6 of the General Laws entitled "The Edward O. Hawkins and Thomas
 7 C. Slater Medical Marijuana Act" is hereby amended by adding thereto the following sections:
- 8

21-28.6-16.1 Licensed medical marijuana processors.

- 9 (a) A medical marijuana processor licensed under this section may acquire marijuana from licensed medical marijuana cultivators, another licensed medical marijuana processor, compassion centers, or 10 11 another marijuana establishment licensee, in accordance with regulations promulgated by the department 12 of business regulation. A licensed medical marijuana processor may possess, manufacture, or process 13 marijuana into marijuana products in accordance with regulations promulgated by the department of 14 business regulation. A licensed medical marijuana processor may deliver, or transfer marijuana products to 15 licensed compassion centers or another licensed medical marijuana processor, or any other marijuana 16 establishment licensee, in accordance with regulations promulgated by the department of business 17 regulation. A licensed medical marijuana processor shall not be a primary caregiver cardholder and shall 18 not hold a cooperative cultivation license. A licensed medical marijuana processor shall not grow, cultivate, 19 sell, or dispense medical marijuana unless the licensed medical marijuana processor has also been issued a 20 medical marijuana cultivator license or compassion center registration by the department of business 21 regulation and pursuant to regulations promulgated by the department of business regulation. The 22 department of business regulation may restrict the number, types, and classes of medical marijuana licenses 23 an applicant may be issued through regulations promulgated by the department. Except as specifically 24 provided to the contrary, all provisions of the Edward O. Hawkins and Thomas C. Slater Medical Marijuana 25 Act, §§ 21-28.6-1 et seq., apply to a licensed medical marijuana processor unless they conflict with a 26 provision contained in this § 21-28.6-16.1. 27 (b) Licensing of medical marijuana processor – Department of business regulation authority. The 28 department of business regulation shall promulgate regulations governing the manner in which it shall
- 29 consider applications for the licensing of medical marijuana processors, including but not limited to
- 30 <u>regulations governing:</u>
- 31 (1) The form and content of licensing and renewal applications;
- 32 (2) Minimum oversight requirements for licensed medical marijuana processors;
- 33 (3) Minimum record-keeping requirements for medical marijuana processors;
- 34 (4) Minimum security requirements for medical marijuana processors; and

1 (5) Procedures for suspending, revoking, or terminating the license of medical marijuana processors

2 that violate any provisions of this chapter or the regulations promulgated hereunder.

3 (6) Applicable application and license fees.

4 (c) A medical marijuana processor license issued by the department of business regulation shall
5 expire one year after it was issued and the licensed medical marijuana processor may apply for renewal
6 with the department in accordance with its regulations pertaining to licensed medical marijuana processors.
7 (d) The department of business regulation may promulgate regulations that govern how much
8 marijuana a licensed medical marijuana processor may possess. All marijuana possessed by a licensed
9 medical marijuana processor must be catalogued in a seed to sale inventory tracking system in accordance
10 with regulations promulgated by the department of business regulation.

11 (e) Medical marijuana processors shall only sell processed or manufactured marijuana products to 12 licensed compassion centers, another licensed medical marijuana processor or a marijuana establishment 13 licensee, in accordance with regulations promulgated by the department of business regulation. The 14 department may suspend and/or revoke the medical marijuana processor's license and the license of any 15 officer, director, employee, or agent of such medical marijuana processor and/or impose an administrative 16 penalty in accordance with such regulations promulgated by the department for any violation of this section 17 or the regulations. In addition, any violation of this section or the regulations promulgated pursuant to this 18 subsection and subsection (d) shall cause a licensed medical marijuana processor to lose the protections 19 described in subsection (m) and may subject the licensed medical marijuana processor to arrest and 20 prosecution under Chapter 28 of title 21 (the Rhode Island Controlled Substances Act). 21 (f) Medical marijuana processors shall be subject to any regulations promulgated by the department 22 of health or department of business regulation that specify how marijuana must be tested for items, 23 including, but not limited to, potency, cannabinoid profile, and contaminants; 24 (g) Medical marijuana processors shall be subject to any product labeling requirements 25 promulgated by the department of business regulation and the department of health:

(h) Medical marijuana processors shall only be licensed to manufacture and process marijuana at a
 single location, registered with the department of business regulation and the department of public safety
 unless the medical marijuana processor license is held by a registered compassion center which was
 approved by the department of health or renewed by the department of business regulation prior to July 1,
 2019. The department of business regulation may promulgate regulations governing where medical
 marijuana processors are allowed to operate. Medical marijuana processors must abide by all local
 ordinances, including zoning ordinances.

(i) Inspection. Medical marijuana processors shall be subject to reasonable inspection by the
 department of business regulation or the department of health for the purposes of enforcing regulations
 promulgated pursuant to this chapter and all applicable Rhode Island general laws.

- 4 (j) The medical marijuana processor applicant, unless they are an employee with no equity, 5 ownership, financial interest, or managing control, shall apply to the bureau of criminal identification of 6 the department of attorney general, department of public safety division of state police, or local police 7 department for a national criminal records check that shall include fingerprints submitted to the Federal 8 Bureau of Investigation. Upon the discovery of any disqualifying information as defined in subdivision 9 (j)(2), and in accordance with the rules promulgated by the director of the department of business regulation, 10 the bureau of criminal identification of the department of attorney general, department of public safety 11 division of state police, or the local police department shall inform the applicant, in writing, of the nature 12 of the disqualifying information; and, without disclosing the nature of the disqualifying information, shall 13 notify the department of business regulation, in writing, that disqualifying information has been discovered. 14 (1) In those situations in which no disqualifying information has been found, the bureau of criminal 15 identification of the department of attorney general, department of public safety division of state police, or 16 the local police department shall inform the applicant and the department of business regulation, in writing, 17 of this fact. 18 (2) Information produced by a national criminal records check pertaining to a conviction for a 19 felony drug offense or a plea of nolo contendere for a felony drug offense and received a sentence of 20 probation shall result in a letter to the applicant and the department of business regulation disqualifying the 21 applicant. 22 (3) The medical marijuana processor applicant, unless an employee, shall be responsible for any 23 expense associated with the national criminal records check. 24 (k) Persons issued medical marijuana processor licenses or registration card shall be subject to the 25 following: (1) A licensed medical marijuana processor cardholder shall notify and request approval from the 26 27 department of business regulation of any change in his or her name or address within ten (10) days of such 28 change. A medical marijuana processor cardholder who fails to notify the department of business regulation 29 of any of these changes is responsible for a civil infraction, punishable by a fine of no more than one 30 hundred fifty dollars (\$150). 31 (2) When a licensed medical marijuana processor cardholder notifies the department of business 32 regulation of any changes listed in this subsection, the department of business regulation shall issue the 33 medical marijuana processor cardholder a new license or registry identification card after the department
- 34 <u>approves the changes and receives from the licensee payment of a fee specified in regulation.</u>

1 (3) If a licensed medical marijuana processor cardholder loses his or her registry identification card, 2 he or she shall notify the department of business regulation and submit a fee specified in regulation within 3 ten (10) days of losing the registry identification cared. The department of business regulation shall issue a new registry identification card with a new random identification number. 4 5 (4) A licensed medical marijuana processor cardholder shall notify the department of business 6 regulation of any disqualifying criminal convictions as defined in subdivision (j)(2). The department of 7 business regulation may choose to suspend and/or revoke his or her card after such notification. 8 (5) If a licensed medical marijuana processor or medical marijuana processor cardholder violates 9 any provision of this chapter or regulations promulgated hereunder as determined by the department of 10 business regulation, his or her card or the issued license may be suspended and/or revoked. 11 (l) Immunity: 12 (1) No licensed medical marijuana processor shall be subject to prosecution; search, except by the 13 departments pursuant to subsection (j); seizure; or penalty in any manner, or denied any right or privilege, 14 including, but not limited to, civil penalty or disciplinary action by a business, occupational, or professional 15 licensing board or entity, solely for acting in accordance with this chapter; 16 (2) No licensed medical marijuana processor shall be subject to prosecution, seizure, or penalty in 17 any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business, occupational, or professional licensing board or entity, for selling, giving, or 18 19 distributing marijuana in whatever form and within the limits established by the department of business 20 regulation to another licensed medical marijuana processor or registered compassion center; 21 (3) No principal officers, board members, agents, volunteers, or employees of a licensed medical 22 marijuana processor shall be subject to arrest, prosecution, search, seizure, or penalty in any manner, or 23 denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business, 24 occupational, or professional licensing board or entity, solely for working for or with a licensed medical

- 25 <u>marijuana processor to engage in acts permitted by this section.</u>
- (4) No state employee shall be subject to arrest, prosecution, or penalty in any manner, or denied
 any right or privilege, including, but not limited to, civil penalty, disciplinary action, termination, or loss of
 employee or pension benefits, for any and all conduct that occurs within the scope of his or her employment
- 29 regarding the administration, execution, and/or enforcement of this act, and the provisions of §§ 9-31-8 and
- 30 <u>9-31-9 shall be applicable to this section.</u>
- 31 (*m*) *License required*. No person or entity shall engage in activities described in this § 21-28.6-16.1
- 32 without a medical marijuana processor license issued by the department of business regulation.
- 33 **<u>21-28.6-16.3. Other Supporting Medical Marijuana Licenses.</u></u>**

1	(a) The department of business regulation shall have the authority to promulgate regulations to
2	create and implement additional types and classes of commercial medical marijuana licenses, including but
3	not limited to, licenses for businesses to engage in marijuana destruction, delivery, disposal, research and
4	development, transportation or any other commercial activity needed to support licensed medical marijuana
5	cultivators, licensed medical marijuana processors, compassion centers, licensed cannabis testing facilities
6	and patient need; provided no license created by the department shall allow for the retail sale of medical
7	marijuana to registered cardholders.
8	(b) The department of business regulation shall promulgate regulations governing the manner in
9	which it shall consider applications for issuing additional medical marijuana licenses, including but not
10	limited to, regulations governing:
11	(1) The form and content of licensing and renewal applications;
12	(2) Minimum oversight requirements for additional medical marijuana license holders;
13	(3) Minimum record-keeping requirements for additional medical marijuana license holders;
14	(4) Minimum security requirements for additional medical marijuana license holders;
15	(5) Procedures for suspending, revoking, or terminating the licenses of licensees that violate the
16	provisions of this chapter or the regulations promulgated pursuant to this chapter; and
17	(6) Applicable application and license fees.
18	(c) Any applicant, employee, officer, director, manager, member or agent of a holder of a license
19	issued by the department of business regulation pursuant to this section and the regulations shall be required
20	to obtain a registry identification card from the division subject to the requirements and fees set by the
21	department pursuant to the regulations provided that employees with no ownership, equity stake, financial
22	interest, or managing control shall not be required to submit to a criminal background check to obtain a
23	registry identification card.
24	(d) With respect to any licenses and registrations issued by the department of business regulation
25	pursuant to this chapter, the department of business regulation shall be entitled to charge application, license
26	and registration fees as set by the department of business regulation and set forth in regulations promulgated
27	here under.
28	SECTION 7. Title 21 of the General Laws entitled "FOOD AND DRUGS" is hereby amended by
29	adding thereto the following chapters 28.10 and 28.11:
30	CHAPTER 28.10
31	ADULT USE OF MARIJUANA ACT

1 2 <u>21-28.10-1. Short title.</u>

This chapter shall be known and may be cited as the "Adult Use of Marijuana Act."

3 21-28.10-2. Legislative Findings. 4 The general assembly finds and declares that: 5 (1) Prohibiting the possession, cultivation, and sale of cannabis to adults has proven to be an 6 ineffective policy for the State of Rhode Island. In the absence of a legal, tightly regulated market, an 7 illicit cannabis industry has thrived, undermining the public health, safety and welfare of Rhode 8 Islanders. 9 (2) Regional and national shifts in cannabis policy are providing Rhode Island adults with 10 easy access to cannabis and marijuana products manufactured and sold from other states, contributing 11 to the funds these states use to safeguard public health, safety and welfare within their borders, while 12 providing no funds to the State of Rhode Island to address the public health, safety and welfare 13 externalities that come with increased access to cannabis, including marijuana. 14 (3) It is in the best interests of the of the State of Rhode Island to implement a new regulatory 15 framework and tax structure for the commercial production and sale of cannabis and cannabis 16 products, all aspects of which shall be tightly regulated and controlled by the provisions of this act and 17 the office of cannabis regulation created herein, the revenue from which is to be used to tightly regulate 18 cannabis and cannabis products and to study and mitigate the risks and deleterious impacts that 19 cannabis and marijuana use may have on the citizens and State of Rhode Island. 20 21-28.10-3. Definitions. For purposes of this chapter: 21 22 (1) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana sativa L,

23 whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound,
24 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin regardless of cannabinoid
25 content or cannabinoid potency including "marijuana", and "industrial hemp" or "industrial hemp products"
26 which satisfy the requirements of chapter 2-26 of the general laws and the regulations promulgated

- 27 <u>thereunder.</u>
- (2) "Department" or "department of business regulation" means the office of cannabis regulation within
 the department of business regulation or its successor agency.

30 (3) "Dwelling unit" means a room or group of rooms within a residential dwelling used or intended for

- 31 use by one family or household, or by no more than three (3) unrelated individuals, with facilities for living,
- 32 <u>sleeping, sanitation, cooking, and eating.</u>

(4) "Industrial Hemp" means the plant of the genus cannabis and any part of such plant, whether
 growing or not, with a delta-9 tetrahydrocannabinol concentration that does not exceed three-tenths percent
 (0.3%) on a dry-weight basis of any part of the plant cannabis, or per volume or weight of cannabis product
 or the combined percent of delta-9 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the
 plant cannabis regardless of the moisture content, which satisfy the requirements of chapter 2-26 of the
 general laws and the regulations promulgated thereunder.

- (5) "Industrial Hemp products" means all products made from industrial hemp plants, including,
 but not limited to, concentrated oil, cloth, cordage, fiber, food, fuel, paint, paper, construction materials,
 plastics, seed, seed meal, seed oil, and certified for cultivation which satisfy the requirements of chapter 226 of the general laws and the regulations promulgated thereunder.
- (6) "Marijuana" means all parts of the plant cannabis sativa L., whether growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin, but shall not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of mature stalks, (except the resin extracted from it), fiber, oil or cake, or the sterilized seed from the plant which is incapable of germination. Marijuana shall not include "industrial hemp" or" industrial hemp products" which satisfy the requirements of chapter 2-26

of the general laws and the regulations promulgated thereunder.

- 19 (7) "Marijuana cultivation facility" means an entity that is licensed pursuant to chapter 21-28.11
 20 of title 21, to be exempt from state penalties for cultivating, preparing, packaging, and selling or transferring
 21 marijuana to a marijuana retailer, marijuana processor, another marijuana cultivation facility, cannabis
 22 testing laboratory, or another marijuana establishment licensed by the office of cannabis regulation, in
 23 accordance with regulations promulgated by the office of cannabis regulation but not for manufacturing,
 24 processing or selling marijuana products or selling marijuana at retail or otherwise to the general public.
- (8) "Marijuana establishment" and "marijuana establishment licensee" means any person or 25 26 entity licensed by the office of cannabis regulation under chapter 21-28.11 or chapter 21-28.6 whose 27 license permits it to engage in or conduct activities in connection with the adult use marijuana industry or medical marijuana program and includes but is not limited to a licensed marijuana cultivation facility, 28 29 marijuana processor, marijuana retailer, marijuana testing facility, compassion center, medical 30 marijuana cultivator, medical marijuana processor, or any other license issued by the office of cannabis regulation under chapter 21-28.11 or chapter 21-28.6 and/or as specified and defined in regulations 31 promulgated by the office of cannabis regulation. 32
- 33

18

(9) "Marijuana paraphernalia" means equipment, products, and materials which are used or

intended for use in planting, propagating, cultivating, growing, harvesting, manufacturing,
 compounding, converting, producing, processing, preparing, testing, analyzing, packaging,
 repackaging, storing, containing, concealing, ingesting, or inhaling marijuana, or otherwise
 introducing marijuana into the human body.

5 (10) "Marijuana processor" means an entity licensed pursuant to chapter 21-28.11 of title 21 to 6 be exempt from state penalties for purchasing marijuana from marijuana cultivation facilities, other 7 marijuana processors, or other marijuana establishments, in accordance with regulations promulgated by the 8 office of cannabis regulation; and manufacturing or processing marijuana products, selling, giving, or 9 transferring marijuana products to a marijuana retailer, marijuana testing facility, or other marijuana 10 establishments, in accordance with regulations promulgated by the office of cannabis regulation but not for 11 selling marijuana or marijuana products at retail or otherwise to the general public.

(11) "Marijuana products" means any form of marijuana, including concentrated marijuana and
 products that are comprised of marijuana and other ingredients that are intended for use or consumption,
 such as, but not limited to, extracts, infusions, edible products, ointments, and tinctures, as further defined
 in regulations promulgated by the office of cannabis regulation.

(12) "Marijuana retailer" means an entity that is licensed pursuant to chapter 21-28.11 of title 21
 to be exempt from state penalties for purchasing marijuana from marijuana cultivation facilities, marijuana
 processors, or other marijuana establishments in accordance with regulations promulgated by the office of
 cannabis regulation, and selling marijuana, marijuana products, and marijuana paraphernalia to
 customers who are twenty-one (21) years of age or older in accordance with the provisions of this
 chapter, chapter 21-28.11 and rules and regulations promulgated by the office of cannabis regulation.

(13) "Marijuana testing facility" and "cannabis testing laboratory" means a third party analytical
 testing laboratory licensed by the departments of health and office of cannabis regulation to collect
 and test samples of cannabis pursuant to regulations promulgated by the departments.

25 (14) "Office of cannabis regulation" means the office of cannabis regulation within the department
 26 of business regulation.

27 (15) "Public place" means any street, alley, park, sidewalk, public building other than individual
 28 dwellings, or any place of business or assembly open to or frequented by the public, and any other place
 29 to which the public has access.

30 (16) "Smoke" or "smoking" means heating to at least the point of combustion, causing plant
 31 material to burn, inhaling, exhaling, burning, or carrying any lighted or heated cigarette, pipe, weed, plant,
 32 other marijuana product in any manner or in any form intended for inhalation in any manner or form and
 33 includes but is not limited to the use of electronic cigarettes, electronic pipes, electronic marijuana delivery
 34 system products, or other similar products that rely on vaporization or aerosolization.

