

**2026 -- S 2497**

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**S T A T E   O F   R H O D E   I S L A N D**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2026**

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**A N   A C T**

**RELATING TO FOOD AND DRUGS -- THE RHODE ISLAND CANNABIS ACT**

Introduced By: Senators Bissaillon, Ciccone, LaMountain, and McKenney

Date Introduced: February 06, 2026

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1        SECTION 1. Sections 21-28.11-3, 21-28.11-7, 21-28.11-9, 21-28.11-10.2 and 21-28.11-  
2        11 of the General Laws in Chapter 21-28.11 entitled "The Rhode Island Cannabis Act" are hereby  
3        amended to read as follows:

4        **21-28.11-3. Definitions.**

5        For purposes of this chapter, the following words, terms and phrases shall have the  
6        following meanings:

7            (1) "Administrator" means the administrator of the cannabis office appointed by the  
8        governor pursuant to the provisions of § 21-28.11-18.1.

9            (2) "Adult use cannabis" or "recreational cannabis" means cannabis which may be legally  
10        possessed and consumed for non-medical purposes by a person who is at least twenty-one (21)  
11        years of age.

12            (3) "Applicant" means a ~~Rhode Island resident or a business entity with a principal place~~  
13        ~~of business located in Rhode Island to include, person or business entity including,~~ but not limited  
14        to, a corporation, limited liability company, limited liability partnership or partnership, ~~and in~~  
15        ~~which fifty-one percent (51%) of the equity in the business entity is owned by residents of Rhode~~  
16        ~~Island, and the Rhode Island resident or business entity who~~ has made application for issuance of  
17        a license or certificate to own or engage in a cannabis business subject to the provisions of this  
18        chapter.

19            (4) "Cannabinoid" means any of several compounds produced by cannabis plants that have

1 medical and psychotropic effects.

2 (5) "Cannabinoid profile" means amounts, expressed as the dry-weight percentages, of  
3 delta-9-tetrahydrocannabinol, cannabidiol, tetrahydrocannabinolic acid and cannabidiolic acid in a  
4 cannabis product. Amounts of other cannabinoids may be regulated by the commission.

5 (6) "Cannabis" or "marijuana" or "marihuana" means all parts of any plant of the genus  
6 cannabis not excepted herein, and whether growing or not; the seeds thereof; and resin extracted  
7 from any part of the plant; and every compound, manufacture, salt, derivative, mixture or  
8 preparation of the plant, its seeds or resin including tetrahydrocannabinol; provided, however, that  
9 "cannabis" shall not include:

10 (i) The mature stalks of the plant, fiber produced from the stalks, oil, or cake made from  
11 the seeds of the plant, any other compound, manufacture, salt, derivative, mixture or preparation of  
12 the mature stalks, fiber, oil or cake made from the seeds of the plant or the sterilized seed of the  
13 plant that is incapable of germination;

14 (ii) Hemp; or

15 (iii) The weight of any other ingredient combined with cannabis to prepare topical or oral  
16 administrations, food, drink or other products.

17 (7) "Cannabis accessories" or "marijuana accessories" means equipment, products, devices  
18 or materials of any kind that are intended or designed for use in planting, propagating, cultivating,  
19 growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing,  
20 testing, analyzing, packaging, repackaging, storing, containing, ingesting, inhaling or otherwise  
21 introducing cannabis into the human body.

22 (8) "Cannabis advisory board" or "advisory board" means the cannabis advisory board  
23 established pursuant to the provisions of § 21-28.11-6.

24 (9) "Cannabis concentrate" means the resin extracted from any part of the plant of the  
25 genus cannabis and every compound, manufacture, salt, derivative, mixture or preparation of that  
26 resin but shall not include the weight of any other ingredient combined with cannabis to prepare  
27 cannabis products.

28 (10) "Cannabis control commission" or "commission" means the Rhode Island cannabis  
29 control commission established by § 21-28.11-4.

30 (11) "Cannabis cultivator" or "marijuana cultivator" means an entity licensed to cultivate,  
31 process and package cannabis, to deliver cannabis to cannabis establishments and to transfer  
32 cannabis to other cannabis establishments, but not to consumers.

33 (12) "Cannabis establishment" or "marijuana establishment" means a cannabis cultivator,  
34 cannabis testing laboratory, cannabis product manufacturer, cannabis retailer, hybrid cannabis

1       retailer or any other type of licensed cannabis-related business.

2               (13) "Cannabis office" means the office established pursuant to § 21-28.11-18.1.

3               (14) "Cannabis product manufacturer" or "marijuana product manufacturer" means an  
4       entity licensed to obtain, manufacture, process and package cannabis and cannabis products, to  
5       deliver cannabis and cannabis products to cannabis establishments and to transfer cannabis and  
6       cannabis products to other cannabis establishments, but not to consumers.