1	. (17) "State prosecution" means prosecution initiated or maintained by the state of Rhode Island
2	or an agency or political subdivision of the state of Rhode Island.
3	(18) "Vaporize" or "vape" means heating below the point of combustion and resulting in a vapor
4	<u>or mist.</u>
5	(19) "Equivalent amount" means the portion of usable marijuana, be it in extracted, edible,
6	concentrated, or any other form, found to be equal to a portion of dried, marijuana, as defined by regulations
7	promulgated by the office of cannabis regulation.
8	(20) "Cannabis plant" means a cannabis plant, rooted or unrooted, mature, or immature, with or
9	without flowers or buds.
10	
11	21-28.10-4. Exempt activities.
12	Effective from and after January 1, 2020, except as otherwise provided in this chapter:
13	(1) A person who is twenty-one (21) years of age or older is exempt from arrest, civil or criminal
14	penalty, seizure or forfeiture of assets, discipline by any state or local licensing board, and state prosecution
15	for solely engaging in the following acts:
16	(i) Actually or constructively using, obtaining, purchasing, transporting, or possessing one ounce (1
17	oz.) or less of marijuana plant material which satisfies the requirements of this chapter, or an equivalent
18	amount of marijuana product which satisfies the requirements of this chapter as determined by
19	regulations promulgated by the office of cannabis regulation, provided that a person who is twenty-one
20	(21) years of age or older may only purchase one ounce (1 oz.) of marijuana plant material which satisfies
21	the requirements of this chapter, or an equivalent amount of marijuana product which satisfies the
22	requirements of this chapter as determined by regulations promulgated by the department of office of
23	cannabis regulation per day:
24	(ii) Possessing in the person's primary residence in secured and locked storage five ounces (5
25	oz) or less of marijuana plant material which satisfies the requirements of this chapter or an equivalent
26	amount of marijuana product which satisfies the requirements of this chapter as determined by
27	regulations promulgated by the office of cannabis regulation, or possessing in any dwelling unit used as
28	the a primary residence by two or more persons who are each twenty-one (21) years of age or older in
29	secured and locked storage ten ounces (10 oz.) or less of marijuana plant material which satisfies the
30	requirements of this chapter or an equivalent amount of marijuana product which satisfies the
31	requirements of this chapter as determined by regulations promulgated by the office of cannabis
32	regulation;
33	(iii) Controlling any premises or vehicle where persons who are twenty-one (21) years of age or
34	older possess, process, or store amounts of marijuana plant material and marijuana products that are legal

1 under state law under subsections (1)(i) and (1)(ii) of this section, provided that any and all marijuana plant 2 material and/or marijuana products in a vehicle are sealed, unused, and in their original unopened 3 packaging; (iv) Giving away, without consideration, the amounts of marijuana and marijuana products that 4 5 are legal under state law under subsection (1)(i) of this section, if the recipient is a person who is twenty-6 one (21) years of age or older, provided the gift or transfer of marijuana is not advertised or promoted to 7 the public and the gift or transfer of marijuana is not in conjunction with the sale or transfer of any money, 8 consideration or value, or another item or any other services in an effort to evade laws governing the sale of 9 marijuana; 10 (v) Aiding and abetting another person who is twenty-one (21) years of age or older in the actions 11 allowed under this chapter; and 12 (vi) Any combination of the acts described within subsections (1)(i) through (1)(v) of this 13 section, inclusive. 14 (2) Except as provided in this chapter and chapter 28.11 of title 21, a marijuana retailer or any 15 person who is twenty-one (21) years of age or older and acting in their capacity as an owner, principal 16 officer, partner, board member, employee, or agent of a retailer is exempt from arrest, civil or 17 criminal penalty, seizure or forfeiture of assets, discipline by any state or local licensing board, and state 18 prosecution for solely engaging in the following acts: 19 (i) Actually or constructively transporting or possessing marijuana or marijuana products that 20 were purchased from a marijuana cultivation facility, a marijuana processor, another marijuana retailer, 21 or any other marijuana establishment in accordance with regulations promulgated by the office of cannabis 22 regulation; 23 (ii) Manufacturing, possessing, producing, obtaining, or purchasing marijuana paraphernalia; 24 (iii) Selling, delivering, or transferring marijuana or marijuana products to another retailer in 25 accordance with regulations promulgated by the office of cannabis regulation; 26 (iv) Selling, transferring, or delivering, no more than, one ounce (1 oz.) of marijuana which satisfies 27 the requirements of this chapter, or an equivalent amount of marijuana product which satisfies the 28 requirements of this chapter per day, or marijuana paraphernalia to any person who is twenty-one 29 (21) years of age or older, in accordance with regulations promulgated by the office of cannabis regulation 30 and within the transaction limits of this chapter, chapter 21-28.11 and transactions limits specified in 31 regulations promulgated by the office of cannabis regulation; 32 (v) Transferring or delivering marijuana or marijuana products to a cannabis testing facility in 33 accordance with regulations promulgated by the office of cannabis regulation; (vi) Controlling any premises or vehicle where marijuana, marijuana products, and marijuana 34

1	paraphernalia are possessed, sold, or deposited in a manner that is not in conflict with this chapter or the
2	regulations pursuant thereto; and
3	(vii) Any combination of the acts described within subsections (2)(i) through (2)(vi) of this section,
4	inclusive.
5	(3) Except as provided in this chapter and chapter 28.11 of title 21, a marijuana cultivation facility
6	or any person who is twenty-one (21) years of age or older and acting in their capacity as an owner,
7	principal officer, partner, board member, employee, or agent of a marijuana cultivation facility is exempt
8	from arrest, civil or criminal penalty, seizure or forfeiture of assets, discipline by any state or local
9	licensing board, and state prosecution for solely engaging in the following acts:
10	
11	(i) Cultivating, packing, processing, transporting, or manufacturing marijuana, but not marijuana
12	products, in accordance with regulations promulgated by the office of cannabis regulation;
13	(ii) Transporting or possessing marijuana that was produced by the marijuana cultivation facility
14	or another marijuana establishment, in accordance with regulations promulgated by the office of
15	cannabis regulation;
16	(iii) Selling, delivering, or transferring marijuana to a marijuana retailer, marijuana processor, a
17	marijuana cultivation facility, or any other marijuana establishment, in accordance with regulations
18	promulgated by the office of cannabis regulation;
19	(iv) Purchasing marijuana from a marijuana cultivation facility;
20	(v) Delivering or transferring marijuana to a marijuana testing facility;
21	(vi) Controlling any premises or vehicle where marijuana is possessed, manufactured, sold, or
22	deposited, in accordance with regulations promulgated by the office of cannabis regulation; and
23	(vii) Any combination of the acts described within subsections (3)(i) through (3)(vi) of this section,
24	inclusive.
25	(4) Except as provided in this chapter and chapter 28.11 of title 21, a marijuana processor facility
26	or any person who is twenty-one (21) years of age or older and acting in their capacity as an owner,
27	principal officer, partner, board member, employee, or agent of a marijuana processor facility is exempt
28	from arrest, civil or criminal penalty, seizure or forfeiture of assets, discipline by any state or local licensing
29	board, and state prosecution for solely engaging in the following acts:
30	(i) Producing, manufacturing, packing, processing, or transporting marijuana products, in
31	accordance with regulations promulgated by the office of cannabis regulation;
32	(ii) Packing, processing, possessing, or transporting marijuana that was produced by a marijuana
33	cultivation center in accordance with regulations promulgated by the office of cannabis regulation:
34	(iii) Possessing, transporting, or producing marijuana paraphernalia;

1	(iv) Manufacturing, possessing, or producing marijuana products, in accordance with regulations
2	promulgated by the office of cannabis regulation;
3	(v) Selling, delivering, or transferring marijuana products to a marijuana retailer, another
4	marijuana processor, or any other marijuana establishment, in accordance with regulations promulgated
5	by the office of cannabis regulation;
6	(vi) Purchasing marijuana from a marijuana cultivation facility, or another marijuana processor,
7	or any other marijuana establishment, in accordance with regulations promulgated by the office of
8	cannabis regulation;
9	(vii) Delivering or transferring marijuana or marijuana products to a cannabis testing facility;
10	
11	(viii) Controlling any premises or vehicle where marijuana products and marijuana paraphernalia
12	are possessed, manufactured, sold, or deposited;
13	(ix) Controlling any premises or vehicle where marijuana is possessed, processed packaged, or
14	deposited; and
15	(x) Any combination of the acts described within subsections (4)(i) through (4)(ix) of this section,
16	inclusive.
17	(5) Except as provided in this chapter and chapter 28.11 of title 21, a cannabis testing facility or
18	any person who is twenty-one (21) years of age or older and acting in their capacity as an owner, principal
19	officer, owner, partner, board member, employee, or agent of a cannabis testing facility shall not be
20	subject to state prosecution; search, except by the department of business regulation or department of
21	health pursuant to §21-28.11-8; seizure; or penalty in any manner or be denied any right or privilege,
22	including, but not limited to, civil penalty or disciplinary action by a court or business licensing board or
23	entity solely engaging in for the following acts:
24	(i) Acquiring, transporting, storing, or possessing marijuana or marijuana products, in accordance
25	with regulations promulgated by the office of cannabis regulation;
26	(ii) Returning marijuana and marijuana products to marijuana cultivation facilities, marijuana
27	processor facilities, marijuana retailers, other marijuana establishment licensees and industrial hemp
28	license holders, in accordance with regulations promulgated by the office of cannabis regulation ;
29	(iii) Receiving compensation for analytical testing, including but not limited to testing for
30	contaminants and potency; and
31	(iv) Any combination of the acts described within subsections (4)(i) through (4)(iii) of this section,
32	inclusive.
33	(6) The acts listed in subsections (1) through (5) of this section, when undertaken in compliance
34	with the provisions of this chapter and regulations promulgated hereunder, are lawful under Rhode

1 <u>Island law.</u>

1	Island law.
2	(7) Except as provided in this chapter and chapter 28.11 of title 21, a marijuana establishment
3	licensee or any person who is twenty-one (21) years of age or older and acting in their capacity as an
4	owner, principal officer, partner, board member, employee, or agent of a marijuana establishment
5	licensee created by the office of cannabis regulation is exempt from arrest, civil or criminal penalty,
6	seizure or forfeiture of assets, discipline by any state or local licensing board, and state prosecution solely
7	for possessing, transferring, dispensing, or delivering marijuana in accordance with the corresponding
8	marijuana establishment license regulations promulgated by the office of cannabis regulation, or
9	otherwise engaging in activities permitted under the specific marijuana establishment license it holds
10	as issued by the office of cannabis regulation and the regulations promulgated by the office of cannabis
11	regulation.
12	(8) Except for the exemption set forth in subsection (2)(iv) of this section which shall be
13	effective from and after January 1, 2020, the exemptions set forth in subsections (2), (3), (4) and (5)
14	of this section shall be effective as to a marijuana establishment licensee from and after the date of
15	issuance of a license by the office of cannabis regulation.
16	(9) Notwithstanding any provisions to the contrary, nothing in this chapter or the general laws
17	shall restrict, impair or otherwise affect the manufacturing, distribution, transportation, sale,
18	prescribing and dispensing of a product that has been approved for marketing as a prescription
19	medication by the U.S. Food and Drug Administration and is manufactured, distributed, transported,
20	sold, prescribed and dispensed in accordance with applicable federal and state law.
21	21-28.10-5. Authorized activities; paraphernalia.
22	(a) Any person who is twenty-one (21) years of age or older is authorized to manufacture,
23	produce, use, obtain, purchase, transport, or possess, actually or constructively, marijuana
24	paraphernalia in accordance with all applicable laws.
25	(b) Any person who is twenty-one (21) years of age or older is authorized to distribute or sell

(b) Any person who is twenty-one (21) years of age or older is authorized to distribute or sell
 marijuana paraphernalia to marijuana establishments or persons who are twenty-one (21) years of age
 or older in accordance with all applicable laws.

28 <u>21-28.10-6. Unlawful activities; penalties.</u> 29 (a) Except as expressly provided in this chapter and chapters 2-26, 21-28.6 and 21-28.11, no 30 person or entity shall cultivate, grow, manufacture, process, or otherwise produce, sell or otherwise 31 distribute cannabis, cannabis plants or cannabis products. 32 (b) Any person who cultivates, grows, manufactures, processes, or otherwise produces, sells 33 or otherwise distributes cannabis, cannabis plants or cannabis products in violation of this chapter and

34 <u>chapters 2-26, 21-28.6, 21-28.11, and/or the regulations promulgated hereunder</u>, or who aids and abets

- 1 another in doing so, shall be subject to imposition of an administrative penalty and order by the office 2 of cannabis regulation as follows: 3 (i) for a violation of this section involving one (1) to five (5) cannabis plants, an administrative penalty of \$2,000 per plant and an order requiring forfeiture and/or destruction of said plants; 4 5 (ii) for a violation of this section involving six (6) to ten (10) cannabis plants, an administrative 6 penalty of \$3,000 per plant and an order requiring forfeiture and/or destruction of said plants; 7 (iii) for a violation of this section involving eleven (11) to twenty (20) cannabis plants, an 8 administrative penalty of \$4,000 per plant and an order requiring forfeiture and/or destruction of said 9 plants; 10 (iv) for a violation of this section involving more than twenty (20) cannabis plants, an 11 administrative penalty of \$5,000 per plant and an order requiring forfeiture and/or destruction of said 12 plants; 13 (v) for any violation of this section involving more than twenty (20) cannabis plants, such 14 person and, in the case of an entity such entity's principal officers and other key persons, shall also be 15 guilty of a felony, and upon conviction shall be punished by imprisonment and a fine as provided in 16 chapter 21-28 of the general laws and the attorney general shall prosecute such criminal violation; and 17 (vi) for any violation of this section involving possession of marijuana material or marijuana products over the legal possession limits of this chapter, there shall be an administrative penalty imposed by the office 18 19 of cannabis regulation of \$2,000 per ounce of equivalent marijuana material over the legal possession limit 20 and an order requiring forfeiture and/or destruction of said marijuana; and-21 (vii) for any violation of this chapter involving possession of marijuana material or marijuana 22 products within the legal possession limits of this chapter which are not properly secured to prohibit access 23 by children and individuals who are under the age of twenty-one (21) in accordance with regulations 24 promulgated by the office of cannabis regulation, there shall be an administrative penalty imposed by the 25 office of cannabis regulation of no less than \$100 and an order requiring forfeiture and/or destruction of said marijuana. 26 27 21-28.10-7. Activities not exempt. 28 The provisions of this chapter do not exempt any person from arrest, civil or criminal penalty, seizure 29 or forfeiture of assets, discipline by any state or local licensing board or authority, and state prosecution 30 for, nor may they establish an affirmative defense based on this chapter to charges arising from, any of 31 the following acts: 32 (1) Driving, operating, or being in actual physical control of a vehicle or a vessel under power or
- 33 <u>sail while impaired by marijuana or marijuana products;</u>

34

(2) Possessing or using marijuana or marijuana products if the person is a prisoner;

- 1 (3) Possessing or using marijuana or marijuana products in any local detention facility, county 2 jail, state prison, reformatory, or other correctional facility, including, without limitation, any facility for the detention of juvenile offenders; or 3 (4) Manufacturing or processing of marijuana products with the use of prohibited solvents, in 4 violation of § 21-28.10-12,; or 5 (5) Possessing, using, distributing, cultivating, processing or manufacturing marijuana or marijuana 6 7 products which do not satisfy the requirements of this chapter. 8 21-28.10-8. Marijuana use prohibitions. 9 (a) No person shall smoke, vaporize or otherwise consume or use cannabis in a public place. 10 A person who violates this section shall be subject to imposition of an administrative penalty by the 11 office of cannabis regulation of one hundred fifty dollars (\$150) per violation, in addition to and not 12 in lieu of any applicable penalty or fine by the municipality where the public consumption or use 13 occurred. 14 (b) No person shall smoke or vaporize cannabis in, on or about the premises of any housing 15 that is subject to regulation or otherwise within the purview of chapters 45-25, 45-26, 45-53 or 45-60 16 of the general laws and any regulations promulgated thereunder. A person who smokes or vaporizes 17 cannabis in, on or about such housing premises shall be subject to imposition of an administrative 18 penalty by the office of cannabis regulation of one hundred fifty dollars (\$150) per violation, in 19 addition to and not in lieu of any applicable penalty, access prohibition or restriction, eviction or other 20 action that may lawfully be taken by the owner and/or applicable authority with respect to said housing. 21 (c) No person shall smoke or vaporize cannabis in, on or about the premises of any hotel, 22 rooming house, multi-unit housing complex or building without the written permission of the owner 23 of such property and/or any applicable governing body of the housing complex or building. A person 24 who smokes or vaporizes cannabis in, on or about any hotel, rooming house, multi-unit housing 25 complex or building premises without such written permission shall be subject to imposition of an administrative penalty by the office of cannabis regulation of one hundred fifty dollars (\$150) per 26 27 violation, in addition to and not in lieu of any applicable penalty, access prohibition or restriction, 28 eviction or other action that may lawfully be taken by the owner and/or any applicable authority with 29 respect to such multi- unit housing complex or building. 30 (d) No person may smoke, vaporize or otherwise consume or use, sell, distribute or otherwise 31 transfer or propose any such sale, distribution or transfer, cannabis or cannabis products in, on or about 32 the premises of any place of business, establishment, restaurant, bar, or club, whether public or private, 33 and whether operated for-profit or nonprofit, or any commercial property or other premises as further
- 34 defined through regulations promulgated by the office of cannabis regulation, unless a cannabis social

- 1 use license or temporary cannabis social use permit has been issued by the office of cannabis regulation 2 with respect to such business, establishment, club or commercial property premises in accordance with 3 regulations promulgated by the office of cannabis regulation. Any person who violates this section 4 shall be subject to imposition of administrative fine and/or other penalty as prescribed by the office of 5 cannabis regulation in such regulations. 6 21-28.10-9. Places of employment. 7 (a) The provisions of this chapter do not require employers to accommodate the use or possession 8 of marijuana, or being under the influence of marijuana, in any workplace. (b) Employers may implement drug use policies which prohibit the use or possession of 9 10 marijuana in the workplace or working under the influence of marijuana, provided that unless such 11 use is prohibited pursuant to the terms of a collective bargaining agreement, an employer shall not fire 12 or take disciplinary action against an employee solely for an employee's private, lawful use of 13 marijuana outside the workplace and so long as the employee has not and is not working under the 14 influence of marijuana except to the extent that the employer is a federal contractor or otherwise 15 subject to federal law or regulations such that failure to take such action would cause the employer to 16 lose a monetary or licensing related benefit thereunder. 17 (a) An employer shall be entitled to implement policies prohibiting the use or possession of marijuana, provided such policies are in writing and uniformly applied to all employees and an employee is given prior 18 19 written notice of such policies by the employer. 20 (b) The provisions of this chapter do not require employers to accommodate the use or possession of 21 marijuana or being under the influence of marijuana in any workplace. This chapter shall not permit any 22 person to undertake any task under the influence of marijuana when doing so would constitute negligence 23 or professional malpractice, jeopardize workplace safety, or to operate, navigate or be in actual physical 24 control of any motor vehicle or other transport vehicle, aircraft, motorboat, machinery or equipment, or 25 firearms under the influence of marijuana. (c) Notwithstanding any other section of the general laws, upon specific request by a qualifying patient 26 27 cardholder, the department of health may verify the requesting cardholder's status as a valid patient 28 cardholder to the qualifying patient cardholder's employer, in order to ensure compliance with patient 29 protections of <u>§</u>21-28.6-4(f). 30 (d) Notwithstanding any other section of the general laws, an employer may take disciplinary action against an employee, including termination of employment, if the results of a drug test administered in 31
- 32 accordance with section §28-6.5-1 of the general laws demonstrates that the employee was under the
- 33 influence of or impaired by marijuana while in the workplace or during the performance of work. For
- 34 purposes of this subsection (d), a drug test that yields a positive result for cannabis metabolites shall not be

- 1 construed as proof that an employee is under the influence of or impaired by marijuana unless the test yields
- 2 a positive result for active THC, delta-9-tetrahydrocannabinol, delta-8-tetrahydrocannabinol, or any other

3 active cannabinoid found in marijuana which is an intoxicant or causes impairment.

4

21-28.10-10. Private property.

- (a) Except as provided in this section, the provisions of this chapter do not require any person,
 corporation, or any other entity that occupies, owns, or controls a property to allow the consumption, or
 transfer of marijuana on or in that property.
- (b) Except as provided in this section, in the case of the rental of a residential dwelling unit 8 9 governed by chapter 18 of title 34, a landlord may not prohibit the consumption of cannabis by non-smoked 10 or non-vaporized means, or the transfer without compensation of cannabis by the tenant as defined in 11 § 34-18-11, provided the tenant is in compliance with the possession and transfer limits and other requirements set forth in § 21-28.10-4(1)(i) and (iv), and provided any such consumption or transfer 12 13 by the tenant is done within the tenant's dwelling unit and is not visible from outside of the individual 14 residential dwelling unit. A landlord may prohibit the consumption, display, and transfer of cannabis by a 15 roomer as defined in §34-18-11 and by any other person who is not a tenant.
- 16

21-28.10-11. False age representation.

- (a) Any person who falsely represents themselves to be twenty-one (21) years of age or older
 in order to obtain any marijuana, marijuana products, or marijuana paraphernalia pursuant to this
 chapter is guilty of a civil violation.
- (b) Any person who violates this section shall be subject to the following penalties which shall be
 enforced by the division of motor vehicles in accordance with chapter 11 of title 31 of the general laws and
 any regulations promulgated thereunder or hereunder:
- (i) for the first offense, imposition of a mandatory fine of not less than one hundred dollars (\$100)
 nor more than five hundred dollars (\$500), the requirement to perform thirty (30) hours of community
 service and suspension of his/her motor vehicle operator's license or permit and driving privileges for a
 period of thirty (30) days;
- (ii) for the second offense, imposition of a mandatory fine of not less than five hundred dollars
 (\$500) nor more than seven hundred fifty dollars (\$750), the requirement to perform forty (40) hours of
 community service and suspension of his/her motor vehicle operator's license or permit and driving
 privileges for a period of three (3) months; and
- (iii) for the third and subsequent offenses, imposition of a mandatory fine for each offense of
 not less than seven hundred fifty dollars (\$750) nor more than one thousand dollars (\$1,000), the
 requirement to perform by fifty (50) hours of community service and suspension of his/her motor vehicle
 operator's license or permit and driving privileges for a period of one (1) year.

1 (c) In addition to and not in lieu of the penalties described in subsection (b), the department 2 of elementary and secondary education and, with the prior approval of the department, any city, town or school district under its authority, may adopt and implement marijuana drug use policies which 3 require students to face disciplinary actions including but not limited to, suspension, expulsion, 4 5 community service, and prohibition from participation in school sanctioned events, for any violation 6 of this section or for the possession or use of marijuana. The department of elementary and secondary 7 education shall have the authority to adopt rules and regulations as are necessary and proper to carry 8 out the foregoing. 9 21-28.10-12. Unlawful distribution to minors; penalties. 10 (a) Except as expressly provided in chapters 21-28.6 of the general laws, no person or entity shall sell, deliver, distribute or otherwise transfer or furnish to, or purchase or otherwise procure for, 11 12 any person who is under twenty-one (21) years of age marijuana, marijuana plants or marijuana 13 products. 14 (b) Any person or entity who sells, delivers, distributes or otherwise transfers or furnishes to,

15 or purchases or otherwise procures for, any person who is under twenty-one (21) years of age 16 marijuana, marijuana plants or marijuana products to any person who is under twenty one (21) years 17 of age in violation of this chapter and chapter 21-28.11 and/or the regulations promulgated hereunder 18 shall be subject to imposition of an administrative penalty by the office of cannabis regulation in the 19 amount of up to \$10,000 per violation.

(c) As to any knowing violation of this section, such by any person who is twenty-one (21)
 years of age or older where the sale, delivery, distribution, transfer or furnishing to, or purchase or
 procurement for, is as to a person who is at least three (3) years his or her junior, such person, and in
 the case of an entity such entity's principal officers and other key persons, shall also be guilty of a
 felony, and upon conviction shall be punished by imprisonment and a fine as provided in chapter 21 28 of the general laws and the attorney general shall prosecute such criminal violation.

(d) It is no defense to a prosecution for a violation of subsection (c) that in the transaction upon
 which the prosecution is based, any person who has not reached his or her twenty-first (21st) birthday
 acted as the agent or representative of another, or that the defendant dealt with any person who has not
 reached his or her twenty-first (21st) birthday as the agent or representative of another, or that any
 person who has not reached his or her twenty-first (21st) birthday misrepresented or misstated his or
 her age, or the age of any other person or misrepresented his or her age through the presentation of
 any of the documents described in § 3-8-6(a)(3)(i)-(iii) of the general laws.

33 **21-28.10-12.1. Compliance check.**

(a) As used in this section the terms "marijuana", "marijuana establishment" and "marijuana 1 products" shall have the same meanings as defined in chapter 21-28.11 of this title. As used in this section 2 3 the term "compliance check" means the sending of a minor into a marijuana establishment to see if that minor could purchase marijuana. As used in this section the term "purchase survey" refers to compliance 4 5 checks that are a part of a statewide survey. 6 (b) Underage individuals acting as agents for state or municipal law enforcement may purchase, 7 with impunity from prosecution, marijuana for the purposes of law enforcement, provided that the underage 8 individuals are supervised by an adult law enforcement official. Any individual participating in an unannounced compliance check and/or purchase survey must state his/her accurate age if asked by the 9 10 employee of the licensed establishment being checked. (c) If the compliance check is a part of a general enforcement operation and results in the sale of 11 12 marijuana to the minor, the manager of the marijuana establishment shall be notified within 48 hours of the 13 violation. If the compliance check is a part of a purchase survey and results in the sale of marijuana to the 14 minor, the manager of the marijuana establishment shall be notified of the violation upon completion of the 15 purchase survey in that community. 21-28.10-12.2. Transportation of marijuana by underage persons. 16 17 (a) Any person who has not reached his or her twenty-first (21st) birthday and who operates a motor vehicle upon the public highways, except when accompanied by a parent, legal guardian, or another adult 18 19 who is over the age of twenty-one (21) years and related, whether by blood, adoption or marriage, to the 20 operator within the following degree of sanguinity: brother, sister, grandfather, grandmother, father-in-law, 21 mother-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepbrother, stepsister, half-brother, half-sister, uncle, aunt, great uncle or great aunt and, knowingly having marijuana or marijuana products in 22 23 any form in containers, opened or unopened, in any part of the vehicle shall be guilty of a criminal violation. 24 The words "marijuana" and "marijuana products", as used in this section, have the same meaning as defined 25 in chapter 21-28.11 of this title. (b) Any person who violates subsection (a) of this section shall be subject to the following penalties 26 enforced by the division of motor vehicles in accordance with chapter 11 of title 31 of the general laws and 27 28 the regulations promulgated thereunder or hereunder: 29 (1) For a first offense, a fine of not more than two hundred fifty dollars (\$250) and have his or her 30 license to operate a motor vehicle suspended for not more than thirty (30) days; (2) For a second offense, a fine of not more than five hundred dollars (\$500) and have his or her 31 32 license to operate a motor vehicle suspended for not more than ninety (90) days;

- 1 (3) For a third or subsequent offense, a fine of no less than five hundred dollars (\$500) nor more
- 2 than nine hundred and fifty dollars (\$950) and have his or her license to operate a motor vehicle suspended
- 3 <u>for one year.</u>
- 21-28.10-12. Unlawful distribution to minors; penalties. 4 (a) Except as expressly provided in chapters 21-28.6 of the general laws, no person or entity 5 shall sell, deliver or otherwise transfer to any person who is under twenty one (21) years of age 6 7 marijuana, marijuana plants or marijuana products. 8 (b) Any person or entity who sells, delivers or otherwise transfers marijuana, marijuana plants or marijuana products to any person who is under twenty-one (21) years of age violation of this chapter 9 10 and chapter 21-28.11 and/or the regulations promulgated hereunder shall be subject to imposition of an administrative penalty by the office of cannabis regulation in the amount of \$10,000 per violation. 11 12 (c) As to any violation of this section, such person, and in the case of an entity such entity's principal officers and other key persons, shall also be guilty of a felony, and upon conviction shall be 13 14 punished by imprisonment and a fine as provided in chapter 21-28 of the general laws and the attorney 15 general shall prosecute such criminal violation. 16 21-28.10-13. Unlawful marijuana extraction, penalties. 17 (a) No person, other than a licensed processor who is in compliance with this chapter, chapter 28.11 and accompanying regulations or an agent of a processor acting in that capacity, may extract 18 19 compounds from marijuana using solvents other than water, glycerin, propylene glycol, vegetable oil, or 20 food grade ethanol (ethyl alcohol). No person may extract compounds from marijuana using ethanol in 21 the presence or vicinity of open flame. 22 (b) A person who violates this section shall be subject to imposition of an administrative penalty 23 by the office of cannabis regulation of up to five thousand dollars (\$5,000) per violation. (c) A person who violates this section shall also be guilty of a felony punishable by imprisonment 24 25 and a fine in accordance with chapter 21-28 of the general laws and the attorney general shall prosecute such criminal violation. 26 27 CHAPTER 28.11 28 MARIJUANA REGULATION, CONTROL, AND TAXATION ACT 21-28.11-1. Short title. 29 30 This chapter shall be known and may be cited as the "Marijuana Regulation, Control, and Taxation Act." 31 32 21-28.11-2. Definitions. 33 For purposes of this chapter:

- (1) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana sativa L,
 whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound,
 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin regardless of cannabinoid
 content or cannabinoid potency including "marijuana", and "industrial hemp" or "industrial hemp products"
 which satisfy the requirements of chapter 2-26 of the general laws and the regulations promulgated
 thereunder.
- 7 (2) "Marijuana" means all parts of the plant cannabis sativa L., whether growing or not; the seeds of 8 the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, 9 mixture, or preparation of the plant, its seeds or resin, but shall not include the mature stalks of the plant, 10 fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, 11 manufacture, salt, derivative, mixture, or preparation of mature stalks, (except the resin extracted from it), 12 fiber, oil or cake, or the sterilized seed from the plant which is incapable of germination. Marijuana shall 13 not include "industrial hemp or" industrial hemp products" which satisfy the requirements of chapter 2-26 of the general laws and the regulations promulgated thereunder. 14
- 15 (3) "Marijuana cultivation facility" means an entity that is licensed pursuant to chapter 28.11 of title 21,
 16 to be exempt from state penalties for cultivating, preparing, packaging, and selling marijuana to a marijuana
 17 retailer, a marijuana processor, another marijuana cultivation facility, cannabis testing laboratory, or another
 18 marijuana establishment licensed by the office of cannabis regulation, in accordance with regulations
 19 promulgated by the office of cannabis regulation; but not for manufacturing, processing or selling marijuana
 20 products or selling marijuana at retail or otherwise to the general public.
- (4) "Marijuana establishment" and "marijuana establishment licensee" means any person or entity
 licensed by the office of cannabis regulation under this chapter or chapter 21-28.6 whose license permits it
 to engage in or conduct activities in connection with the adult use marijuana industry or medical marijuana
 program and includes but is not limited to a licensed marijuana cultivation facility, marijuana processor,
 marijuana retailer, cannabis testing facility, compassion center, medical marijuana cultivator, medical marijuana
 processor or any other license issued by the office of cannabis regulation under this chapter or chapter 21-28.6 and/or
 as specified and defined in regulations promulgated by the office of cannabis regulation.
- (5) "Marijuana paraphernalia" means equipment, products, and materials which are used or
 intended for use in planting, propagating, cultivating, growing, harvesting, manufacturing,
 compounding, converting, producing, processing, preparing, testing, analyzing, packaging,
 repackaging, storing, containing, concealing, ingesting, or inhaling marijuana, or otherwise
 introducing marijuana into the human body.

- (6) "Marijuana processor" means an entity licensed pursuant to chapter 28.11 of title 21 to be exempt
 from state penalties for purchasing marijuana from marijuana cultivation facilities, other marijuana processors,
 or other marijuana establishments, in accordance with regulations promulgated by the office of cannabis regulation
 and manufacturing or processing marijuana products, selling, giving, or transferring marijuana products to a
 marijuana retailer, marijuana testing facility, or other marijuana establishments, in accordance with regulations
 promulgated by the office of cannabis regulation but not for selling marijuana or marijuana products at retail or
 otherwise to the general public.
- 8 (7) "Marijuana products" means any form of marijuana, including concentrated marijuana and 9 products that are comprised of marijuana and other ingredients that are intended for use or consumption,
- 10 such as, but not limited to, extracts, infusions, edible products, ointments, and tinctures, as further defined
- 11 <u>in regulations promulgated by the office of cannabis regulation.</u>
- (8) "Marijuana testing facility" or "cannabis testing laboratory" means a third party analytical testing
 laboratory licensed by the departments of health and office of cannabis regulation to collect and test samples
 of cannabis pursuant to regulations promulgated by the departments.
- 15 (9) "Marijuana retailer" means an entity that is licensed pursuant to chapter 28.11 of title 21, to be 16 exempt from state penalties for purchasing marijuana from marijuana cultivation facilities, marijuana processors, 17 or other marijuana establishments in accordance with regulations promulgated by the office of cannabis 18 regulation, and selling marijuana, marijuana products, and marijuana paraphernalia to customers who are 19 twenty-one (21) years of age or older in accordance with the provisions of this chapter, chapter 21-28.11 and 20 rules and regulations promulgated by the office of cannabis regulation.
- 21 (10) "Smoke" or "smoking" means heating to at least the point of combustion, causing plant material to
 22 burn, inhaling, exhaling, burning, or carrying any lighted or heated cigarette, pipe, weed, plant, other marijuana
 23 product in any manner or in any form intended for inhalation in any manner or form and includes but is not limited
 24 to the use of electronic cigarettes, electronic pipes, electronic marijuana delivery system products, or other similar
 25 products that rely on vaporization or aerosolization.
- 26 (11) "State prosecution" means prosecution initiated or maintained by the state of Rhode Island or an
 27 agency or political subdivision of the state of Rhode Island.
- 28 (12) "Vaporize" or "vape" means heating below the point of combustion and resulting in a vapor
 29 or mist.
- 30 (13) "Equivalent amount" means the portion of usable marijuana, be it in extracted, edible,
- 31 concentrated, or any other form, found to be equal to a portion of dried marijuana, as defined by regulations
- 32 promulgated by the office of cannabis regulation.

1

21-28.11-3. Office of Cannabis Regulation.

(a) Within the department of business regulation there shall be an office of cannabis regulation that oversees the regulation, licensing and control of cannabis, including marijuana, medical marijuana and industrial hemp, and such other matters within the jurisdiction of the department as determined by the director. An associate director or other designee of the director who reports to the director shall be in charge of all matters relating to cannabis regulation and control.

- (b) Whenever in chapters 2-26, 21-28.6, 21-28.10, 21-28.11 and 44-49.1 of the general laws the
 words "department of business regulation" shall appear, the words shall be deemed to mean the office of
 cannabis regulation within the department of business regulation. Whenever in chapters 2-26, 21-28.6, 2128.10, 21-28.11 and 44-49.1 of the general laws the words "office of cannabis regulation" shall appear, the
 words shall be deemed to mean the office of cannabis regulation within the department of business
 regulation.
- 13 (c) The office of cannabis regulation shall coordinate the executive branch response to the 14 regulation and control of cannabis including, but not limited to, strategic planning, coordination and 15 approval of regulations, educational content, planning and implementation, community engagement, budget 16 coordination, data collection and analysis functions, and any other duties deemed necessary and appropriate
- 17 by the office of cannabis regulation to carry out the provisions of this chapter.
- (d) In furtherance of coordinating the oversight of cannabis, including marijuana, medical marijuana
 and industrial hemp, across state agencies, the office of cannabis regulation shall:
- 20 (1) Coordinate with the staff designated by the respective directors of each state agency regarding the
- 21 <u>agency's promulgation and implementation of rules and regulations regarding adult use of marijuana, medical</u>
- 22 <u>marijuana and industrial hemp with the objective of producing positive economic, public safety, and health</u>
- 23 <u>outcomes for the state and its citizens;</u>
- (2) Offer guidance to and communicate with municipal officials regarding the implementation and
 enforcement of this chapter and chapters 28.6 and 28.10;
- 26 (3) Align all policy objectives and the promulgation of rules and regulations across state agencies to
 27 increase efficiency and eliminate unintended negative impacts on the state and its citizens;
- 28 (4) Communicate with regulatory officials from other states that allow marijuana for adult use, medical
- 29 marijuana use and industrial hemp production to learn from the experiences of those states;
- 30 (5) Anticipate, prioritize, and respond to emerging issues with the regulation of marijuana;

- 1 (6) Coordinate the collection of data on adult use of marijuana and medical marijuana use from state
- 2 <u>agencies and report to the governor and legislature no later than January 1, 2021, and every year thereafter.</u>
- 3 <u>The report shall include, but is not limited to:</u>
- 4 (i) The number and geographic distribution of all licensed marijuana establishments;
- 5 (ii) Data on the total amount of sales of marijuana and the total amount of revenue raised from taxes
- 6 <u>and fees levied on marijuana;</u>
- 7 (iii) Projected estimate of the total marijuana revenue that will be raised in the proceeding year;
- 8 (iv) The distribution of funds to programs and agencies from revenue raised from fees and taxes levied
- 9 <u>on marijuana; and</u>
- 10 (v) Any findings from the departments of health and public safety related to changes in marijuana use
- 11 rates and the impact, if any, of marijuana use on public health and public safety.
- 12

21-28.11-4. Marijuana Advisory Board.

- (a) The leaders of the general assembly shall establish a marijuana advisory board to study and
 make recommendations on the regulation of marijuana and marijuana products.
- (b) The marijuana advisory board shall consist of fourteen (14) members, seven (7) appointed by
 the speaker of the house, and seven (7) appointed the senate president. Both the speaker of the house and
 the senate president shall appoint one member of the general assembly, one expert in law enforcement,
 one expert in public health, one expert in the legal marijuana business community, one attorney with
 experience in marijuana law and policy, one expert in social welfare or social justice, and one individual
 who represents marijuana consumers.
 (c) Members of the marijuana advisory board shall serve terms of two (2) years.
- 22 (d) Members of the board shall serve without compensation but shall be reimbursed for their
- 23 expenses actually and necessarily incurred in the discharge of their official duties. Eight (8) or more
- 24 <u>members of the board present and voting shall constitute a quorum.</u>
- 25 (e) The marijuana advisory board's duties shall include:
- 26 (1) Advising the legislature on matters related to marijuana cultivation, processing, manufacture,
- 27 <u>transport, distribution, testing and sale;</u>
- 28 (2) On its own initiative, recommending to the office of cannabis regulation guidelines, rules and
- 29 regulations and any changes to guidelines, rules and regulations that the board considers important or
- 30 <u>necessary; and</u>
- 31 (3) Holding public hearings to take testimony from experts and members of the general public on
 32 issues related to the regulation and taxation of marijuana.