7               (15) "Cannabis products" or "marijuana products" means products that have been  
8       manufactured and contain cannabis or an extract from cannabis, including concentrated forms of  
9       cannabis and products composed of cannabis and other ingredients that are intended for use or  
10      consumption, including edible products, beverages, topical products, ointments, oils and tinctures.

11               (16) "Cannabis retailer" or "marijuana retailer" means an entity licensed pursuant to § 21-  
12      28.11-10.2 to purchase and deliver cannabis and cannabis products from cannabis establishments  
13      and to deliver, sell or otherwise transfer cannabis and cannabis products to cannabis establishments  
14      and to consumers.

15               (17) "Cannabis testing laboratory" means a third-party analytical testing laboratory that is  
16       licensed annually by the commission, in consultation with the department of health, to collect and  
17       test samples of cannabis and cannabis products pursuant to regulations issued by the commission  
18       and is:

19               (i) Independent financially from any medical cannabis treatment center or any licensee or  
20       cannabis establishment for which it conducts a test; and

21               (ii) Qualified to test cannabis in compliance with regulations promulgated by the  
22       commission pursuant to this chapter. The term includes, but is not limited to, a cannabis testing  
23       laboratory as provided in § 21-28.11-11.

24               (18) "Chairperson" means the chairperson of the cannabis control commission established  
25       pursuant to § 21-28.11-4.

26               (19) "Close associate" means a person who holds a legally recognized financial interest in,  
27       or is entitled to exercise power in, the business of an applicant or licensee and, by virtue of that  
28       interest or power, is able to exercise a significant influence over the management or operation of a  
29       cannabis establishment licensed under this chapter.

30               (20) "Consumer" means a person who is at least twenty-one (21) years of age, and who is  
31       authorized by law to consume or use cannabis.

32               (21) "Controlling person" means an officer, board member or other individual who has a  
33       financial or voting interest of ten percent (10%) or greater in a cannabis establishment.

34               (22) "Cultivation batch" means a collection of cannabis plants from the same seed or plant

1 stock that are cultivated and harvested together, and receive an identical propagation and cultivation  
2 treatment, including, but not limited to: growing media, ambient conditions, watering and light  
3 regimes and agricultural or hydroponic inputs. Every cannabis cultivator licensee shall assign and  
4 record a unique, sequential alphanumeric identifier to each cultivation batch for the purposes of  
5 production tracking, product labeling and product recalls.

6 (23) “Disproportionately impacted area” means a census tract or comparable geographic  
7 area that satisfies at least one of the following criteria as determined by the commission, that:

8 (i) The area has a poverty rate of at least twenty percent (20%) according to the latest  
9 federal decennial census;

10 (ii) Seventy-five percent (75%) or more of the children in the area participate in the federal  
11 free lunch program according to reported statistics from the Rhode Island board of education;

12 (iii) At least twenty percent (20%) of the households in the area receive assistance under  
13 the Supplemental Nutrition Assistance Program (SNAP);

14 (iv) The area has an average unemployment rate, as determined by the Rhode Island  
15 department of labor and training, that is more than one hundred twenty percent (120%) of the  
16 national unemployment average, as determined by the United States Department of Labor, for a  
17 period of at least two (2) consecutive calendar years preceding the date of the application; or

18 (v)(A) The area has disproportionately high rates of arrest, conviction, and incarceration  
19 related to the sale, possession, use, cultivation, manufacture, or transportation of cannabis in  
20 comparison to other communities and localities in the state; or

21 (B) The area has a history of arrests, convictions, and other law enforcement practices in a  
22 certain geographic area, such as, but not limited to, precincts, zip codes, neighborhoods, and  
23 political subdivisions, reflecting a disparate enforcement of cannabis prohibition during a certain  
24 time period, when compared to the remainder of the state.

25 (vi) The commission shall, with recommendations from the cannabis advisory board and  
26 the chief equity officer, issue guidelines to determine how to assess which communities have been  
27 disproportionately impacted and how to assess if someone is a member of a community  
28 disproportionately impacted.

29 (24) “Final issuance of the commission’s rules and regulations” means the rules and  
30 regulations adopted by the commission after compliance with requirements of chapter 35 of title  
31 42 (the “administrative procedures act”) and chapter 46 of title 42 (the “open meetings act”) and  
32 shall not include any emergency, provisional or interim rules, regulations, requirements, orders,  
33 instructions or procedures.

34 (25) “Finished cannabis” means a usable cannabis, cannabis resin or cannabis concentrate.

(27) “Host community” means a municipality in which a cannabis establishment or a medical cannabis treatment center is located or in which an applicant has proposed locating a cannabis establishment or a medical cannabis treatment center.