- 1 (f) All records of the marijuana advisory board shall be public records.
- 2 (g) The chairs of the marijuana advisory board shall issue public notice at least fourteen (14) days
- 3 prior to each meeting of the marijuana advisory board.
- 4 <u>21-28.11-5. Licensing of marijuana establishments.</u>
- 5 (a) Except as otherwise provided in this chapter:
- 6 (1) A person or an entity may apply, in accordance with the provisions of this chapter and regulations

7 adopted by the office of cannabis regulation, for the issuance of a license authorizing the applicant to engage in

8 licensed marijuana activities as a marijuana retailer, marijuana cultivator, marijuana processor, cannabis testing

- 9 <u>facility, or any other marijuana establishment licensee, pursuant to the provisions of this chapter and regulations</u>
- 10 promulgated by the office of cannabis regulation provided that a majority of equity in and/or ownership of
- 11 any license is held by a Rhode Island resident, or Rhode Island residents, as defined in regulations
- 12 promulgated by the office of cannabis regulation.
- 13 (2) The office of cannabis regulation shall have authority to issue a license or licenses to marijuana

14 <u>cultivators, marijuana retailers, marijuana processors, and any other category of marijuana establishment</u>

15 <u>licensee established through this chapter or the regulations promulgated hereunder.</u>

- 16 (3) The department of health, in coordination with the office of cannabis regulation, shall have authority
 17 to promulgate regulations to create and implement all licenses involving cannabis reference testing
 18 requirements including approval, laboratory proficiency programs and proficiency sample providers,
 19 quality assurance sample providers, round robin testing and regulations establishing quality control and test
 20 standardization, and create and implement additional types and classes of licensed cannabis testing facilities in
 21 accordance with regulations promulgated hereunder.
- 22 (b) The office of cannabis regulation shall have the authority to promulgate regulations to create 23 and implement additional types and classes of commercial marijuana establishment licenses, including but 24 not limited to, licenses for businesses to engage in marijuana destruction, delivery, disposal, research and development, transportation, social use licenses, or any other commercial activity needed to support 25 26 licensed marijuana cultivators, licensed marijuana processors, compassion centers, licensed cannabis 27 testing facilities, provided no license created by the department shall allow for the retail sale of marijuana. 28 (c) The office of cannabis regulation shall promulgate regulations governing the manner in which 29 it shall consider applications for issuing additional classes of marijuana establishment licenses, in 30 accordance with this section.
- 31 (d) The office of cannabis regulation shall promulgate regulations governing the manner in which
 32 it shall consider applications for the licensing and renewal of each type of marijuana establishment license

1	necessary and proper to enforce the provisions of and carry out the duties assigned to it under this chapter
2	and chapter 28.10, including but not limited to regulations governing:
3	(1) The form and content of licensing and renewal applications:
4	(2) Application and licensing fees for marijuana establishment licensees;
5	(3) Procedures for the approval or denial of a license, and procedures for suspension or revocation
6	of the license of any marijuana establishment licensee that violates the provisions of this chapter, chapter
7	28.10 or the regulations promulgated thereunder in accordance with the provisions of chapter 42-35 of the
8	general laws; and
9	(4) Compliance with municipal zoning restrictions, if any, which comply with 21-28.11-10 of this
10	<u>chapter.</u>
11	(e) The department of health or the office of cannabis regulation, as applicable, shall issue each
12	principal officer, board member, agent, volunteer, and employee of a marijuana establishment license a
13	registry identification card or renewal card after receipt of the person's name, address, date of birth; a fee
14	in an amount established by the department of health or the office of cannabis regulation; and, when the
15	applicant holds an ownership, equity, controlling, or managing stake in the marijuana establishment license
16	as defined in regulations promulgated by the office of cannabis regulation, notification to the department
17	of health or the office of cannabis regulation by the department of public safety division of state police,
18	attorney general's office, or local law enforcement that the registry identification card applicant has not
19	been convicted of a felony drug offense or has not entered a plea of nolo contendere for a felony drug
20	offense and received a sentence of probation. Each card shall specify that the cardholder is a principal
21	officer, board member, agent, volunteer, employee, or other designation required by the departments of
22	marijuana establishment license and shall contain the following:
23	(i) The name, address, and date of birth of card applicant;
24	(ii) The legal name of the marijuana establishment licensee to which the applicant is affiliated;
25	(iii) A random identification number that is unique to the cardholder;
26	(iv) The date of issuance and expiration date of the registry identification card; and
27	(v) A photograph, if the department of health or the office of cannabis regulation decides to require
28	one; and
29	(vi) Any other information or card classification that the office of cannabis regulation or department
30	of health requires.

1 (f) Except as provided in subsection (e), neither the department of health nor the office of cannabis 2 regulation shall issue a registry identification card to any card applicant who holds an ownership, equity, 3 controlling, or managing stake in the marijuana establishment license as defined in regulations promulgated by the office of cannabis regulation, who has been convicted of a felony drug offense or has entered a plea 4 5 of nolo contendere for a felony drug offense and received a sentence of probation or who the department 6 has otherwise deemed unsuitable. If a registry identification card is denied, the applicant will be notified in 7 writing of the purpose for denying the registry identification card. A registry identification card may be 8 granted if the offense was for conduct that occurred prior to the enactment of this chapter or that was 9 prosecuted by an authority other than the state of Rhode Island and for which the enactment of this chapter 10 would otherwise have prevented a conviction.

11 (g) (i) All registry identification card applicants who hold an ownership, equity, controlling, or 12 managing stake in the marijuana establishment license as defined in regulations promulgated by the office 13 of cannabis regulation shall apply to the department of public safety division of state police, the attorney 14 general's office, or local law enforcement for a national criminal identification records check that shall 15 include fingerprints submitted to the federal bureau of investigation. Upon the discovery of a felony drug 16 offense conviction or a plea of nolo contendere for a felony drug offense with a sentence of probation, and 17 in accordance with the rules promulgated by the department of health and the office of cannabis regulation, 18 the department of public safety division of state police, the attorney general's office, or local law 19 enforcement shall inform the applicant, in writing, of the nature of the felony and the department of public 20 safety division of state police shall notify the department of health or the office of cannabis regulation, in 21 writing, without disclosing the nature of the felony, that a felony drug offense conviction or a plea of nolo 22 contendere for a felony drug offense with probation has been found.

(ii) In those situations in which no felony drug offense conviction or plea of nolo contendere for a
 felony drug offense with probation has been found, the department of public safety division of state police,
 the attorney general's office, or local law enforcement shall inform the applicant and the department of
 health or the office of cannabis regulation, in writing, of this fact.

- (iii) All registry identification card applicants shall be responsible for any expense associated with
 the criminal background check with fingerprints.
- (h) A registry identification card of a principal officer, board member, agent, volunteer, or employee, or any other designation required by the office of cannabis regulation shall expire one year after its issuance, or upon the termination of the principal officer, board member, agent, volunteer or employee's relationship with the marijuana establishment licensee, or upon the termination or revocation of the affiliated marijuana establishment's license, whichever occurs first.

- (i) A registration identification card holder shall notify and request approval from the office of
 cannabis regulation or department of health of any change in his or her name or address within ten (10)
 days of such change. A cardholder who fails to notify the office of cannabis regulation or health of any of
- these changes is responsible for a civil infraction, punishable by a fine of no more than one hundred fifty
 dollars (\$150).
- (j) When a cardholder notifies the department of health or the office of cannabis regulation of any
 changes listed in this subsection, the department shall issue the cardholder a new registry identification after
 receiving the updated information and a ten dollar (\$10.00) fee.
- 9 (k) If a cardholder loses his or her registry identification card, he or she shall notify the department
- 10 of health or the office of cannabis regulation and submit a ten dollar (\$10.00) fee within ten (10) days of
- 11 losing the card and the department shall issue a new card.
- (1) Registry identification cardholders shall notify the office of cannabis regulation or health of any
 disqualifying criminal convictions as defined in subdivision (c)(7). The applicable department may choose
- 14 to suspend and/or revoke his or her registry identification card after such notification.
- (m) If a registry identification cardholder violates any provision of this chapter or regulations
 promulgated hereunder as determined by the departments of health and office of cannabis regulation, his
 or her registry identification card may be suspended and/or revoked.
- 18 (n) The department of business regulation shall have the authority to adopt regulations governing the 19 allowable size of marijuana establishment licensees. The department of business regulation shall have the 20 authority to adopt regulations governing the allowable size of marijuana cultivations, and whether indoor or 21 outdoor cultivation is permitted.
- (o) The department of business regulation may establish pursuant to regulations different classifications
 or schedules for marijuana establishment licensee facilities based on their physical size, scope, or authorized
- 24 <u>activities permitted under the class or schedule of marijuana establishment license.</u>
- 25 (p) In order to create an open, accessible, and stable industry, the office of cannabis regulation shall
- 26 <u>have the authority to promulgate regulations which limit the number of marijuana establishment licenses</u>
- 27 or classes of marijuana establishment licenses that an applicant may be issued.
- 28 (q) In order to create an open, accessible, and stable industry, the office of cannabis regulation shall
- 29 have the authority to promulgate regulations which sets market-based criteria for the issuance or renewal
- 30 <u>of cultivation licenses.</u>

- 1 (r) The department of business regulation may not issue a marijuana cultivation facility, marijuana 2 processor, or marijuana retailer to any entity that operates or exercises ownership, management, or other
- 3 <u>control over a marijuana testing facility.</u>
- 4 (s) The department of health and department of office of cannabis regulation may not issue a marijuana
 5 testing facility license to any applicant that operates or exercises ownership, management, or other control over
 6 another marijuana establishment license or license issued under chapter 2-26 of the general laws.
- 7 (t) The office of cannabis regulation shall determine an annual license and renewal fee for each type
- 8 and/or class of marijuana establishment licensee. The license fee must be paid upon the initial issuance of the
- 9 license and every twelve (12) months thereafter. If the license fee is not remitted to the state in a timely manner,
- 10 the license shall be revoked. The department of health shall determine the annual license fee for cannabis testing
- 11 <u>laboratories and employee registration cards.</u>
- 12 (u) The office of cannabis regulation shall set forth procedures to require all owners, officers, investors, 13 employees or agents with operational or managing control of a marijuana establishment license applicant to 14 undergo a national background check conducted by the office of the attorney general, the state police, a local 15 police department, or some other agency approved by the office of cannabis regulation. An application for a 16 marijuana establishment license may be rejected if a background check of an owner, officer, investor or 17 employee or agent with operational or managing control reveals past offenses or actions that the office of 18 cannabis regulation deems to be disqualifying, 19 (v) Whenever an entity seeks to renew a license as a marijuana establishment, the office of cannabis 20 regulation shall require the renewal application to include a question regarding any Occupational Safety and 21 Health Administration actions. The office of cannabis regulation may issue regulations as are necessary to ensure
- 22 licensee compliance to address any such Occupational Safety and Health Administration actions in light of
- 23 worker safety concerns.
- (w) Medical marijuana cultivators and compassion centers in good standing with the office of cannabis regulation may also apply for and be issued adult use marijuana establishment licenses, in accordance with regulations promulgated by the office of cannabis regulation, provided the medical marijuana establishment licensee continues to hold any valid medical marijuana license approved or issued prior to July 1, 2019.
- (x) The office of cannabis regulation may limit or prohibit a medical marijuana establishment's
 operation under an adult use marijuana establishment license if the office of cannabis regulation determines
 that failure to do so would threaten medical marijuana patients' access to marijuana products needed to
 treat qualifying conditions.

- 1 (y) Licensees may hold a medical marijuana establishment license and an adult use marijuana
- 2 establishment license in accordance with regulations promulgated by the office of cannabis regulation.
- 3 (z) The office of cannabis regulation shall prioritize the review of applications for adult use
 4 marijuana establishment licenses submitted by medical marijuana establishments that hold a license, in
 5 good standing, that was issued by the department prior to the effective date of this chapter.
- 6 (aa) The office of cannabis regulation may create a streamlined application for medical
- 7 <u>marijuana establishment licensees who apply for adult use marijuana establishment licenses provided</u>
- 8 the applicant holds a license, in good standing, that was issued by the department.

9 <u>21-28.11-6. Ineligibility for license.</u>

- 10 <u>A marijuana establishment may not operate, and a prospective marijuana establishment may not apply</u>
- 11 for a license, if any of the following are true:
- 12 (1) The person or entity is applying for a license to operate as a marijuana retailer in a location that is

13 within five hundred (500) feet of the property line of a preexisting public or private school, or the person

14 or entity is applying for a license to operate as a marijuana establishment other than a marijuana retailer and

- 15 the establishment would operate in a location that is within one thousand (1,000) five hundred (500) feet of
- 16 the property line of a preexisting public or private school; or
- 17 (2) The establishment would be located at a site where the use is not permitted by applicable zoning
 18 classification or by special use permit or other zoning approval, or if the proposed location would otherwise
 19 violate a municipality's zoning ordinance which has been adopted in accordance with section 21-28.11-10 of this
 20 chapter; or
- (3) The establishment would be located in a municipality in which residents have approved, by a simple
 majority referendum, a ban on the kind of marijuana establishment being proposed in accordance with section
- 23 <u>21-28.11-10(c)</u>. For purpose of illustration but not limitation, a marijuana retailer may not operate in a municipality
- 24 in which residents have approved by a simple majority referendum a ban on marijuana retailers.
- (4) If any marijuana business establishment license applicant is deemed unsuitable or denied a registry
 identification card by the office of cannabis regulation.
- 27 **<u>21-28.11-7. License Required.</u>**
- (1) No person or entity shall engage in any activities in which a licensed marijuana establishment
 licensee may engage pursuant to chapters 28.6, 28.10 or 28.11 of title 21 and the regulations promulgated
 thereunder, without the license that is required in order to engage in such activities issued by the office of

1 cannabis regulation and compliance with all provisions of such chapters 28.6, 28.10 and 28.11 or title 21

2 <u>and the regulations promulgated thereunder.</u>

- 3 (2) Notwithstanding any provisions to the contrary, nothing in this chapter or the general laws 4 shall restrict, impair or otherwise affect the manufacturing, distribution, transportation, sale, 5 prescribing and dispensing of a product that has been approved for marketing as a prescription 6 medication by the U.S. Food and Drug Administration and is manufactured, distributed, transported, 7 sold, prescribed and dispensed in accordance with applicable federal and state law.
- 8

9 <u>21.28.11-8. Enforcement</u>

- 10 (a) (1) Notwithstanding any other provision of this chapter, if the director of the department of
- 11 business regulation or his or her designee has cause to believe that a violation of any provision of chapters
- 12 <u>21-28.6, 21-28.10 or 28.11 or any regulations promulgated thereunder has occurred by a licensee that is</u>
- 13 <u>under the department's jurisdiction pursuant to chapters 21-28.6, 21-28.10 or 28.11, or that any person or</u>
- 14 <u>entity is conducting any activities requiring licensure or registration by the office of cannabis regulation</u>
- 15 under chapters 21-28.6, 21-28.10 or 28.11 or the regulations promulgated thereunder without such licensure
- 16 or registration, the director or his or her designee may, in accordance with the requirements of the
- 17 <u>administrative procedures act, chapter 35 of title 42:</u>
- (i) With the exception of patients and authorized purchasers, revoke or suspend any license or
 registration issued under chapters 2-26, 21-28.6 and 21-28.11;

20 (ii) Levy an administrative penalty in an amount established pursuant to regulations promulgated

- 21 by the office of cannabis regulation;
- 22 (iii) Order the violator to cease and desist such actions;
- 23 (iv) Require a licensee or registrant or person or entity conducting any activities requiring licensure
- 24 or registration under chapters 21-28.6, 21-28.10 or 28.11 to take such actions as are necessary to comply
- 25 with such chapter and the regulations promulgated thereunder; or
- 26 (v) Any combination of the above penalties.
- 27 (2) If the director of the department of business regulation finds that public health, safety, or welfare
- 28 imperatively requires emergency action, and incorporates a finding to that effect in his or her order,
- 29 <u>summary suspension of license or registration and/or cease and desist may be ordered pending proceedings</u>
- 30 <u>for revocation or other action. These proceedings shall be promptly instituted and determined.</u>

- (b) If a person exceeds the possession limits set forth in chapters 21-28.6, 21-28.10 or 21-28.11, or
 is in violation of any other section of chapters 21-28.6, 21-28.10 or 28.11 or the regulations promulgated
 thereunder, he or she may also be subject to arrest and prosecution under chapter 28 of title 21 of the general
 laws.
- 5 (c) All marijuana establishment licensees are subject to inspection by the office of cannabis 6 regulation including but not limited to, the licensed premises, all marijuana and marijuana products located 7 on the licensed premises, personnel files, training materials, security footage, all business records and 8 business documents including but not limited to purchase orders, transactions, sales, and any other financial 9 records or financial statements whether located on the licensed premises or not.
- 10 (d) All marijuana products that are held within the borders of this state in violation of the provisions 11 of chapters 21-28.6, 21-28.10 or 21-28.11 or the regulations promulgated thereunder are declared to be 12 contraband goods and may be seized by the office of cannabis regulation, the tax administrator or his or her 13 agents, or employees, or by any sheriff, or his or her deputy, or any police or other law enforcement officer 14 when requested by the tax administrator or office of cannabis regulation to do so, without a warrant. All 15 contraband goods seized by the state under this chapter may be destroyed.
- (e) Notwithstanding any other provision of law, the office of cannabis regulation may make
 available to law enforcement and public safety personnel, any information that the department's director or
 his or her designee may consider proper contained in licensing records, inspection reports and other reports
 and records maintained by the office of cannabis regulation, as necessary or appropriate for purposes of
 ensuring compliance with state laws and regulations. Nothing in this act shall be construed to prohibit law
 enforcement, public safety, fire, or building officials from investigating violations of, or enforcing state
 law.

23 **<u>21-28.11-9. Regulation and control of marijuana establishments.</u></u>**

- 24 (a) The department of business regulation shall adopt all rules and regulations necessary and 25 convenient to carry out and administer the provisions in this chapter and chapter 28.10 including operational 26 requirements applicable to licensees and regulations as are necessary and proper to enforce the provisions 27 of and carry out the duties assigned to it under this chapter and chapter 28.10, including but not limited to 28 regulations governing:
- 29 (1) Record-keeping requirements for marijuana establishment licensees;

- 1
- (2) Security requirements for marijuana establishment licensees including but not limited to the use
- 2 <u>of:</u>
- 3 (i) An alarm system, with a backup power source, that alerts security personnel and local law
 4 enforcement officials of any unauthorized breach;
- 5 (ii) Perpetual video surveillance system, with a backup power source, that records video 6 surveillance must be stored for at least two (2) months and be accessible to the office of cannabis regulation
- 7 <u>via remote access and to law enforcement officials upon request;</u>
- 8 (iii) Protocols that ensure the secure transport, delivery, and storage of cannabis and cannabis
 9 products;
- 10 (iv) Additional security measures to protect against diversion or theft of cannabis from cannabis
- 11 <u>cultivation facilities that cultivate cannabis outdoors; and</u>
- 12 (v) any additional requirements deemed necessary by the office of cannabis regulation;
- 13 (3) Requirements for inventory tracking and the use of seed to sale monitoring system(s) approved
- 14 by the state which tracks all cannabis from its origin up to and including the point of sale;
- 15 (4) Permitted forms of advertising and advertising content, including but not limited to:
- 16 (i) A marijuana establishment licensee may not advertise through any means
- 17 <u>unless at least 85% of the audience is reasonably expected to be 21 years of age or older, as determined by</u>
- 18 reliable, current audience composition data;
- 19 (ii) a marijuana establishment licensee may not engage in the use of pop up digital advertisements;
- 20 (iii) a marijuana establishment licensee may not display any marijuana product pricing through any
- 21 advertising other than their establishment website which must be registered with the office of cannabis
- 22 regulation, or through opt in subscription services such as email alerts or sms text messages, provided the
- licensee has verified the person attempting to view their webpage or opt in to advertising alerts is over the
 age of 21;
- 25 (iv) a marijuana establishment licensee and any other person, entity or business which is deemed
 26 by the office of cannabis regulation to advertise marijuana may not use any billboard advertisements within
 27 the state of Rhode Island;
- (v) A marijuana establishment licensee may display signage outside its facility displaying the name of
 the establishment, provided the signage conforms to all applicable local guidelines and rules and does not display
 i.e. a factor is a factor of a signage conformation of a signage conforma
- 30 <u>imagery of a marijuana leaf or the use of marijuana or use neon signage;</u>

- 1 (vi) a marijuana establishment licensee may be listed in public phonebooks and directories;
- 2 (vii) A marijuana establishment licensee and its logo may be listed as a sponsor of a charitable
- 3 event, provided the logo does not contain imagery of a cannabis leaf or the use of cannabis;
- 4 (viii) a marijuana establishment license shall not use, except, or offer any coupons, discounts, samples,
- 5 giveaways, or any other mechanism to sell marijuana at prices below market value which may or may not
- 6 circumvent the payment and collection of marijuana taxes; and
- 7 (viii) any other restrictions or warnings deemed appropriate by the office of cannabis regulation; and
- 8 (5) Permitted forms of marijuana products including, but not limited to, regulations which:
- 9 (i) prohibit any form of marijuana product which is in the shape or form of an animal, human,
- 10 <u>vehicle</u>, or other shape or form which may be attractive to children;
- 11 (ii) prohibit any marijuana "additives" which could be added, mixed, sprayed on, or applied to an
- 12 existing food product without a person's knowledge; and
- 13 (iii) include any other requirements deemed necessary by the office of cannabis regulation; and
- (6) Limits for marijuana product serving sizes, doses, and potency including but not limited to
 regulations which:
- (i) limit all servings of edible forms of marijuana to no more than five milligrams (5 mg) of THC
 per serving;
- 18 (ii) limits the total maximum amount of THC per edible product package to one hundred milligrams
- 19 <u>(100 mg) of THC;</u>
- 20 (iii) limits the THC potency of any product to no more than fifty percent (50%) THC unless
 21 otherwise authorized by the office of cannabis regulation;
- 22 (iv) may establish product or package limits based on the total milligrams of THC; and
- 23 (v) include any additional requirements or limitations deemed necessary by the office of cannabis
- 24 <u>regulation:</u>
- 25 (7) Product restrictions including but not limited to regulations which:
- 26 (i) establish a review process for the office of cannabis regulation to approve or deny forms of
- 27 marijuana products which may require marijuana establishment licensees to submit a proposal, which
- 28 includes photographs of the proposed product properly packaged and labeled and any other materials deemed

1 <u>necessary by the office of cannabis regulation, to the office of cannabis regulation for each line of cannabis</u>

2 products;

3 (ii) place additional restrictions on marijuana products to safeguard public health and safety, as 4 determined by the office of cannabis regulation in consultation with the executive branch state agencies; 5 (iii) require all servings of edible products to be marked, imprinted, molded, or otherwise display 6 a symbol chosen by the department to alert consumers that the product contains marijuana; 7 (iv) standards to prohibit cannabis products that pose public health risks, that are easily confused 8 with existing non-cannabis products, or that are especially attractive to youth; and 9 (v) any other requirements deemed suitable by the department; 10 (8) Limits and restrictions for marijuana transactions and sales including but not limited to regulations which: 11 12 (i) establish processes and procedures to ensure all transactions and sales are properly tracked 13 through the use of a seed to sale inventory tracking and monitoring system; 14 (ii) establish rules and procedures for customer age verification; 15 (iii) establish rules and procedures to ensure retailers tdo not dispense, and customers tdo not 16 purchase amounts of marijuana in excess of the one ounce (1 oz) of marijuana or an equivalent amount per 17 transaction and/or per day; 18 (iv) establish rules and procedures to ensure no marijuana is dispensed to anyone under the age of 21; and 19 20 (v) include any additional requirements deemed necessary by the office of cannabis regulation; 21 (9) The testing and safety of marijuana and marijuana products including but not limited to 22 regulations promulgated by the office of cannabis regulation or department of health, as applicable which: 23 (i) license and regulate the operation of cannabis testing facilities, including requirements for 24 equipment, training, and qualifications for personnel; 25 (ii) set forth procedures that require random sample testing to ensure quality control, including, but 26 not limited to, ensuring that cannabis and cannabis products are accurately labeled for tetrahydrocannabinol 27 (THC) content and any other product profile; 28 (iii) testing for residual solvents, poisons, or toxins; harmful chemicals; dangerous molds or mildew; filth; and harmful microbials such as E. coli or salmonella and pesticides, and any other 29 30 compounds, elements, or contaminants;

- (iv) require all cannabis and cannabis products must undergo random sample testing at a registered
 cannabis testing facility or other laboratory equipped to test cannabis and cannabis products that has been
- 3 <u>approved by the office of cannabis regulation;</u>
- 4 (v) require any products which fail testing be quarantined and/or recalled and destroyed in
 5 accordance with regulations;
- 6 (vi) allow for the establishment of other quality assurance mechanisms which may include but not

7 <u>be limited to the designation or creation of a reference laboratory, creation of a secret shopper program,</u>

- 8 round robin testing , or any other mechanism to ensure the accuracy of product testing and labeling;
- 9 (vii) require marijuana establishment licensees and marijuana products to comply with any
- 10 applicable food safety requirements determined by the office of cannabis regulation and/or the department
- 11 <u>of health;</u>
- (viii) include any additional requirements deemed necessary by the office of cannabis regulation and
 the department of health; and
- 14 (ix) allow the office of cannabis regulation, in coordination with the department of health, at their
- 15 discretion, to temporarily remove, or phase in, any requirement for laboratory testing if it finds that there is not
- 16 <u>sufficient laboratory capacity for the market.</u>
- 17 <u>(10) Online sales;</u>
- 18 (11) Transport and delivery;
- (12) Marijuana and marijuana product packaging including but not limited to requirements that
 packaging be:
- 21 <u>(i) opaque;</u>

22 (ii) constructed to be significantly difficult for children under five (5) years of age to open and not

- 23 difficult for normal adults to use properly as defined by 16 C.F.R. 1700.20 (1995) or another approval
- 24 <u>standard or process approved by the office of cannabis regulation;</u>
- 25 (iii) be designed in a way that is not deemed as especially appealing to children; and
- 26 (iv) any other regulations required by the office of cannabis regulation; and
- 27 (13) Regulations for the quarantine and/or destruction of unauthorized materials;
- 28 (14) Industry and licensee production limitations;

1 (15) Procedures for the approval or denial of a license, and procedures for suspension or revocation 2 of the license of any marijuana establishment licensee that violates the provisions of this chapter, chapter 3 28.10 or the regulations promulgated thereunder in accordance with the provisions of chapter 42-35 of the 4 general laws; 5 (16) Compliance with municipal zoning restrictions, if any, which comply with § 21-28.11-10 of 6 this chapter; 7 (17) Standards and restrictions for marijuana manufacturing and processing which shall include but 8 not be limited to requirements that marijuana processors; 9 (i) comply with all applicable building and fire codes; 10 (ii) receive approval from the state fire marshal's office for all forms of manufacturing that use a 11 heat source or flammable solvent; 12 (iii) require any marijuana processor that manufactures edibles of marijuana infused food products 13 to comply with all applicable requirements and regulations issued by the department of health's office of 14 food safety; and 15 (iv) comply with any other requirements deemed suitable by the office of cannabis regulation. 16 (18) Standards for employee and workplace safety and sanitation; 17 (19) Standards for employee training including but not limited to: 18 (i) requirements that all employees of cannabis establishments must participate in a comprehensive 19 training on standard operating procedures, security protocols, health and sanitation standards, workplace 20 safety, and the provisions of this chapter prior to working at the establishment. Employees must be 21 retrained on an annual basis or if state officials discover a cannabis establishment in violation of any 22 rule, regulation, or guideline in the course of regular inspections or audits; and 23 (ii) any other requirements deemed appropriate by the office of cannabis regulation; and 24 (20) Mandatory labeling that must be affixed to all packages containing cannabis or cannabis 25 products including but not limited to requirements that the label display: 26 (i) the name of the establishment that cultivated the cannabis or produced the cannabis product; 27 (ii) the tetrahydrocannabinol (THC) content of the product; 28 (iii) a "produced on" date;

- 1 (iv) warnings that state: "Consumption of cannabis impairs your ability to drive a car or operate 2 machinery" and "Keep away from children" and, unless federal law has changed to accommodate cannabis 3 possession, "Possession of cannabis is illegal under federal law and in many states outside of Rhode Island"; 4 (v) a symbol that reflects these products are not safe for children which contains poison control 5 contact information; and 6 (vi) any other information required by the office of cannabis regulation; and 7 (21) Standards for the use of pesticides; and 8 (22) General operating requirements, minimum oversight, and any other activities, functions, or 9 aspects of a marijuana establishment licensee in furtherance of creating a stable, regulated cannabis industry 10 and mitigating its impact on public health and safety. 11 21-28.11-10. Municipal authority. 12 (a) Municipalities shall: 13 (i) Have the authority to enact local zoning and use ordinances not in conflict with this chapter or with 14 rules and regulations adopted by the office of cannabis regulation regulating the time, place, and manner of 15 marijuana establishments' operations, provided that no local authority may prohibit any type of marijuana 16 establishments' operation altogether, either expressly or through the enactment of ordinances or regulations 17 which make any type of marijuana establishments' operation impracticable and; 18 (ii) Adopt all zoning and other applicable ordinances in accordance with subsection (a)(i) before January 19 1, 20201. If a municipality fails to adopt ordinances before January 1, 2021, a resident may commence an action in 20 a court of competent jurisdiction to compel the municipality to perform the actions mandated pursuant to the 21 provisions of this chapter. 22 (b) Zoning ordinances enacted by a local authority shall not require a marijuana establishment licensee 23 or marijuana establishment applicant to enter into a community host agreement or pay any consideration to the 24 municipality other than reasonable zoning and permitting fees as determined by the office of cannabis regulation. 25 The office of cannabis regulation is the sole licensing authority for marijuana establishment licensees. A 26 municipality shall not enact any local zoning ordinances or permitting requirements that establishes a de facto 27 local license or licensing process unless explicitly enabled by this chapter or ensuing regulations promulgated by 28 the office of cannabis regulation. 29 (c) Notwithstanding subsection (a) of this section; 30 (i) Municipalities may enact local zoning and use ordinances which prohibit specific classes of 31 marijuana establishment licenses, or all classes of marijuana establishment licenses from being issued within their
 - 99

jurisdiction and which may remain in effect until November 5, 2020. A local zoning and use ordinance which 1 2 prohibits specific classes of marijuana establishment licenses, or all classes of marijuana establishment licenses 3 from being issued within a city or town's jurisdiction may only remain in effect past November 5' 2020 if the 4 residents of the municipality have approved, by a simple majority of the electors voting, a referendum to ban 5 marijuana cultivation facilities, retailers, processors or marijuana testing facilities, provided such referendum must be conducted on or before November 5, 202019, and any ordinances related thereto must be adopted before 6 7 January April 1, 20210; 8 (ii) Municipalities must put forth a separate referendum question to ban each class of marijuana 9 establishment. A single question to ban all classes of marijuana establishments shall not be permitted; and 10 (iii) Municipalities which ban the licensure of marijuana establishments located within their jurisdiction pursuant to c(i), and/or adopt local zoning and other ordinances pursuant to a(ii), before January 1, 2020, in 11 accordance with this section, may hold future referenda to prohibit previously allowed licenses, or allow 12 13 previously prohibited licenses, provided those subsequent referenda are held on the first Tuesday after the first 14 Monday in the month of November. 15 (d) Notwithstanding subsections (a), (b) or (c) of this section, a municipality may not prohibit a 16 medical marijuana establishment licensee from continuing to operate under a marijuana establishment license issued by the office of cannabis regulation or previously issued by the department of business 17 18 regulation if that marijuana establishment licensee was approved or licensed prior to the passage of this 19 chapter. 20 (e) Notwithstanding any other provision of this chapter, no municipality or local authority shall 21 restrict the transport or delivery of marijuana through their jurisdiction, or to local residents, provided all 22 transport and/or delivery is in accordance with this chapter. 23 (f) Municipalities may impose civil and criminal penalties for the violation of ordinances enacted 24 pursuant to and in accordance with this section. 25 (g) Notwithstanding subsection (b) of this section, a city or town may receive a municipal impact fee from a newly licensed and operating marijuana establishment located within their jurisdiction provided: 26 27 (i) the municipal impact fee must offset or reimburse actual costs and expenses incurred by the city or 28 town during the first three (3) months that the licensee is licensed and/or operational; 29 (ii) the municipal impact fee must offset or reimburse reasonable and appropriate expenses incurred by 30 the municipality, which are directly attributed to, or are a direct result of, the licensed operations of the marijuana 31 establishment which may include but not be limited to, increased traffic or police details needed to address new 32 traffic patterns, increased parking needs, or pedestrian foot traffic by consumers;

- 1 (iii) the municipality is responsible for estimating or calculating projected impact fees and must follow
- 2 the same methodology if providing a fee estimate or projection for multiple marijuana establishment locations
- 3 or applicants;
- 4 (iv) marijuana establishment licensees or applicants may not offer competing impact fees or pay a fee
- 5 that is more than the actual and reasonable costs and expenses incurred by the municipality; and
- 6 (v) the office of cannabis regulation may suspend, revoke or refuse to issue a license to an applicant or
- 7 within a municipality if the municipality and/or marijuana establishment local impact fee violates the
- 8 requirements of this section.
- 9 <u>21-28.11-11. Transportation of marijuana.</u>
- 10 The office of cannabis regulation shall promulgate regulations regarding secure transportation of
- 11 marijuana for eligible retailers delivering products to purchasers in accordance with this chapter and shipments
- 12 of marijuana or marijuana products between marijuana establishment licensees.
- 13 <u>21-28.11-12. No minors on the premises of marijuana establishments.</u>
- 14 <u>A marijuana establishment shall not allow any person who is under twenty-one (21) years of age to be</u>
- 15 present inside any room where marijuana or marijuana products are stored, produced, or sold by the marijuana
- 16 <u>establishment unless the person who is under twenty-one (21) years of age is:</u>
- 17 (1) A government employee performing their official duties; or
- 18 (2) If the marijuana establishment is a retailer, a medical marijuana patient registered pursuant to
- 19 chapter 28.6 of title 21, if the retailer premises are also licensed as a compassion center pursuant to §21-28.6-
- 20 <u>12 and the individual under twenty-one (21) years of age is a qualifying patient registered under chapter 28.6 of</u>
- 21 <u>title 21.</u>
- 22 <u>21-28.11-13. Contracts enforceable.</u>
- 23 It is the public policy of the state that contracts related to the operation of a marijuana establishment,
- 24 <u>compassion center, or a licensee under chapter 2-26 in accordance with Rhode Island law shall be enforceable.</u>
- 25 It is the public policy of the state that no contract entered into by a licensed marijuana establishment,
- 26 <u>compassion center, hemp cultivator or other licensee under chapter 2-26 of the general laws or its employees or</u>
- 27 agents as permitted pursuant to a valid license issued by the office of cannabis regulation, or by those who allow
- 28 property to be used by an establishment, its employees, or its agents as permitted pursuant to a valid license,
- 29 <u>shall be unenforceable solely on the basis that cultivating, obtaining, manufacturing, distributing, dispensing,</u>
- 30 <u>transporting, selling, possessing, testing or using marijuana or hemp is prohibited by federal law.</u>
- 31 **<u>21-28.11-14. Compassion centers and medical marijuana cultivators.</u>**

(a) Any compassion center or medical marijuana cultivator that holds a license in good standing with
 the office of cannabis regulation prior to July 1, 2019 shall be issued a marijuana retailer license, marijuana
 cultivation license, marijuana processor license, and any other applicable marijuana establishment license(s) for
 which it applies including but not limited to a marijuana delivery license, in accordance with this chapter,
 provided the compassion center or medical marijuana cultivator has been licensed or approved to engage in those
 corresponding activities under their current compassion center or medical marijuana license.

- (b) Any compassion center that holds a license in good standing with the office of cannabis regulation
 prior to July 1, 2019 shall be issued corresponding marijuana establishment(s) license in accordance with this
 chapter as provided in subsection (a) for each location where they have been licensed or approved to engage in
- 10 medical marijuana cultivation, manufacturing, and/or dispensing of medical marijuana by the office of cannabis
- 11 regulation prior to January 1, 2019.
- (c) Notwithstanding any other provision of this chapter, only a holder of a compassion center license in
 good standing with the office of cannabis regulation prior to July 1, 2019, may be issued or hold a marijuana
 cultivation license, and a marijuana processor license, and marijuana retail license, inclusive, at the same time
 before to January 1, 2023.
- 16 (d) Notwithstanding any other provision of the general laws, a licensed compassion center that also 17 holds a license as a marijuana retailer, marijuana cultivator, or marijuana processor shall be exempt from 18 the not for profit filing requirements of § 21-28.6-3(5 6), and shall not be required to register as a not for 19 profit corporation under chapter 6 of title 7 of the general laws, provided they maintain operation and 20 licensure as a licensed marijuana retailer, marijuana cultivator, or marijuana processor. The office of 21 cannabis regulation may promulgate regulations or issue guidance to facilitate the transition from a not for 22 profit corporation to a for profit corporation or other entity including but not limited to the requirement that 23 the compassion center must update and/or resubmit licensing and application documents which reflect this 24 transfer.
- 25 <u>§ 21-28.11-15. Establishment of marijuana trust fund.</u>

26 (a) There is created with the general fund a restricted receipt accounts collectively known as the 27 "marijuana trust fund", otherwise known as the "adult use marijuana licensing" or "adult use marijuana 28 licensing program" accounts. Taxes collected pursuant to § 44-49.1 and fees collected pursuant to 21-28.11 29 shall be deposited into this account. The state share of trust fund revenue will be used to fund programs and 30 activities related to program administration; revenue collection and enforcement; substance use disorder 31 prevention for adults and youth; education and public awareness campaigns; treatment and recovery support 32 services; public health monitoring, research, data collection, and surveillance; law enforcement training and 33 technology improvements including grants to local law enforcement; and such other related uses that may

be deemed necessary by the office of management and budget. The restricted receipt account will be housed 1 2 within the budgets of the departments of business regulation, behavioral healthcare, developmental 3 disabilities and hospitals, health, revenue and public safety, and the executive office of health and human 4 services. All amounts deposited into the marijuana trust fund shall be exempt from the indirect cost recovery 5 provisions of § 35-4-27. The allocation of the marijuana trust fund shall be: 6 (1) Twenty-five percent (25%) of trust fund revenue to the departments of business regulation, 7 behavioral healthcare, developmental disabilities and hospitals, health, revenue and public safety, and the 8 executive office of health and human services, except that in fiscal year 2020 the office of management and budget may allocate up to an additional three million eight hundred thousand dollars (\$3,800,000) from 9 10 trust fund revenues to these agencies; 11 (2) Fifteen percent (15%) of trust fund revenue to cities and towns; and 12 (3) Sixty percent (60%) of trust fund revenue to the general fund. 13 (b) All revenue allocated to cities and towns under subsection (a)(2) shall be distributed at least 14 guarterly by the division of taxation and department of business regulation, credited and paid by the state 15 treasurer to the city or town based on the following allocation: 16 (1) One-quarter based in an equal distribution to each city or town in the state; 17 (2) One-quarter based on the share of total licensed marijuana cultivators, licensed marijuana 18 processors, and licensed marijuana retailers found in each city or town at the end of the quarter that 19 corresponds to the distribution, with licensed marijuana retailers assigned a weight twice that of the other 20 license types; and 21 (3) One-half based on the volume of sales of adult use marijuana products that occurred in each 22 city or town in the quarter of the distribution. 23 (c) The division of taxation and the department of business regulation shall jointly promulgate regulations to effectuate the distribution under subsection (a)(2). 24 25 § 21-28.11-16. Transfer of revenue to the marijuana trust fund. 26 The department of business regulation shall transfer all revenue collected pursuant to this chapter, including penalties or forfeitures, interest, costs of suit and fines, to the marijuana trust fund 27 28 established by § 21-28.11-15. 21-28.11-17. Severability. 29

1

If any provision of this chapter or its application thereof to any person or circumstance is held invalid,

- 2 such invalidity shall not affect other provisions or applications of this chapter, which can be given effect without
- 3 the invalid provision or application, and to this end the provisions of this chapter are declared to be severable.
- 4

5 SECTION 8. Sections 31-27-2. 31-27-2.1 and 31-27-2.9 of Chapter 31-27 of the General Laws
6 entitled "Motor Vehicles Offenses" are hereby amended as follows:

7

§ 31-27-2. Driving under influence of liquor or drugs.

8 (a) Whoever drives or otherwise operates any vehicle in the state while under the influence of any 9 intoxicating liquor, drugs, toluene, or any controlled substance as defined in chapter 28 of title 21, or any 10 combination of these, shall be guilty of a misdemeanor, except as provided in subsection (d)(3), and shall 11 be punished as provided in subsection (d).

12 (b)(1) Any person charged under subsection (a), whose blood alcohol concentration is eight one-13 hundredths of one percent (.08%) or more by weight, as shown by a chemical analysis of a blood, breath, 14 or urine sample, shall be guilty of violating subsection (a). This provision shall not preclude a conviction 15 based on other admissible evidence, including the testimony of a drug recognition expert or evaluator, 16 certified pursuant to training approved by the Rhode Island Department of Transportation Office on 17 Highway Safety. Proof of guilt under this section may also be based on evidence that the person charged 18 was under the influence of intoxicating liquor, drugs, toluene, or any controlled substance defined in chapter 19 28 of title 21, or any combination of these, to a degree that rendered the person incapable of safely operating 20 a vehicle. The fact that any person charged with violating this section is, or has been, legally entitled to use 21 alcohol or a drug shall not constitute a defense against any charge of violating this section.