(28) "Hybrid cannabis retailer" or "hybrid compassion center" means a compassion center licensed pursuant to chapter 28.6 of this title that is in good standing with the department of business regulation and that has paid the fee pursuant to § 21-28.11-10 and has been authorized to sell non-medical or adult use cannabis to consumers.

14 (29) "Laboratory agent" means a registered employee of a cannabis testing laboratory who  
15 transports, possesses or tests cannabis.

16 (30) "Licensee" means a person or entity licensed by the commission pursuant to the  
17 provisions of this chapter. Any business structure recognized under title 7, including, but not limited  
18 to, corporations, partnerships, limited partnerships, limited-liability companies, and workers'  
19 cooperatives, which is otherwise qualified, is eligible to be considered by the commission as an  
20 entity licensee.

(31) "Manufacture" means to compound, blend, extract, infuse or otherwise make or prepare a cannabis product.

(33) "Medical cannabis treatment center" or "Medical marijuana treatment center" includes a compassion center, a medical marijuana emporium, or marijuana establishment licensee who operates a treatment center, as defined in § 21-28.6-3.

33 (34) "Member of an impacted family" means an individual who has a parent, legal  
34 guardian, child, spouse, or dependent, or was a dependent of an individual who, prior to the

1 effective date of this chapter, was arrested for, charged with, convicted of, or adjudicated delinquent  
2 for any offense that is eligible for expungement under this chapter.

3 (35) “Ownership and control” means ownership of at least fifty-one percent (51%) of the  
4 cannabis establishment, and control over the management and day-to-day operations of the  
5 cannabis establishment, and an interest in the capital, assets, and profits and losses of the cannabis  
6 establishment proportionate to percentage of ownership.

7 (36) “Process” or “processing” means to harvest, dry, cure, trim and separate parts of the  
8 cannabis plant by manual or mechanical means, except it shall not include manufacture as defined  
9 in this section.

10 (37) “Production batch” means a batch of finished plant material, cannabis resin, cannabis  
11 concentrate or cannabis-infused product made at the same time, using the same methods, equipment  
12 and ingredients. The commission shall require licensees to assign and record a unique, sequential  
13 alphanumeric identifier to each production batch for the purposes of production tracking, product  
14 labeling and product recalls. All production batches shall be traceable to one or more cannabis  
15 cultivation batches.

16 (38) “Residual solvent” means a volatile organic chemical used in the manufacture of a  
17 cannabis product and that is not completely removed by practical manufacturing techniques.

18 (39) “Social equity applicant” means an applicant that has been disproportionately  
19 impacted by criminal enforcement of marijuana laws, including individuals convicted of nonviolent  
20 marijuana offenses, immediate family members of individuals convicted of nonviolent marijuana  
21 offenses and individuals who have resided in disproportionately impacted areas for at least five (5)  
22 of the last ten (10) years, as determined by the commission after consultation with the cannabis  
23 advisory board, and further specified in the rules and regulations that shall identify factors and other  
24 considerations to be evaluated in certifying applicants as social equity applicants, provided that  
25 such applicants shall at a minimum meet one of the following criteria:

26 (i) An applicant with at least fifty-one percent (51%) ownership and control by one or more  
27 individuals who have resided for at least five (5) of the preceding ten (10) years in a  
28 disproportionately impacted area.

29 (ii) An applicant with at least fifty-one percent (51%) ownership and control by one or  
30 more individuals who:

31 (A) Have been arrested for, convicted of, or adjudicated delinquent for any offense that is  
32 eligible for expungement under this chapter; or

33 (B) Is a member of an impacted family.

34 (iii) For applicants with a minimum of ten (10) full-time employees, an applicant with at

1       least fifty-one percent (51%) of current employees who:

2           (A) Currently reside in a disproportionately impacted area; or

3           (B) Have been arrested for, convicted of, or adjudicated delinquent for any offense that is

4       eligible for expungement under this chapter or is a member of an impacted family.

5           (iv) Can demonstrate significant past experience in or business practices that promote

6       economic empowerment in disproportionately impacted areas.

7           (v) Had income which does not exceed four hundred percent (400%) of the median income,

8       as defined by the commission, in a disproportionately impacted area for at least five (5) of the past

9       ten (10) years.

10          (40) "Terpenoid" means an isoprene that are the aromatic compounds found in cannabis,

11       including, but not limited to: limonene, myrcene, pinene, linalool, eucalyptol,  $\Delta$ -terpinene,  $\beta$ -

12       caryophyllene, caryophyllene oxide, nerolidol and phytol.

13          (41) "Unreasonable and impracticable" means that the measures necessary to comply with

14       the rules and regulations adopted pursuant to this chapter subject licensees to unreasonable risk or

15       require such a high investment of money, time or any other resource or asset that a reasonably

16       prudent businessperson would not operate a cannabis establishment.

17          (42) "Workers' cooperative" means an applicant organized and operated pursuant to the

18       provisions of chapter 6.2 of title 7.

19           **21-28.11-7. Licensed cannabis cultivators.**

20          (a) Except as provided pursuant to the provisions of subsection (b) of this section or § 21-

21       28.11-8, there shall be a moratorium on the issuance of new cannabis cultivator licenses until the

22       date that is two (2) years following the final issuance of the commission's rules and regulations

23       pursuant to the provisions of this chapter. This moratorium shall not apply to cannabis cultivators

24       licensed pursuant to chapter 28.6 of this title on or before enactment of this chapter.

25          (b) On August 1, 2022 and thereafter, any medical marijuana cultivator licensed or

26       approved pursuant to the provisions of § 21-28.6-16, upon payment of an additional license fee,

27       shall be permitted to cultivate, manufacture and process cannabis as a hybrid cannabis cultivator

28       for both adult use and medical use. The amount of the additional license fee shall be determined by

29       the office of cannabis regulation during the transitional period established by § 21-28.11-10 and

30       shall be subject to review by the commission pursuant to the final rules and regulations. The fee

31       shall be deposited in the social equity fund established in § 21-28.11-31. Sale of the cultivated

32       cannabis shall be made directly to a licensee pursuant to the provisions of this chapter and chapter

33       28.6 of this title, subject to the following conditions:

34           (1) The cultivator must be in good standing and maintain the cultivator license pursuant to

1 the provisions of chapter 28.6 of this title; and

2 (2) The cultivator must make good faith efforts to ensure the adult use cannabis production  
3 portion of the cultivation operation has no significant adverse effect on the medical marijuana  
4 program and patient needs.

5 (c) During the moratorium pursuant to this section, the commission, with the assistance of  
6 the advisory board, as required, shall submit a report to the general assembly which evaluates the  
7 cultivation of adult use and medical cannabis. The report shall consider factors, including, but not  
8 limited to:

9 (1) Cultivation and production history;

10 (2) Tax payment history;

11 (3) Existing inventory and inventory history;

12 (4) Sales contracts;

13 (5) Current and future projected market conditions; and

14 (6) Any other factors relevant to ensuring responsible cultivation, production, and  
15 inventory management for both medical and adult use cannabis.

16 (d) Upon expiration of the moratorium pursuant to this section, the commission may adopt  
17 rules and regulations authorizing issuance of additional cultivator licenses; provided, however, a  
18 new cultivator licensee's canopy shall not exceed ten thousand square feet (10,000 ft<sup>2</sup>). In  
19 determining whether to issue additional cultivator licenses, the cannabis control commission shall  
20 consider the findings of the report submitted pursuant to subsection (c) of this section.

21 (e) For the purposes of this section, "canopy" means the total surface area within a  
22 cultivation area that is dedicated to the cultivation of mature cannabis plants. The surface area of  
23 the canopy must be calculated in square feet and measured using the outside boundaries of the area  
24 and must include all of the area within the boundaries. If the surface area of the canopy consists of  
25 noncontiguous areas, each component area must be separated by identifiable boundaries. If a tiered  
26 or shelving system is used in the cultivation area, the surface area of each tier or shelf must be  
27 included in calculating the area of the canopy. The canopy does not include the areas within the  
28 cultivation area that are used to cultivate immature cannabis plants and seedlings and that are not  
29 used at any time to cultivate mature cannabis plants.

30 (f) To qualify for issuance of any cannabis cultivator license under subsection (d) of this  
31 section, an applicant shall satisfy all requirements and qualifications established by the commission  
32 to include but not limited to, the following:

33 (1) Apply for a license in a manner prescribed by the commission;

34 (2) Provide proof that the applicant is twenty-one (21) years of age or older and ~~is a resident~~

1        ~~of the state proof of residency;~~

2            (3) Undergo a criminal record background check pursuant to § 21-28.11-12.1 and on any  
3        terms established by the commission;

4            (4) Provide proof that the applicant is current with and in compliance with all obligations  
5        required by the division of taxation, including filings and payment of taxes;

6            (5) Has provided a nonrefundable application fee as determined by the commission;

7            (6) Shall consent and be subject to inspections by the commission for the purposes of  
8        ensuring and enforcing compliance with this chapter and all rules and regulations promulgated  
9        pursuant to this chapter; and

10           (7) Prior to the issuance of any license and for any period of renewal, the applicant shall  
11       submit an annual license fee pursuant to subsection (b) of this section to be deposited in the social  
12       equity fund established in § 21-28.11-31.

13           (g) The commission may determine and adjust the application fee or annual license fee  
14       pursuant to the commission's rulemaking authority and in accordance with the provisions of chapter  
15       35 of title 42.