(2) Whoever drives, or otherwise operates, any vehicle in the state with a blood presence of any
 scheduled controlled substance as defined within chapter 28 of title 21, as shown by analysis of a blood or
 urine sample, shall be guilty of a misdemeanor and shall be punished as provided in subsection (d).

(c) In any criminal prosecution for a violation of subsection (a), evidence as to the amount of intoxicating liquor, toluene, or any controlled substance as defined in chapter 28 of title 21, or any combination of these, in the defendant's blood at the time alleged as shown by a chemical analysis of the defendant's breath, blood, <u>saliva</u> or urine or other bodily substance, shall be admissible and competent, provided that evidence is presented that the following conditions have been complied with:

(1) The defendant has consented to the taking of the test upon which the analysis is made. Evidence
that the defendant had refused to submit to the test shall not be admissible unless the defendant elects to
testify.

(2) A true copy of the report of the test result was mailed within seventy-two (72) hours of the
taking of the test to the person submitting to a breath test.

1 (3) Any person submitting to a chemical test of blood, urine, saliva or other body fluids shall have 2 a true copy of the report of the test result mailed to him or her within thirty (30) days following the taking 3 of the test.

4 (4) The test was performed according to methods and with equipment approved by the director of 5 the department of health of the state of Rhode Island and by an authorized individual.

6

(5) Equipment used for the conduct of the tests by means of breath analysis had been tested for 7 accuracy within thirty (30) days preceding the test by personnel qualified as hereinbefore provided, and 8 breathalyzer operators shall be qualified and certified by the department of health within three hundred 9 sixty-five (365) days of the test.

10 (6) The person arrested and charged with operating a motor vehicle while under the influence of 11 intoxicating liquor, toluene, or any controlled substance as defined in chapter 28 of title 21 or any 12 combination of these in violation of subsection (a), was afforded the opportunity to have an additional 13 chemical test. The officer arresting or so charging the person shall have informed the person of this right 14 and afforded him or her a reasonable opportunity to exercise this right, and a notation to this effect is made 15 in the official records of the case in the police department. Refusal to permit an additional chemical test 16 shall render incompetent and inadmissible in evidence the original report.

17 (d)(1)(i) Every person found to have violated subsection (b)(1) shall be sentenced as follows: for a 18 first violation whose blood alcohol concentration is eight one-hundredths of one percent (.08%), but less 19 than one-tenth of one percent (.1%), by weight, or who has a blood presence of any scheduled controlled 20 substance as defined in subsection (b)(2), shall be subject to a fine of not less than one hundred dollars (\$100), nor more than three hundred dollars (\$300); shall be required to perform ten (10) to sixty (60) hours 21 22 of public community restitution, and/or shall be imprisoned for up to one year. The sentence may be served 23 in any unit of the adult correctional institutions in the discretion of the sentencing judge and/or shall be 24 required to attend a special course on driving while intoxicated or under the influence of a controlled 25 substance; provided, however, that the court may permit a servicemember or veteran to complete any courtapproved counseling program administered or approved by the Veterans' Administration, and his or her 26 27 driver's license shall be suspended for thirty (30) days up to one hundred eighty (180) days. The sentencing 28 judge or magistrate may prohibit that person from operating a motor vehicle that is not equipped with an 29 ignition interlock system as provided in § 31-27-2.8.

30 (ii) Every person convicted of a first violation whose blood alcohol concentration is one-tenth of 31 one percent (.1%) by weight or above, but less than fifteen hundredths of one percent (.15%), or whose 32 blood alcohol concentration is unknown, shall be subject to a fine of not less than one hundred (\$100) dollars, nor more than four hundred dollars (\$400), and shall be required to perform ten (10) to sixty (60) 33 34 hours of public community restitution and/or shall be imprisoned for up to one year. The sentence may be

1 served in any unit of the adult correctional institutions in the discretion of the sentencing judge. The person's 2 driving license shall be suspended for a period of three (3) months to twelve (12) months. The sentencing 3 judge shall require attendance at a special course on driving while intoxicated or under the influence of a 4 controlled substance and/or alcoholic or drug treatment for the individual; provided, however, that the court 5 may permit a servicemember or veteran to complete any court-approved counseling program administered or approved by the Veterans' Administration. The sentencing judge or magistrate may prohibit that person 6 7 from operating a motor vehicle that is not equipped with an ignition interlock system as provided in § 31-8 27-2.8.

9 (iii) Every person convicted of a first offense whose blood alcohol concentration is fifteen 10 hundredths of one percent (.15%) or above, or who is under the influence of a drug, toluene, or any 11 controlled substance as defined in subsection (b)(1), shall be subject to a fine of five hundred dollars (\$500) 12 and shall be required to perform twenty (20) to sixty (60) hours of public community restitution and/or shall 13 be imprisoned for up to one year. The sentence may be served in any unit of the adult correctional 14 institutions in the discretion of the sentencing judge. The person's driving license shall be suspended for a 15 period of three (3) months to eighteen (18) months. The sentencing judge shall require attendance at a 16 special course on driving while intoxicated or under the influence of a controlled substance and/or alcohol 17 or drug treatment for the individual; provided, however, that the court may permit a servicemember or 18 veteran to complete any court-approved counseling program administered or approved by the Veterans' 19 Administration. The sentencing judge or magistrate shall prohibit that person from operating a motor 20 vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8.

21 (2)(i) Every person convicted of a second violation within a five-year (5) period with a blood 22 alcohol concentration of eight one-hundredths of one percent (.08%) or above, but less than fifteen 23 hundredths of one percent (.15%), or whose blood alcohol concentration is unknown, or who has a blood 24 presence of any controlled substance as defined in subsection (b)(2), and every person convicted of a second 25 violation within a five-year (5) period, regardless of whether the prior violation and subsequent conviction was a violation and subsequent conviction under this statute or under the driving under the influence of 26 27 liquor or drugs statute of any other state, shall be subject to a mandatory fine of four hundred dollars (\$400). The person's driving license shall be suspended for a period of one year to two (2) years, and the individual 28 29 shall be sentenced to not less than ten (10) days, nor more than one year, in jail. The sentence may be served 30 in any unit of the adult correctional institutions in the discretion of the sentencing judge; however, not less 31 than forty-eight (48) hours of imprisonment shall be served consecutively. The sentencing judge shall 32 require alcohol or drug treatment for the individual; provided, however, that the court may permit a 33 servicemember or veteran to complete any court-approved counseling program administered or approved

by the Veterans' Administration and shall prohibit that person from operating a motor vehicle that is not
equipped with an ignition interlock system as provided in § 31-27-2.8.

3 (ii) Every person convicted of a second violation within a five-year (5) period whose blood alcohol 4 concentration is fifteen hundredths of one percent (.15%) or above, by weight as shown by a chemical 5 analysis of a blood, breath, or urine sample, or who is under the influence of a drug, toluene, or any 6 controlled substance as defined in subsection (b)(1), shall be subject to mandatory imprisonment of not less 7 than six (6) months, nor more than one year; a mandatory fine of not less than one thousand dollars (\$1,000); 8 and a mandatory license suspension for a period of two (2) years from the date of completion of the sentence 9 imposed under this subsection. The sentencing judge shall require alcohol or drug treatment for the 10 individual; provided, however, that the court may permit a servicemember or veteran to complete any court 11 approved counseling program administered or approved by the Veterans' Administration. The sentencing 12 judge or magistrate shall prohibit that person from operating a motor vehicle that is not equipped with an 13 ignition interlock system as provided in § 31-27-2.8

14 (3)(i) Every person convicted of a third or subsequent violation within a five-year (5) period with 15 a blood alcohol concentration of eight one-hundredths of one percent (.08%) or above, but less than fifteen 16 hundredths of one percent (.15%), or whose blood alcohol concentration is unknown or who has a blood 17 presence of any scheduled controlled substance as defined in subsection (b)(2), regardless of whether any 18 prior violation and subsequent conviction was a violation and subsequent conviction under this statute or 19 under the driving under the influence of liquor or drugs statute of any other state, shall be guilty of a felony 20 and be subject to a mandatory fine of four hundred (\$400) dollars. The person's driving license shall be suspended for a period of two (2) years to three (3) years, and the individual shall be sentenced to not less 21 22 than one year and not more than three (3) years in jail. The sentence may be served in any unit of the adult 23 correctional institutions in the discretion of the sentencing judge; however, not less than forty-eight (48) 24 hours of imprisonment shall be served consecutively. The sentencing judge shall require alcohol or drug 25 treatment for the individual; provided, however, that the court may permit a servicemember or veteran to complete any court-approved counseling program administered or approved by the Veterans' 26 27 Administration, and shall prohibit that person from operating a motor vehicle that is not equipped with an 28 ignition interlock system as provided in § 31-27-2.8.

(ii) Every person convicted of a third or subsequent violation within a five-year (5) period whose blood alcohol concentration is fifteen hundredths of one percent (.15%) above by weight as shown by a chemical analysis of a blood, breath, or urine sample, or who is under the influence of a drug, toluene, or any controlled substance as defined in subsection (b)(1), shall be subject to mandatory imprisonment of not less than three (3) years, nor more than five (5) years; a mandatory fine of not less than one thousand dollars (\$1,000), nor more than five thousand dollars (\$5,000); and a mandatory license suspension for a period of three (3) years from the date of completion of the sentence imposed under this subsection. The sentencing judge shall require alcohol or drug treatment for the individual. The sentencing judge or magistrate shall prohibit that person from operating a motor vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8.

5 (iii) In addition to the foregoing penalties, every person convicted of a third or subsequent violation 6 within a five-year (5) period, regardless of whether any prior violation and subsequent conviction was a 7 violation and subsequent conviction under this statute or under the driving under the influence of liquor or 8 drugs statute of any other state, shall be subject, in the discretion of the sentencing judge, to having the 9 vehicle owned and operated by the violator seized and sold by the state of Rhode Island, with all funds 10 obtained by the sale to be transferred to the general fund.

11 (4) Whoever drives or otherwise operates any vehicle in the state while under the influence of any 12 intoxicating liquor, drugs, toluene, or any controlled substance as defined in chapter 28 of title 21, or any 13 combination of these, when his or her license to operate is suspended, revoked, or cancelled for operating 14 under the influence of a narcotic drug or intoxicating liquor, shall be guilty of a felony punishable by 15 imprisonment for not more than three (3) years and by a fine of not more than three thousand dollars 16 (\$3,000). The court shall require alcohol and/or drug treatment for the individual; provided, the penalties 17 provided for in this subsection (d)(4) shall not apply to an individual who has surrendered his or her license 18 and served the court-ordered period of suspension, but who, for any reason, has not had his or her license 19 reinstated after the period of suspension, revocation, or suspension has expired; provided, further, the 20 individual shall be subject to the provisions of subdivision (d)(2)(i), (d)(2)(ii), (d)(3)(i), (d)(3)(ii), or (d)(3)(iii) regarding subsequent offenses, and any other applicable provision of this section. 21

(5)(i) For purposes of determining the period of license suspension, a prior violation shall constitute
 any charge brought and sustained under the provisions of this section or § 31-27-2.1.

24 (ii) Any person over the age of eighteen (18) who is convicted under this section for operating a 25 motor vehicle while under the influence of alcohol, other drugs, or a combination of these, while a child under the age of thirteen (13) years was present as a passenger in the motor vehicle when the offense was 26 27 committed shall be subject to immediate license suspension pending prosecution. Any person convicted of 28 violating this section shall be guilty of a misdemeanor for a first offense and may be sentenced to a term of 29 imprisonment of not more than one year and a fine not to exceed one thousand dollars (\$1,000). Any person 30 convicted of a second or subsequent offense shall be guilty of a felony offense and may be sentenced to a 31 term of imprisonment of not more than five (5) years and a fine not to exceed five thousand dollars (\$5,000). 32 The sentencing judge shall also order a license suspension of up to two (2) years, require attendance at a special course on driving while intoxicated or under the influence of a controlled substance, and alcohol or 33

drug education and/or treatment. The individual may also be required to pay a highway assessment fee of
no more than five hundred dollars (\$500) and the assessment shall be deposited in the general fund.

3 (6)(i) Any person convicted of a violation under this section shall pay a highway assessment fine
4 of five hundred dollars (\$500) that shall be deposited into the general fund. The assessment provided for
5 by this subsection shall be collected from a violator before any other fines authorized by this section.

6 (ii) Any person convicted of a violation under this section shall be assessed a fee of eighty-six
7 dollars (\$86).

8 (7)(i) If the person convicted of violating this section is under the age of eighteen (18) years, for 9 the first violation he or she shall be required to perform ten (10) to sixty (60) hours of public community 10 restitution and the juvenile's driving license shall be suspended for a period of six (6) months, and may be 11 suspended for a period up to eighteen (18) months. The sentencing judge shall also require attendance at a 12 special course on driving while intoxicated or under the influence of a controlled substance and alcohol or 13 drug education and/or treatment for the juvenile. The juvenile may also be required to pay a highway 14 assessment fine of no more than five hundred dollars (\$500) and the assessment imposed shall be deposited 15 into the general fund.

(ii) If the person convicted of violating this section is under the age of eighteen (18) years, for a second or subsequent violation regardless of whether any prior violation and subsequent conviction was a violation and subsequent under this statute or under the driving under the influence of liquor or drugs statute of any other state, he or she shall be subject to a mandatory suspension of his or her driving license until such time as he or she is twenty-one (21) years of age and may, in the discretion of the sentencing judge, also be sentenced to the Rhode Island training school for a period of not more than one year and/or a fine of not more than five hundred dollars (\$500).

23 (8) Any person convicted of a violation under this section may undergo a clinical assessment at the 24 community college of Rhode Island's center for workforce and community education. Should this clinical assessment determine problems of alcohol, drug abuse, or psychological problems associated with alcoholic 25 or drug abuse, this person shall be referred to an appropriate facility, licensed or approved by the department 26 27 of behavioral healthcare, developmental disabilities and hospitals, for treatment placement, case 28 management, and monitoring. In the case of a servicemember or veteran, the court may order that the person 29 be evaluated through the Veterans' Administration. Should the clinical assessment determine problems of 30 alcohol, drug abuse, or psychological problems associated with alcohol or drug abuse, the person may have 31 their treatment, case management, and monitoring administered or approved by the Veterans' 32 Administration.

33 (e) Percent by weight of alcohol in the blood shall be based upon milligrams of alcohol per one
34 hundred (100) cubic centimeters of blood.

109

(f)(1) There is established an alcohol and drug safety unit within the division of motor vehicles to
administer an alcohol safety action program. The program shall provide for placement and follow-up for
persons who are required to pay the highway safety assessment. The alcohol and drug safety action program
will be administered in conjunction with alcohol and drug programs licensed by the department of
behavioral healthcare, developmental disabilities and hospitals.

6 (2) Persons convicted under the provisions of this chapter shall be required to attend a special course 7 on driving while intoxicated or under the influence of a controlled substance, and/or participate in an alcohol 8 or drug treatment program, which course and programs must meet the standards established by the Rhode 9 Island department of behavioral healthcare, developmental disabilities and hospitals; provided, however, 10 that the court may permit a servicemember or veteran to complete any court-approved counseling program 11 administered or approved by the Veterans' Administration. The course shall take into consideration any 12 language barrier that may exist as to any person ordered to attend, and shall provide for instruction 13 reasonably calculated to communicate the purposes of the course in accordance with the requirements of 14 the subsection. Any costs reasonably incurred in connection with the provision of this accommodation shall 15 be borne by the person being retrained. A copy of any violation under this section shall be forwarded by 16 the court to the alcohol and drug safety unit. In the event that persons convicted under the provisions of this 17 chapter fail to attend and complete the above course or treatment program, as ordered by the judge, then 18 the person may be brought before the court, and after a hearing as to why the order of the court was not 19 followed, may be sentenced to jail for a period not exceeding one year.

(3) The alcohol and drug safety action program within the division of motor vehicles shall be funded
 by general revenue appropriations.

(g) The director of the health department of the state of Rhode Island is empowered to make and file with the secretary of state regulations that prescribe the techniques and methods of chemical analysis of the person's body fluids or breath and the qualifications and certification of individuals authorized to administer this testing and analysis.

(h) Jurisdiction for misdemeanor violations of this section shall be with the district court for persons 26 27 eighteen (18) years of age or older and to the family court for persons under the age of eighteen (18) years. The courts shall have full authority to impose any sentence authorized and to order the suspension of any 28 29 license for violations of this section. All trials in the district court and family court of violations of the 30 section shall be scheduled within thirty (30) days of the arraignment date. No continuance or postponement 31 shall be granted except for good cause shown. Any continuances that are necessary shall be granted for the 32 shortest practicable time. Trials in superior court are not required to be scheduled within thirty (30) days of 33 the arraignment date.

(i) No fines, suspensions, assessments, alcohol or drug treatment programs, course on driving while
 intoxicated or under the influence of a controlled substance, public community restitution, or jail provided
 for under this section can be suspended.

(j) An order to attend a special course on driving while intoxicated that shall be administered in
cooperation with a college or university accredited by the state, shall include a provision to pay a reasonable
tuition for the course in an amount not less than twenty-five dollars (\$25.00), and a fee of one hundred
seventy-five dollars (\$175), which fee shall be deposited into the general fund.

8 (k) For the purposes of this section, any test of a sample of blood, breath, or urine for the presence 9 of alcohol that relies in whole or in part upon the principle of infrared light absorption is considered a 10 chemical test.

(1) If any provision of this section, or the application of any provision, shall for any reason be judged invalid,
such a judgment shall not affect, impair, or invalidate the remainder of the section, but shall be confined in
this effect to the provision or application directly involved in the controversy giving rise to the judgment.
(m) For the purposes of this section, "servicemember" means a person who is presently serving in the armed
forces of the United States, including the Coast Guard, a reserve component thereof, or the National Guard.
"Veteran" means a person who has served in the armed forces, including the Coast Guard of the United
States, a reserve component thereof, or the National Guard, and has been discharged under other than

18 dishonorable conditions.

19

§ 31-27-2.1. Refusal to submit to chemical test.

20 (a) Any person who operates a motor vehicle within this state shall be deemed to have given his or her consent to chemical tests of his or her breath, blood, saliva and/or urine for the purpose of determining 21 22 the chemical content of his or her body fluids or breath. No more than two (2) complete tests, one for the 23 presence of intoxicating liquor and one for the presence of toluene or any controlled substance, as defined 24 in § 21-28-1.02(8), shall be administered at the direction of a law enforcement officer having reasonable 25 grounds to believe the person to have been driving a motor vehicle within this state while under the influence of intoxicating liquor, toluene or any controlled substance, as defined in chapter 28 of title 21, or 26 27 any combination of these. The director of the department of health is empowered to make and file, with the secretary of state, regulations that prescribe the techniques and methods of chemical analysis of the person's 28 29 body fluids or breath and the qualifications and certification of individuals authorized to administer the 30 testing and analysis.