16           (h) Every individual cannabis plant possessed by a licensed cannabis cultivator shall be  
17       catalogued in a seed-to-sale inventory tracking system. The commission shall review the current  
18       seed-to-sale tracking system utilized pursuant to chapter 28.6 of this title and promulgate new or  
19       additional regulations, as it deems appropriate. As of December 1, 2022, any cannabis tags issued  
20       to provide seed-to-sale inventory and tracking shall be issued without charge to patient cardholders  
21       and/or primary caregivers authorized to grow medical cannabis.

22           (i) Notwithstanding any other provisions of the general laws, the manufacture of cannabis  
23       using a solvent extraction process that includes the use of a compressed, flammable gas as a solvent  
24       by a licensed cannabis cultivator shall not be subject to the protections of this chapter.

25           (j) Cannabis cultivators shall sell cannabis only to an entity licensed pursuant to the  
26       provisions of this chapter or chapter 28.6 of this title.

27           (k) Cannabis cultivators shall be licensed to grow cannabis only at a location or locations  
28       registered with and approved by the cannabis commission. The commission may promulgate  
29       regulations governing locations where cultivators are authorized to grow. Cannabis cultivators shall  
30       abide by all local ordinances, including zoning ordinances.

31           (l) As a condition of licensing, cannabis cultivators shall consent and be subject to  
32       inspection by the commission for the purposes of ensuring and enforcing compliance with this  
33       chapter and chapter 28.6 of this title, all rules and regulations promulgated pursuant to this chapter,  
34       and the provisions of § 28-5.1-14.

(m) Persons issued cultivator licenses shall be subject to the following:

11 (3) If a licensed cannabis cultivator loses his or her license or certification document, he or  
12 she shall notify the commission and submit a fee specified in regulation within ten (10) days of  
13 losing the document. The commission shall issue a new license document with a new random  
14 identification number, upon receipt of payment of a fee promulgated in the rules and regulations  
15 not to exceed the amount of one hundred dollars (\$100).

16 (4) A licensed cannabis cultivator has a continuing duty to notify the commission of any  
17 criminal conviction(s) that occurs after the issuance of a license or registration. A criminal  
18 conviction may not automatically result in suspension or revocation of a license, but shall be subject  
19 to § 21-28.11-12.1. The commission may suspend and/or revoke his or her license after the  
20 notification, pending a final determination of disqualification pursuant to § 21-28.11-12.1.

(5) If a licensed cannabis cultivator violates any provision of this chapter or regulations promulgated hereunder as determined by the commission, his or her issued license may be suspended and/or revoked.

24 (n) Immunity.

(1) No licensed cannabis cultivator shall be subject to: arrest; prosecution; search or seizure, except as authorized pursuant to §§ 21-28.11-20 and 21-28.11-27 and subsection (f)(6) of this section; 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 chapter, chapter 28.6 of this title and rules and regulations promulgated by the commission.

31 (2) No principal officers, board members, agents, volunteers, or employees of a licensed  
32 cannabis cultivator shall be subject to arrest; prosecution; search or seizure, except as authorized  
33 pursuant to §§ 21-28.11-20 and 21-28.11-27 and subsection (f)(6) of this section; or penalty in any  
34 manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary

1 action by a business, occupational, or professional licensing board or entity, solely for working for  
2 or with a licensed cannabis cultivator to engage in acts permitted by this chapter, chapter 28.6 of  
3 this title and rules and regulations promulgated by the commission.

4 (3) No state employee or commission member shall be subject to arrest; prosecution; search  
5 or seizure, except as authorized pursuant to §§ 21-28.11-20 and 21-28.11-27; or penalty in any  
6 manner, or denied any right or privilege, including, but not limited to, civil penalty, disciplinary  
7 action, termination, or loss of employee or pension benefits, for any and all conduct that occurs  
8 within the scope of his or her employment regarding the administration, execution, and/or  
9 enforcement of this chapter, chapter 28.6 of this title and rules and regulations promulgated by the  
10 commission, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this section.

11 (o) Nothing in this section shall be construed as authorizing a cannabis cultivator to transfer  
12 or sell cannabis directly to a consumer. A direct sale or transfer from a cannabis cultivator to a  
13 consumer is prohibited and shall be grounds for revocation of license and criminal prosecution.

14 (p) A cannabis cultivator and all agents and employees of the cannabis cultivator shall  
15 comply with all rules adopted by the commission and other applicable laws.

16 (q) No cannabis or cannabis product shall be sold or otherwise marketed pursuant to this  
17 chapter that has not first been tested by a cannabis testing laboratory and determined to meet the  
18 commission's testing protocols issued pursuant to § 21-28.11-11. Cannabis cultivators shall be  
19 subject to any regulations promulgated by the commission that specify how marijuana shall be  
20 tested, including, but not limited to, potency, cannabinoid profile and contaminants. Cannabis  
21 cultivators shall be subject to any product labeling requirements promulgated by the commission  
22 or otherwise required by law.

23 (r) **License required.** No person or entity shall engage in activities described in this section  
24 without a cultivator license issued pursuant to this chapter.

25 **21-28.11-9. Cannabis product manufacturer or wholesaler.**

26 (a) A cannabis product manufacturer or processor or wholesaler that does not hold a  
27 cannabis cultivator's license shall have a cannabis product manufacturer's license issued by the  
28 commission. A cannabis product manufacturer licensee may purchase cannabis from cultivators for  
29 processing and shall only transfer or sell cannabis products to other entities licensed pursuant to  
30 this chapter or chapter 28.6 of this title. A cannabis product manufacturer's licensee or processor  
31 or wholesaler shall report to the commission, pursuant to regulations, the purchase or acquisition  
32 and the sale or transfer of all cannabis and cannabis products.

33 (b) To qualify and hold a cannabis product manufacturer's license under this section the  
34 applicant shall satisfy all qualifications established by the commission to include, but not be limited

1 to the following:

2 (1) Apply for a license in a manner prescribed by the commission;

3 (2) Provide proof that the applicant is twenty-one (21) years of age or older and ~~is a resident~~

4 ~~of the state~~ proof of residency;

5 (3) Undergo a criminal record background check pursuant to § 21-28.11-12.1 and on any

6 terms established by the commission;

7 (4) Provide proof that the applicant is current and in compliance with all obligations for

8 filings and payments for taxes with the division of taxation;

9 (5) Has provided a nonrefundable application fee as determined by the commission and

10 promulgated by rules and regulations; and

11 (6) Prior to issuance of any license and for any period of renewal, the applicant shall submit

12 an annual license fee as determined by the commission and promulgated by rules and regulations

13 to be deposited in the social equity fund established in § 21-28.1-31.

14 (c) A cannabis product manufacturer or processor or wholesaler and all agents and

15 employees shall comply with all rules adopted by the commission and all applicable laws.

16 (d) The commission may adjust the application fee or annual license fee pursuant to the

17 commission's rulemaking authority and in accordance with the provisions of chapter 35 of title 42.

18 (e) As a condition of licensing, cannabis product manufacturers or processors or

19 wholesalers shall consent and be subject to inspections by the commission for the purposes of

20 ensuring and enforcing compliance with this chapter and all rules and regulations promulgated

21 pursuant to this chapter, and pursuant to the provisions of § 21-28.11-20.

22 (f) Nothing in this section shall be construed as authorizing a cannabis product

23 manufacturer or processor or wholesaler to transfer or sell cannabis to a consumer. A direct sale or

24 transfer from a cannabis product manufacturer licensee to a consumer is prohibited.

25 (g) No cannabis or cannabis product shall be sold or otherwise marketed pursuant to this

26 chapter that has not first been tested by a cannabis testing laboratory and determined to meet the

27 commission's testing protocols issued pursuant to § 21-28.11-11.

28 (h) Persons issued cannabis product manufacturer's licenses shall be subject to the

29 following:

30 (1) A licensed cannabis product manufacturer shall notify and request approval from the

31 commission of any change in his or her name or address within ten (10) days of the change. A

32 licensed cannabis product manufacturer who fails to notify the commission of any of these changes

33 shall be subject to an administrative fine of no more than one hundred fifty dollars (\$150) or other

34 penalty as determined by the commission.

(2) When a licensed cannabis product manufacturer notifies the commission of any changes listed in this subsection, the commission shall issue the licensed cannabis product manufacturer a new registry identification document after the department approves the changes and receives from the licensee payment of a fee specified in regulation.

## 16 (i) Immunity.

17 (1) No licensed cannabis product manufacturer or wholesaler shall be subject to: arrest;  
18 prosecution; search or seizure, except as authorized pursuant to §§ 21-28.11-20 and 21-28.11-27  
19 and by subsection (e) of this section; or penalty in any manner, or denied any right or privilege,  
20 including, but not limited to, civil penalty or disciplinary action by a business, occupational, or  
21 professional licensing board or entity, solely for acting in accordance with this chapter, chapter  
22 28.6 of this title and rules and regulations promulgated by the commission.

(2) No principal officers, board members, agents, volunteers, or employees of a licensed cannabis product manufacturer or wholesaler shall be subject to arrest; prosecution; search or seizure, except as authorized pursuant to §§ 21-28.11-20 and 21-28.11-27 and by subsection (e) of this section; 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 cannabis product manufacturer or wholesaler to engage in acts permitted by this chapter, chapter 28.6 of this title or rules and regulations promulgated by the commission.

1 and all conduct that occurs within the scope of his or her employment regarding the administration,  
2 execution, and/or enforcement of this chapter, chapter 28.6 of this title and rules and regulations  
3 promulgated by the commission, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to  
4 this section.