31 (b) If a person, for religious or medical reasons, cannot be subjected to blood tests, the person may 32 file an affidavit with the division of motor vehicles stating the reasons why he or she cannot be required to 33 take blood tests and a notation to this effect shall be made on his or her license. If that person is asked to 34 submit to chemical tests as provided under this chapter, the person shall only be required to submit to

1 chemical tests of his or her breath, saliva or urine. When a person is requested to submit to blood tests, only 2 a physician or registered nurse, or a medical technician certified under regulations promulgated by the 3 director of the department of health, may withdraw blood for the purpose of determining the alcoholic 4 content in it. This limitation shall not apply to the taking of breath, saliva or urine specimens. The person 5 tested shall be permitted to have a physician of his or her own choosing, and at his or her own expense, 6 administer chemical tests of his or her breath, blood, saliva and/or urine in addition to the tests administered 7 at the direction of a law enforcement officer. If a person, having been placed under arrest, refuses upon the 8 request of a law enforcement officer to submit to the tests, as provided in § 31-27-2, none shall be given, 9 but a judge or magistrate of the traffic tribunal or district court judge or magistrate, upon receipt of a report 10 of a law enforcement officer: that he or she had reasonable grounds to believe the arrested person had been 11 driving a motor vehicle within this state under the influence of intoxicating liquor, toluene, or any controlled 12 substance, as defined in chapter 28 of title 21, or any combination of these; that the person had been 13 informed of his or her rights in accordance with § 31-27-3; that the person had been informed of the 14 penalties incurred as a result of noncompliance with this section; and that the person had refused to submit 15 to the tests upon the request of a law enforcement officer; shall promptly order that the person's operator's 16 license or privilege to operate a motor vehicle in this state be immediately suspended, however, said 17 suspension shall be subject to the hardship provisions enumerated in § 31-27-2.8. A traffic tribunal judge 18 or magistrate, or a district court judge or magistrate, pursuant to the terms of subsection (c), shall order as 19 follows:

(1) Impose, for the first violation, a fine in the amount of two hundred dollars (\$200) to five hundred dollars (\$500) and shall order the person to perform ten (10) to sixty (60) hours of public community restitution. The person's driving license in this state shall be suspended for a period of six (6) months to one year. The traffic tribunal judge or magistrate shall require attendance at a special course on driving while intoxicated or under the influence of a controlled substance and/or alcohol or drug treatment for the individual. The traffic tribunal judge or magistrate may prohibit that person from operating a motor vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8.

27 (2) Every person convicted of a second violation within a five-year (5) period, except with respect 28 to cases of refusal to submit to a blood test, shall be guilty of a misdemeanor; shall be imprisoned for not 29 more than six (6) months; shall pay a fine in the amount of six hundred dollars (\$600) to one thousand 30 dollars (\$1,000); perform sixty (60) to one hundred (100) hours of public community restitution; and the 31 person's driving license in this state shall be suspended for a period of one year to two (2) years. The judge 32 or magistrate shall require alcohol and/or drug treatment for the individual. The sentencing judge or magistrate shall prohibit that person from operating a motor vehicle that is not equipped with an ignition 33 34 interlock system as provided in § 31-27-2.8.

(3) Every person convicted for a third or subsequent violation within a five-year (5) period, except 1 2 with respect to cases of refusal to submit to a blood test, shall be guilty of a misdemeanor; and shall be 3 imprisoned for not more than one year; fined eight hundred dollars (\$800) to one thousand dollars (\$1,000); 4 shall perform not less than one hundred (100) hours of public community restitution; and the person's 5 operator's license in this state shall be suspended for a period of two (2) years to five (5) years. The sentencing judge or magistrate shall prohibit that person from operating a motor vehicle that is not equipped 6 7 with an ignition interlock system as provided in § 31-27-2.8. The judge or magistrate shall require alcohol 8 or drug treatment for the individual. Provided, that prior to the reinstatement of a license to a person charged 9 with a third or subsequent violation within a three-year (3) period, a hearing shall be held before a judge or 10 magistrate. At the hearing, the judge or magistrate shall review the person's driving record, his or her 11 employment history, family background, and any other pertinent factors that would indicate that the person 12 has demonstrated behavior that warrants the reinstatement of his or her license.

(4) For a second violation within a five-year (5) period with respect to a case of a refusal to submit to a blood test, a fine in the amount of six hundred dollars (\$600) to one thousand dollars (\$1,000); the person shall perform sixty (60) to one hundred (100) hours of public community restitution; and the person's driving license in this state shall be suspended for a period of two (2) years. The judicial officer shall require alcohol and/or drug treatment for the individual. The sentencing judicial officer shall prohibit that person from operating a motor vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8. Such a violation with respect to refusal to submit to a chemical blood test shall be a civil offense.

20 (5) For a third or subsequent violation within a five-year (5) period with respect to a case of a refusal to submit to a blood test, a fine in the amount of eight hundred dollars (\$800) to one thousand dollars 21 22 (\$1,000); the person shall perform not less than one hundred (100) hours of public community restitution; 23 and the person's driving license in this state shall be suspended for a period of two (2) to five (5) years. The 24 sentencing judicial officer shall prohibit that person from operating a motor vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8. The judicial officer shall require alcohol and/or 25 drug treatment for the individual. Such a violation with respect to refusal to submit to a chemical test of 26 27 blood shall be a civil offense. Provided, that prior to the reinstatement of a license to a person charged with a third or subsequent violation within a three-year (3) period, a hearing shall be held before a judicial officer. 28 29 At the hearing, the judicial officer shall review the person's driving record, his or her employment history, 30 family background, and any other pertinent factors that would indicate that the person has demonstrated 31 behavior that warrants the reinstatement of their license.

(6) For purposes of determining the period of license suspension, a prior violation shall constitute
 any charge brought and sustained under the provisions of this section or § 31-27-2.

1 (7) In addition to any other fines, a highway safety assessment of five hundred dollars (\$500) shall 2 be paid by any person found in violation of this section, the assessment to be deposited into the general 3 fund. The assessment provided for by this subsection shall be collected from a violator before any other 4 fines authorized by this section.

5 (8) In addition to any other fines and highway safety assessments, a two-hundred-dollar (\$200) 6 assessment shall be paid by any person found in violation of this section to support the department of 7 health's chemical testing programs outlined in § 31-27-2(4), that shall be deposited as general revenues, not 8 restricted receipts.

9 (9) No fines, suspensions, assessments, alcohol or drug treatment programs, course on driving while 10 intoxicated or under the influence of a controlled substance, or public community restitution provided for 11 under this section can be suspended.

12 (c) Upon suspending or refusing to issue a license or permit as provided in subsection (a), the traffic 13 tribunal or district court shall immediately notify the person involved in writing, and upon his or her request, 14 within fifteen (15) days, shall afford the person an opportunity for a hearing as early as practical upon 15 receipt of a request in writing. Upon a hearing, the judge may administer oaths and may issue subpoenas 16 for the attendance of witnesses and the production of relevant books and papers. If the judge finds after the 17 hearing that:

18 (1) The law enforcement officer making the sworn report had reasonable grounds to believe that 19 the arrested person had been driving a motor vehicle within this state while under the influence of 20 intoxicating liquor, toluene, or any controlled substance, as defined in chapter 28 of title 21, or any 21 combination of these;

(2) The person, while under arrest, refused to submit to the tests upon the request of a lawenforcement officer;

24

(3) The person had been informed of his or her rights in accordance with § 31-27-3; and

(4) The person had been informed of the penalties incurred as a result of noncompliance with this
section, the judge shall sustain the violation. The judge shall then impose the penalties set forth in subsection
(b). Action by the judge must be taken within seven (7) days after the hearing or it shall be presumed that
the judge has refused to issue his or her order of suspension.

(d) For the purposes of this section, any test of a sample of blood, breath, or urine for the presence
of alcohol that relies, in whole or in part, upon the principle of infrared light absorption is considered a
chemical test.

(e) If any provision of this section, or the application of any provision, shall, for any reason, be
 judged invalid, the judgment shall not affect, impair, or invalidate the remainder of the section, but shall be

1 confined in this effect to the provisions or application directly involved in the controversy giving rise to the

2 judgment.

3 § 31-27-2.9. Administration of chemical test.

4 (a) Notwithstanding any provision of § 31-27-2.1, if an individual refuses to consent to a chemical 5 test as provided in § 31-27-2.1, and a peace officer, as defined in § 12-7-21, has probable cause to believe that the individual has violated one or more of the following sections: 31-27-1, 31-27-1.1, 31-27-2.2, or 31-6 7 27-2.6 and that the individual was operating a motor vehicle under the influence of any intoxicating liquor, 8 toluene or any controlled substance as defined in chapter 21-28, or any combination thereof, a chemical test 9 may be administered without the consent of that individual provided that the peace officer first obtains a 10 search warrant authorizing administration of the chemical test. The chemical test shall determine the amount 11 of the alcohol or the presence of a controlled substance in that person's blood, saliva or breath.

(b) The chemical test shall be administered in accordance with the methods approved by the director
of the department of health as provided for in subdivision 31-27-2(c)(4). The individual shall be afforded
the opportunity to have an additional chemical test as established in subdivision 31-27-2(c)(6).

(c) Notwithstanding any other law to the contrary, including, but not limited to, chapter 5-37.3, any
health care provider who, as authorized by the search warrant in subsection (a):

17

(i) Takes a blood, saliva or breath sample from an individual; or

18 (ii) Performs the chemical test; or

(iii) Provides information to a peace officer pursuant to subsection (a) above and who uses reasonable care and accepted medical practices shall not be liable in any civil or criminal proceeding arising from the taking of the sample, from the performance of the chemical test or from the disclosure or release of the test results.

(d) The results of a chemical test performed pursuant to this section shall be admissible as
competent evidence in any civil or criminal prosecution provided that evidence is presented in compliance
with the conditions set forth in subdivisions 31-27-2(c)(3), 31-27-2(c)(4) and 31-27-2(c)(6).

(e) All chemical tests administered pursuant to this section shall be audio and video recorded by
the law enforcement agency which applied for and was granted the search warrant authorizing the
administration of the chemical test.

29

30 SECTION 9. Sections 44-49-1, 44-49-2, 44-49-4, 44-49-5, 44-49-7, 44-49-8, 44-49-9, 44-49-9.1,
31 44-49-10, 44-49-11, and 44-49-12 of the General Laws in Chapter 44-49 entitled "Taxation of Marijuana
32 and Controlled Substances" are hereby amended as follows:

1 § 44-49-1. Short title.

2

This chapter shall be known as the "Marijuana and Controlled Substances Taxation Act".

3 § 44-49-2. Definitions.

4 (a) "Controlled substance" means any drug or substance, whether real or counterfeit, as defined in
§ 21-28-1.02(8), that is held, possessed, transported, transferred, sold, or offered to be sold in violation of
6 Rhode Island laws. "Controlled substance" does not include marijuana.

7 (b) "Dealer" means a person who in violation of Rhode Island law manufactures, produces, ships, transports,

8 or imports into Rhode Island or in any manner acquires or possesses more than forty-two and one half (42.5)

9 grams of marijuana, or seven (7) or more grams of any controlled substance, or ten (10) or more dosage

10 units of any controlled substance which is not sold by weight. A quantity of marijuana or a controlled

11 substance is measured by the weight of the substance whether pure or impure or dilute, or by dosage units

12 when the substance is not sold by weight, in the dealer's possession. A quantity of a controlled substance is

13 dilute if it consists of a detectable quantity of pure controlled substance and any excipients or fillers.

14 (c) "Marijuana" means any marijuana, whether real or counterfeit, as defined in § 21-28-1.02(30), that is

15 held, possessed, transported, transferred, sold, or offered to be sold in violation of Rhode Island laws.-

16 § 44-49-4. Rules.

The tax administrator may adopt rules necessary to enforce this chapter. The tax administrator shall adopt a uniform system of providing, affixing, and displaying official stamps, official labels, or other official indicia for marijuana and controlled substances on which a tax is imposed.

20 § 44-49-5. Tax payment required for possession.

21 No dealer may possess any marijuana or controlled substance upon which a tax is imposed under 22 this chapter unless the tax has been paid on the marijuana or a controlled substance as evidenced by a stamp 23 or other official indicia.

24 **§ 44-49-7. Pharmaceuticals.**

Nothing in this chapter shall require persons lawfully in possession of marijuana or a controlled
 substance to pay the tax required under this chapter.

27 § 44-49-8. Measurement.

For the purpose of calculating this tax, a quantity of marijuana or a controlled substance is measured by the weight of the substance whether pure or impure or dilute, or by dosage units when the substance is not sold by weight, in the dealer's possession. A quantity of a controlled substance is dilute if it consists of a detectable quantity of pure controlled substance and any excipients or fillers.

1 § 44-49-9. Tax rate.

- A tax is imposed on marijuana and controlled substances as defined in § 44-49-2 at the following
 rates:
- 4 (1) On each gram of marijuana, or each portion of a gram, three dollars and fifty cents (\$3.50); and
 5 (2)(1) On each gram of controlled substance, or portion of a gram, two hundred dollars (\$200); or
 6 (3)(2) On each ten (10) dosage units of a controlled substance that is not sold by weight, or portion
 7 of the dosage units, four hundred dollars (\$400).
- 8

§ 44-49-9.1. Imposition of tax, interest and liens.

9 (a) Any law enforcement agency seizing marijuana and/or controlled substances as defined in § 44-10 49-2 in the quantities set forth in that section shall report to the division of taxation no later than the twenty-11 fifth (25th) of each month, the amount of all marijuana and controlled substances seized during the previous 12 month and the name and address of each dealer from whom the marijuana and controlled substances were 13 seized.

(b) The tax administrator shall assess the dealer for any tax due at the rate provided by § 44-49-9.
The tax shall be payable within fifteen (15) days after its assessment and, if not paid when due, shall bear
interest from the date of its assessment at the rate provided in § 44-1-7 until paid.

(c) The tax administrator may file a notice of tax lien upon the real property of the dealer located in this state immediately upon mailing a notice of assessment to the dealer at the address listed in the report of the law enforcement agency. The tax administrator may discharge the lien imposed upon the filing of a bond satisfactory to the tax administrator in an amount equal to the tax, interest and penalty imposed under this chapter.

22 § 44-49-10. Penalties – Criminal provisions.

(a) *Penalties.* Any dealer violating this chapter is subject to a penalty of one hundred percent
(100%) of the tax in addition to the tax imposed by § 44-49-9. The penalty will be collected as part of the
tax.

(b) *Criminal penalty; sale without affixed stamps*. In addition to the tax penalty imposed, a dealer
distributing or possessing marijuana or controlled substances without affixing the appropriate stamps,
labels, or other indicia is guilty of a crime and, upon conviction, may be sentenced to imprisonment for not
more than five (5) years, or to payment of a fine of not more than ten thousand dollars (\$10,000), or both.

30 (c) *Statute of limitations*. An indictment may be found and filed, or a complaint filed, upon any
 31 criminal offense specified in this section, in the proper court within six (6) years after the commission of
 32 this offense.

33 § 44-49-11. Stamp price.

1 Official stamps, labels, or other indicia to be affixed to all marijuana or controlled substances shall 2 be purchased from the tax administrator. The purchaser shall pay one hundred percent (100%) of face value 3 for each stamp, label, or other indicia at the time of the purchase.

4 § 44-49-12. Payment due.

5 (a) Stamps affixed. When a dealer purchases, acquires, transports, or imports into this state 6 marijuana or controlled substances on which a tax is imposed by § 44-49-9, and if the indicia evidencing 7 the payment of the tax have not already been affixed, the dealer shall have them permanently affixed on the 8 marijuana or controlled substance immediately after receiving the substance. Each stamp or other official 9 indicia may be used only once.

(b) Payable on possession. Taxes imposed upon marijuana or controlled substances by this chapter
are due and payable immediately upon acquisition or possession in this state by a dealer.

SECTION 10. Title 44 of the General Laws entitled "TAXATION" is hereby amended by adding
 thereto the following chapter 44-49.1:

14 § 44-49.1-1. Short title.

15 This chapter shall be known as the "Cannabis Taxation Act."

16 § 44-49.1-2. Definitions.

- 17 As used in this chapter, unless the context clearly indicates otherwise, the following words and phrases
- 18 <u>shall have the following meanings:</u>
- 19 <u>(1) "Administrator" means the tax administrator.</u>
- 20 (2) "Department of business regulation" means the office of cannabis regulation with the
- 21 department of business regulation or its successor agency.
- 22 (3) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana sativa L,
- 23 whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound,
- 24 <u>manufacture</u>, salt, derivative, mixture, or preparation of the plant, its seeds, or resin regardless of cannabinoid
- 25 content or cannabinoid potency including "marijuana", and "industrial hemp" or "industrial hemp products"
- 26 which satisfy the requirements of this chapter.
- 27 (4) "Cannabidiol" or "CBD" means cannabidiol (CBD) derived from a hemp plant as defined in §
- 28 2-26-3(7), not including products derived from exempt cannabis plant material as defined in C.F.R. §
- <u>1308.35.</u>

- - (5) "Licensee" means any licensed cultivator, licensed processor, and licensed retailer, as defined
- 2 below.

1

- 3 (6) "Licensed cultivator" means a person who has been licensed by the department of business 4 regulation to cultivate marijuana pursuant to chapters 28.6 or 28.11 of title 21.
- 5 (7) "Licensed processor" means a person who has been licensed by the department of business
- 6 regulation to process marijuana pursuant to chapters 28.6 or 28.11 of title 21.
- 7 (8) "Licensed retailer" means a compassion center who has been licensed by the department of
- 8 business regulation pursuant to chapter 28.6 of title 21, or a a marijuana retailer who has been licensed by
- 9 the department of business regulation pursuant to chapter 28.11 of title 21.
- 10 (9) "Licensed marijuana cultivator" means a person who has been licensed to cultivate marijuana
- 11 by the department of business regulation pursuant to chapter 28.11 of title 21.
- 12 (10) "Licensed marijuana processor" means a person who has been licensed to process marijuana
- 13 by the by the department of business regulation pursuant to chapter 28.11 of title 21.
- 14 (11) "Licensed marijuana retailer" means a person who has been licensed to sell marijuana by the
- 15 department of business regulation pursuant to chapter 28.11 of title 21.
- 16 (12) "Marijuana" has the meaning given that term in § 21-28-1.02(30).
- 17 (13) "Marijuana flower" means the flower or bud from a marijuana plant as further defined by the
- 18 office of cannabis regulation for the purpose of implementing the provisions of this chapter
- 19 (14) "Marijuana products" means any form of marijuana, including concentrated marijuana and
- 20 products that are comprised of marijuana and other ingredients that are intended for use or consumption,
- 21 such as, but not limited to, extracts, infusions, edible products, ointments, and tinctures, as further defined
- 22 in regulations promulgated by the department of business regulation.
- 23 (15) "Marijuana trim" means any part of the marijuana plant other than marijuana flower as defined
- 24 by the office of cannabis regulation for the purpose of implementing and the provisions of this chapter.
- 25 (16) "Hemp products" or "industrial hemp products" means all products made from the plants,
- including, but not limited to, concentrated oil, cloth, cordage, fiber, food, fuel, hemp-derived consumable 26
- 27 CBD products, paint, paper, construction materials, plastics, seed, seed meal, seed oil, and certified for
- 28 cultivation-, which satisfy the requirements of chapter 26 of title 2.
- 29 (17) "Hemp-derived consumable CBD product" means any product meant for ingestion, including 30 but not limited to concentrates, extracts, and cannabis-infused products, which contains cannabidiol (CBD)

- 1 derived from a hemp plant as defined in § 2-26-3(7), not including products derived from exempt cannabis
- 2 plant material as defined in C.F.R. § 1308.35.
- 3 (18) "Licensed CBD distributor" means a person licensed to distribute hemp-derived consumable
 4 CBD products pursuant to chapter 26 of title 2.
- 5 (19) "Licensed CBD retailer" means a person licensed to sell hemp-derived consumable CBD
 6 products pursuant to chapter 26 of title 2.
- 7 (20) "Person" means any individual, including an employee or agent, firm, fiduciary, partnership,
 8 corporation, trust, or association, however formed.
- 9 (21) "Transfer" means the change of possession of marijuana between the operations of a licensed
 10 cultivator and either a licensed processor or licensed retailer, even if any of those licenses are held by the
 11 same person. Transfers do not have to include compensation and do not have to involve the physical
- 12 relocation of marijuana to be taxable under this chapter.