5 **21-28.11-10.2. Cannabis retail sales.**

6 (a) In addition to the hybrid cannabis retailer certificates that may be issued pursuant to the  
7 provisions of this chapter, after issuance of the final rules and regulations, the commission may  
8 grant twenty-four (24) retail licenses, subject to the following restrictions:

9 (1) The retail licenses shall be issued pursuant to geographic zones as specified in § 21-  
10 28.11-10.3.

11 (2) No more than four (4) retail licenses exclusive of any hybrid cannabis retail certificate  
12 shall be permitted in each geographic zone; and

13 (3) Of the four (4) retail licenses in each geographic zone:

14 (i) One shall be reserved for a workers' cooperative applicant; and

15 (ii) One shall be reserved for a social equity applicant.

16 (b) **Minimum qualifications.** To qualify for issuance of a cannabis retail sales license  
17 under this section, an applicant shall satisfy all qualifications established by the commission to  
18 include, but not be limited to, the following:

19 (1) Apply for a license in a manner prescribed by the commission;

20 (2) Provide proof that the applicant is twenty-one (21) years of age or older and ~~is a resident~~  
21 ~~of the state~~ proof of residency;

22 (3) Undergo a criminal record background check pursuant to § 21-28.11-12.1 and on any  
23 terms established by the commission;

24 (4) Provide proof that the applicant is current and in compliance with all obligations for  
25 filings and payments for taxes with the division of taxation;

26 (5) Demonstrate that the proposed location for the retail sale of cannabis complies with  
27 provisions of municipal zoning and regulations or has been approved by the municipality;

28 (6) Paid a nonrefundable application fee as determined by the commission and promulgated  
29 by rules and regulations; and

30 (7) Prior to issuance of any license and for any period of renewal, the applicant shall pay  
31 an annual fee of thirty thousand dollars (\$30,000) to be deposited in the social equity fund  
32 established in § 21-28.11-31.

33 (c) **Compliance.** A cannabis retail sales licensee and all agents and employees shall comply  
34 with all rules adopted by the commission and all applicable laws to include, but not limited to,

1 chapter 5 of title 28 (the “fair employment practices act”).

2 (d) **Inspection.** As a condition of licensing and pursuant to § 21-28.11-20, cannabis  
3 retailers shall consent and be subject to inspections by the commission or designated personnel for  
4 the purposes of ensuring and enforcing compliance with this chapter, all rules and regulations  
5 promulgated pursuant to this chapter and all other applicable law, to include, but not be limited to,  
6 the provisions of title 44 (“taxation”), chapter 28 of this title (the “uniform controlled substance  
7 act”), and chapter 5 of title 28 (the “fair employment practices act”).

8 (e) **Testing.** No cannabis or cannabis product shall be sold or otherwise marketed pursuant  
9 to this chapter that has not first been collected and tested by a cannabis testing laboratory and found  
10 to meet the testing protocols issued pursuant to regulations promulgated by the department of health  
11 and determined to meet the commission’s testing protocols issued pursuant to § 21-28.11-11.

12 (f) **Minimum requirements.** Persons issued cannabis retail licenses shall be subject to the  
13 following:

14 (1) A licensed cannabis retailer shall notify and request approval from the commission of  
15 any change in his or her name or address within ten (10) days of the change. A licensed cannabis  
16 retailer who fails to notify the commission of any of these changes shall be subject to an  
17 administrative fine of no more than one hundred fifty dollars (\$150) or other penalty as determined  
18 by the commission;

19 (2) When a licensed cannabis retailer notifies the commission of any changes listed in this  
20 subsection, the commission shall issue the licensed cannabis retailer a new license identification  
21 document after the commission approves the changes and receives from the licensee payment of a  
22 fee specified in regulation;

23 (3) If a licensed cannabis retailer loses his or her license document, he or she shall notify  
24 the commission and submit a fee specified in regulation within ten (10) days of losing the  
25 document. The commission shall issue a new license document with a new random identification  
26 number upon payment of a fee promulgated in the rules and regulations not to exceed one hundred  
27 dollars (\$100);

28 (4) A licensed cannabis retailer has a continuing duty to notify the commission of any  
29 criminal conviction(s) that occurs after the issuance of a license or registration. A criminal  
30 conviction shall not automatically result in suspension or revocation of a license, but shall be  
31 subject to the provisions § 21-28.11-12.1;

32 (5) If a licensed cannabis retailer violates any provision of this chapter or regulations  
33 promulgated hereunder as determined by the commission, his or her issued license may be  
34 suspended and/or revoked.