13 <u>§ 44-49.1-3. Cultivator, retailer licenses required.</u>

- Each person engaging in the business of cultivating marijuana, selling marijuana products, or selling hemp-derived consumable CBD products in this state, shall secure a license from the department of business regulation before engaging in that business, or continuing to engage in it. A separate application and license is required for each place of business operated by the retailer. A licensee shall notify the department of business regulation and tax administrator simultaneously within thirty (30) days in the event that it changes its principal place of business. A separate license is required for each type of business if the applicant is engaged in more than one of the activities required to be licensed by this section.
- 21 § 44-49.1-4. Marijuana cultivator excise tax.

22 (a) An excise tax is imposed on all marijuana cultivated by licensed cultivators pursuant to chapter

- 23 <u>28.6 of title 21 and chapter 28.11 of title 21. The rate of taxation is as follows:</u>
- 24 (1) Three dollars (\$3.00) for every dried ounce of marijuana trim and a proportionate tax at the like
- 25 rate on all fractional parts of an ounce thereof, and
- 26 (2) Ten dollars (\$10.00) for every dried ounce of marijuana flower and a proportionate tax at the
- 27 <u>like rate on all fractional parts of an ounce thereof.</u>
- 28 (b) Marijuana trim and marijuana flower that has not reach a dried state will be taxed using
- 29 equivalent amounts as established by regulations promulgated by the department of taxation and the
- 30 <u>department of business regulation.</u>

- 1 (c) The excise tax is assessed and levied upon the sale or transfer of marijuana by a licensed
- 2 <u>cultivator to any other licensee.</u>
- 3 (d) This section is effective as of October 1, 2019.

4 § 44-49.1-5. Adult use marijuana retail excise tax.

- 5 (a) An excise tax is imposed on all marijuana sold by licensed marijuana retailers pursuant to
- 6 chapter 28.11 of title 21 at a rate of ten percent (10%) of the gross sales of marijuana products. This excise
- 7 tax is in addition to taxes imposed by chapter 18 of title 44.
- 8 (b) Any marijuana retailer shall collect the taxes imposed by this section from any purchaser to
- 9 whom the sale of marijuana products is made and shall remit to the state the tax levied by this section.
- 10 (c) The marijuana retailer shall add the tax imposed by this chapter to the sale price or charge, and
- 11 when added the tax constitutes a part of the price or charge, is a debt from the consumer or user to the
- 12 retailer, and is recoverable at law in the same manner as other debts; provided, that the amount of tax that
- 13 the retailer collects from the consumer or user is as follows:
- 14 Amount of Fair Market Value, as Tax
- 15 <u>\$0.01 to \$.09 inclusive No Tax</u>
- 16 <u>.10 to .19 inclusive .01</u>
- 17 <u>.20 to .29 inclusive .02</u>
- 18 <u>.30 to .39 inclusive .03</u>
- 19 <u>.40 to .49 inclusive .04</u>
- 20 <u>.50 to .59 inclusive .05</u>
- 21 <u>.60 to .69 inclusive .06</u>
- 22 <u>.70 to .79 inclusive .07</u>
- 23 <u>.80 to .89 inclusive .08</u>
- 24 <u>.90 to .99 inclusive .09</u>
- 25 <u>.100 to .109 inclusive .10</u>
- 26
- 27 and where the amount of the sale is more than one dollar and nine cents (\$1.09) the amount of the tax is
- 28 <u>computed at the rate of ten percent (10%)</u>

- (d) It shall be deemed a violation of this section for a marijuana retailer to fail to separately state
 the tax imposed in this section and instead include it in the sale price of marijuana products. The tax levied
 in this article shall be imposed is in addition to all other taxes imposed by the state, or any municipal
 corporation or political subdivision of any of the foregoing.

5 <u>§ 44-49.1-6. Hemp-derived consumable CBD products tax.</u>

6 (a) A tax is imposed on all hemp-derived consumable CBD products sold, or held for sale in the

7 state by any person, the payment of the tax to be accomplished according to a mechanism established by

8 the tax administrator. The tax imposed by this section shall be as follows at the rate of eighty forty percent

9 (80%) (40%) of the wholesale cost of hemp-derived consumable CBD products.

- 10 (b) Any licensed CBD retailer who purchases hemp-derived consumable CBD products from a 11 distributor who does not possess a valid Rhode Island distributor's license shall, with respect to the storage 12 or use of which a tax is imposed by this section shall, within five (5) days after coming into possession of 13 the hemp-derived consumable CBD products in this state, file a return with the tax administrator in a form 14 prescribed by the tax administrator. The return shall be accompanied by a payment of the amount of the tax 15 shown on the form to be due. Records required under this section shall be preserved on the premises 16 described in the relevant license in such a manner as to ensure permanency and accessibility for inspection 17 at reasonable hours by authorized personnel of the administrator. 18 (c) The proceeds collected are paid into the general fund. 19 (d) This section shall be effective commencing on the first month following thirty (30) days after 20 promulgation of the final regulations issued by the department of business regulation that establish the CBD 21 distributor and CBD retailer licenses.
- 22 § 44-49.1-7. Returns.
- (a) Every licensed cultivator shall, on or before the twentieth (20th) day of the month following the
 sale or transfer of marijuana, make a return to the tax administrator for taxes due under § 44-49.1-4.
- 25 Licensed cultivators shall file their returns on a form as prescribed by the tax administrator.
- 26 (b) Every licensed marijuana retailer shall, on or before the twentieth (20th) day of the month
- 27 following the sale of marijuana products, make a return to the tax administrator for taxes due under § 44-
- 28 <u>49.1-5. Licensed retailers shall file their returns on a form as prescribed by the tax administrator.</u>
- (c) If for any reason an marijuana retailer fails to collect the tax imposed § 44-49.1-5 from the
 purchaser, the purchaser shall file a return and pay the tax directly to the state, on or before the date required
 by subsection (b) of this section.

- (d) Every licensed CBD distributor shall, on or before the tenth (10th) day of the month following
 the sale of hemp-derived consumable CBD products, make a return to the tax administrator for taxes due
 under § 44-49.1-6. Licensed CBD retailers shall file their returns on a form as prescribed by the tax
 administrator.
- 5 (e) There is created with the general fund a restricted receipt account to be known as the "marijuana 6 cash use surcharge" account. Surcharge collected pursuant to subsection (f) shall be deposited into this 7 account and be used to finance costs associated with processing and handling cash payments for taxes paid 8 under this chapter. The restricted receipt account will be housed within the budget of the department of 9 revenue. All amounts deposited into the marijuana cash use surcharge account shall be exempt from the 10 indirect cost recovery provisions of § 35-4-27.
- 11 (f) Any licensee who makes a payment in cash for taxes due under this chapter, or taxes due under 12 chapters 18 or 67 of this title, shall pay a ten percent (10%) penalty on the amount of that payment to the

13 division of taxation. Payment of a tax return with less than one thousand dollars (\$1,000) in taxes due per

- 14 month, on average, shall not be subject to the penalty.
- 15 (g) Notwithstanding any other provision of law, the name of the licensee and the amount of tax
- 16 paid under this chapter shall be available to the public for inspection by any person.
- 17 <u>§ 44-49.1-8. Sale of contraband products prohibited.</u>
- (a) No person shall sell, offer for sale, display for sale, or possess with intent to sell any contraband
 marijuana, marijuana products, or hemp-derived consumable CBD products.
- 20 (b) Any marijuana, marijuana products, or hemp-derived consumable CBD products exchanged in
- 21 which one of the two entities does not have a license or exchanged between a non-licensed entity and a
- 22 <u>consumer shall be considered contraband.</u>
- (c) Any marijuana, marijuana products, or hemp-derived consumable CBD products for which
 applicable taxes have not been paid as specified in title 44 shall be considered contraband.
- 25 (d) Failure to comply with the provisions of this chapter may result in the imposition of the
- 26 applicable civil penalties in title 44; however, the possession of marijuana, marijuana products, or hemp-
- 27 derived consumable CBD products as described in this chapter do not constitute contraband for purposes
- 28 <u>of imposing a criminal penalty under chapter 28 of title 21.</u>
- 29 § 44-49.1-9. Recordkeeping.
- 30 (a) Each licensee shall maintain copies of invoices or equivalent documentation for, or itemized
 31 for, each of its facilities for each involving the sale or transfer of marijuana, marijuana products, or hemp-

derived consumable CBD products. All records and invoices required under this section must be safely
 preserved for three (3) years in a manner to insure permanency and accessibility for inspection by the

3 <u>administrator or his or her authorized agents.</u>

(b) Records required under this section shall be preserved on the premises described in the relevant
license in such a manner as to ensure permanency and accessibility for inspection at reasonable hours by
authorized personnel of the administrator. With the tax administrator's permission, persons with multiple
places of business may retain centralized records but shall transmit duplicates of the invoices or the
equivalent documentation to each place of business within twenty-four (24) hours upon the request of the
administrator or his or her designee.

10 (c) Any person who fails to submit the reports required in this chapter or by the tax administrator 11 under this chapter, or who makes any incomplete, false, or fraudulent report, or who refuses to permit the 12 tax administrator or his or her authorized agent to examine any books, records, papers, or stocks of 13 marijuana, marijuana products, or hemp-derived consumable CBD products as provided in this chapter, or 14 who refuses to supply the tax administrator with any other information which the tax administrator requests 15 for the reasonable and proper enforcement of the provisions of this chapter, shall be guilty of a misdemeanor 16 punishable by imprisonment up to one (1) year, or a fine of not more than five thousand dollars (\$5,000), 17 or both, for the first offense, and for each subsequent offense, shall be fined not more than ten thousand

18 dollars (\$10,000), or be imprisoned not more than five (5) years, or both.

19 <u>§ 44-49.1-10. Inspections and investigations.</u>

(a) The tax administrator or his or her duly authorized agent shall have authority to enter and inspect, without a warrant during normal business hours, and with a warrant during nonbusiness hours, the

- 22 <u>facilities and records of any licensee.</u>
- (b) In any case where the administrator or his or her duly authorized agent, or any police officer of this state, has knowledge or reasonable grounds to believe that any vehicle is transporting marijuana, marijuana products, or hemp-derived consumable CBD products in violation of this chapter, the administrator, such agent, or such police officer, is authorized to stop such vehicle and to inspect the same for contraband marijuana, marijuana products, or hemp-derived consumable CBD products.
- (c) For the purpose of determining the correctness of any return, determining the amount of tax that
 should have been paid, determining whether or not the licensee should have made a return or paid taxes, or
 collecting any taxes under this chapter, the tax administrator may examine, or cause to be examined, any
 books, papers, records, or memoranda, that may be relevant to making those determinations, whether the
 books, papers, records, or memoranda, are the property of or in the possession of the dealer of another

1 person. The tax administrator may require the attendance of any person having knowledge or information 2 that may be relevant, compel the production of books, papers, records, or memoranda by persons required 3 to attend, take testimony on matters material to the determination, and administer oaths or affirmations. 4 Upon demand of the tax administrator or any examiner or investigator, the court administrator of any court 5 shall issue a subpoena for the attendance of a witness or the production of books, papers, records, and 6 memoranda. The tax administrator may also issue subpoenas. Disobedience of subpoenas issued under this 7 chapter is punishable by the superior court of the district in which the subpoena is issued, or, if the subpoena 8 is issued by the tax administrator, by the superior court or the county in which the party served with the 9 subpoena is located, in the same manner as contempt of superior court.

10 <u>§ 44-49.1-11. Suspension or revocation of license.</u>

11The tax administrator may request the department of business regulation to, and upon such request12the department shall be authorized to, suspend or revoke any license under this chapter chapters 2-26, 21-1328.6 and 21-28.11 for failure of the licensee to comply with any provision of this chapter or with any14provision of any other law or ordinance relative to the sale or transfer of marijuana, marijuana products, or15hemp-derived consumable CBD products.16§ 44-49.1-12. Seizure and destruction.

17 Any marijuana, marijuana products, or hemp-derived consumable CBD products found in violation 18 of this chapter shall be declared to be contraband goods and may be seized by the tax administrator, his or 19 her agents, or employees, or by any deputy sheriff, or police officer when directed by the tax administrator 20 to do so, without a warrant. For the purposes of seizing and destroying contraband marijuana, employees 21 of the department of business regulation may act as agents of the tax administrator. The seizure and/or 22 destruction of any marijuana, marijuana products, or hemp-derived consumable CBD products under the 23 provisions of this section does not relieve any person from a fine or other penalty for violation of this 24 chapter. The tax administrator may promulgate rules and regulations for the destruction of contraband goods 25 pursuant to this section. These rules and regulations may be promulgated jointly with the department of 26 business regulation.

27 § 44-49.1-13. Penalties.

28 (a) Failure to file tax returns or to pay tax. In the case of failure:

29 (1) To file. The tax return on or before the prescribed date, unless it is shown that the failure is due

- 30 to reasonable cause and not due to willful neglect, an addition to tax shall be made equal to ten percent
- 31 (10%) of the tax required to be reported. For this purpose, the amount of tax required to be reported shall

- 1 <u>be reduced by an amount of the tax paid on or before the date prescribed for payment and by the amount of</u>
- 2 any credit against the tax which may properly be claimed upon the return;
- 3 (2) *To pay.* The amount shown as tax on the return on or before the prescribed date for payment of
 4 the tax unless it is shown that the failure is due to reasonable cause and not due to willful neglect, there
- 5 shall be added to the amount shown as tax on the return ten percent (10%) of the amount of the tax.
- 6 (b) *Negligence*. If any part of a deficiency is due to negligence or intentional disregard of the Rhode
- 7 Island General Laws or rules or regulations under this chapter (but without intent to defraud), five percent
- 8 (5%) of that part of the deficiency shall be added to the tax.
- 9 (c) *Fraud.* If any part of a deficiency is due to fraud, fifty percent (50%) of that part of the deficiency
- 10 shall be added to the tax. This amount shall be in lieu of any other additional amounts imposed by

11 <u>subsections (a) and (b) of this section.</u>

- (d) *Failure to collect and pay over tax.* Any person required to collect, truthfully account for, and
 pay over any tax under this title who willfully fails to collect the tax or truthfully account for and pay over
 the tax or willfully attempts in any manner to evade or defeat the tax or the payment thereof, shall, in
- 15 addition to other penalties provided by law, be liable to a civil penalty equal to the total amount of the tax
- 16 evaded, or not collected, or not accounted for and paid over.
- (e) Additions and penalties treated as tax. The additions to the tax and civil penalties provided by
 this section shall be paid upon notice and demand and shall be assessed, collected, and paid in the same
 manner as taxes.
- 20 (f) *Bad checks*. If any check or money order in payment of any amount receivable under this title
 21 is not duly paid, in addition to any other penalties provided by law, there shall be paid as a penalty by the
 22 person who tendered the check, upon notice and demand by the tax administrator or his or her delegate, in
 23 the same manner as tax, an amount equal to one percent (1%) of the amount of the check, except that if the
 24 amount of the check is less than five hundred dollars (\$500), the penalty under this section shall be five
 25 dollars (\$5.00). This subsection shall not apply if the person tendered the check in good faith and with
 26 reasonable cause to believe that it would be duly paid.
- (g) *Misuse of Trust Funds.* Any retailer and any officer, agent, servant, or employee of any
 corporate retailer responsible for either the collection or payment of the tax, who appropriates or converts
 the tax collected to his or her own use or to any use other than the payment of the tax to the extent that the
 money required to be collected is not available for payment on the due date as prescribed in this chapter,
 shall upon conviction for each offense be fined not more than ten thousand dollars (\$10,000), or be

1 imprisoned for one year, or by both fine and imprisonment, both fine and imprisonment to be in addition to

2 <u>any other penalty provided by this chapter.</u>

(h) Whoever fails to pay any tax imposed by § 44-49.1-4 or § 44-49.1-6 at the time prescribed by
law or regulations, shall, in addition to any other penalty provided in this chapter, be liable for a penalty of
one thousand dollars (\$1,000) or not more than five (5) times the tax due but unpaid, whichever is greater.
(i) When determining the amount of a penalty sought or imposed under this section, evidence of
mitigating or aggravating factors, including history, severity, and intent, shall be considered.

8 <u>§ 44-49.1-14. Claim for refund.</u>

9 Whenever the tax administrator determines that any person is entitled to a refund of any moneys 10 paid by a person under the provisions of this chapter, or whenever a court of competent jurisdiction orders 11 a refund of any moneys paid, the general treasurer shall, upon certification by the tax administrator and 12 with the approval of the director of administration, pay the refund from any moneys in the treasury not 13 appropriated without any further act or resolution making appropriation for the refund. No refund is allowed 14 unless a claim is filed with the tax administrator within three (3) years from the fifteenth (15th) day after 15 the close of the month for which the overpayment was made.

16 § 44-49.1-15. Hearings and appeals.

17 (a) Any person aggrieved by any action under this chapter of the tax administrator or his or her 18 authorized agent for which a hearing is not elsewhere provided may apply to the tax administrator, in 19 writing, within thirty (30) days of the action for a hearing, stating the reasons why the hearing should be 20 granted and the manner of relief sought. The tax administrator shall notify the applicant of the time and 21 place fixed for the hearing. After the hearing, the tax administrator may make the order in the premises as 22 may appear to the tax administrator just and lawful and shall furnish a copy of the order to the applicant. 23 The tax administrator may, by notice in writing, at any time, order a hearing on his or her own initiative 24 and require the taxpayer or any other individual whom the tax administrator believes to be in possession of 25 information concerning any manufacture, importation, or sale of cigarettes to appear before the tax 26 administrator or his or her authorized agent with any specific books of account, papers, or other documents, 27 for examination relative to the hearing.

(b) Appeals from administrative orders or decisions made pursuant to any provisions of this chapter shall be to the sixth division district court pursuant to chapter 8 of title 8. The taxpayer's right to appeal under this section shall be expressly made conditional upon prepayment of all taxes, interest, and penalties,

1 unless the taxpayer moves for and is granted an exemption from the prepayment requirement pursuant to §

2 8-8-26.

4

§ 44-49.1-16. Disclosure of information to the office of cannabis regulation. 3

- Notwithstanding any other provision of law, the tax administrator may make available to an officer or employee of the office of cannabis regulation of the Rhode Island department of business regulation, any 5 6 information that the administrator may consider proper contained in tax reports or returns or any audit or 7 the report of any investigation made with respect to them, filed pursuant to the tax laws of this state, to 8 whom disclosure is necessary for the purposes ensuring compliance with state law and regulations. 9 § 44-49.1-17. Transfer of revenue to the marijuana trust fund. 10 (a) The division of taxation shall transfer all collections from marijuana cultivator excise tax and 11 the adult use marijuana retail excise tax, including penalties or forfeitures, interest, costs of suit and fines, 12 to the marijuana trust fund established by § 21-28.11-18. 13 (b) The division of taxation shall transfer all collections remitted by licensed retailers pursuant to 14 § 44-18-18 due to the net revenue of marijuana products. The tax administrator may base this transfer on an estimate of the net revenue of marijuana products derived from any other tax data collected under title 15 16 44 or data shared by the department of business regulation. 17 § 44-49.1-18. Rules and regulations. 18 The tax administrator is authorized to promulgate rules and regulations to carry out the provisions,
- 19 policies, and purposes of this chapter.
- 20 § 44-49.1-19. Severability.
- 21 If any provision of this chapter or the application of this chapter to any person or circumstances is 22 held invalid, that invalidity shall not affect other provisions or applications of the chapter that can be given

23 effect without the invalid provision or application, and to this end the provisions of this chapter are declared

24 to be severable.

26

27

25 SECTION 11. This article shall take effect upon passage.

ARTICLE 21

- RELATING TO EFFECTIVE DATE
- SECTION 1. This act shall take effect as of July 1, 2019, except as otherwise provided herein. 28
- 29 SECTION 2. This article shall take effect upon passage.