**(g) Immunity.**

8 (2) No principal officers, board members, agents, volunteers, or employees of a licensed  
9 cannabis retailer shall be subject to arrest; prosecution; search or seizure, except as authorized  
10 pursuant to §§ 21-28.11-20 and 21-28.11-27 and by subsection (d) of this section; or penalty in any  
11 manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary  
12 action by a business, occupational, or professional licensing board or entity, solely for working for  
13 or with a licensed cannabis retailer to engage in acts permitted by this chapter and rules and  
14 regulations promulgated by the commission.

## **21-28.11-11. Cannabis testing laboratories — Licensure and oversight.**

23 (a) In consultation with the department of health, the commission shall have authority to  
24 promulgate regulations to create and implement all licenses involving cannabis reference testing  
25 requirements, including approval of laboratory proficiency programs and proficiency sample  
26 providers, quality assurance sample providers, round robin testing and regulations establishing  
27 quality control and test standardization, and create and implement additional types and classes of  
28 licensed cannabis testing facilities in accordance with regulations promulgated hereunder.

29 (b)(1) The regulations promulgated by the commission shall at a minimum provide for the  
30 licensure and oversight of cannabis testing laboratories, and shall establish testing protocols for the  
31 sampling, testing and analysis of cannabis, finished cannabis and cannabis products in consultation  
32 with the department of health. Such regulations shall be based on the most recent standards as  
33 issued by the United States Pharmacopeial Convention and shall address sampling and analysis to  
34 characterize the cannabinoid profile and biological and chemical contaminants, including, but not

1 limited to, pesticides, herbicides, plant growth regulators, metals, microbiological contaminants,  
2 and residual solvents introduced through cultivation of cannabis plants and post-harvest processing  
3 and handling of cannabis, cannabis products and ingredients.

4 (2) No cannabis or cannabis product shall be sold or otherwise marketed pursuant to this  
5 chapter that has not first been tested by a cannabis testing laboratory and determined to meet the  
6 commission's testing protocols issued pursuant to subsection (a) of this section.

7 (3) A licensed cannabis testing laboratory shall transport, store, possess, and test cannabis  
8 in compliance with regulations promulgated by the commission. Nothing in this section shall be  
9 construed as authorizing a cannabis testing laboratory to transfer or sell cannabis to a consumer. A  
10 direct sale or transfer from a cannabis testing laboratory licensee to a consumer is prohibited.

11 (4) A cannabis testing laboratory shall report any results indicating contamination to the  
12 commission, the department of health and the department of environmental management within  
13 forty-eight (48) hours of identification.

14 (5) No laboratory agent or employee of a cannabis testing laboratory shall receive direct or  
15 indirect financial compensation, other than such reasonable contractual fees to conduct such testing,  
16 from any entity for which it is conducting testing pursuant to this chapter.

17 (6) No individual who possesses an interest in or is a laboratory agent employed by a  
18 cannabis testing laboratory, and no immediate family member of that individual, shall possess an  
19 interest in or be employed by a cultivator, product manufacturer or retail cannabis establishment.

20 (c) To qualify for issuance of a cannabis testing laboratory license under this section, an  
21 applicant shall satisfy all qualifications established by the commission to include, but not be limited  
22 to, the following:

23 (1) Apply for a license in a manner prescribed by the commission;

24 (2) Provide proof that the applicant is twenty-one (21) years of age or older and ~~is a resident~~  
25 ~~of the state~~ proof of residency;

26 (3) Undergo a criminal record background check pursuant to § 21-28.11-12.1 and on any  
27 terms established by the commission;

28 (4) Provide proof that the applicant is current and in compliance with all obligations for  
29 filings and payments for taxes with the division of taxation;

30 (5) Provide a nonrefundable application fee as determined by the commission and  
31 promulgated by rules and regulations and apply for a testing license from the commission prior to  
32 testing, processing or transporting cannabis; and

33 (6) Prior to the issuance of any license and for any period of renewal, the applicant shall  
34 submit an annual license fee as determined by the commission and promulgated by rules and

1 regulations.

2 (d) Cannabis testing laboratories shall be responsible for ensuring the following, as related  
3 to laboratory agents:

4 (1) A laboratory agent shall be registered with the commission prior to volunteering or  
5 working at a cannabis testing laboratory;

6 (2) A cannabis testing laboratory shall apply to the commission for a registration document  
7 for each affiliated laboratory agent by submitting, at a minimum, the name, address, and date of  
8 birth of the laboratory agent;

9 (3) A laboratory agent shall undergo a criminal background check pursuant to § 21-28.11-  
10 12.1 and on terms established by the commission, prior to volunteering or working at a cannabis  
11 testing laboratory. Laboratory agents shall also have a continuing duty to notify the commission of  
12 any criminal conviction(s) that occur after the issuance of a registration document. A criminal  
13 conviction shall not automatically result in suspension or revocation of registration, but shall be  
14 subject to § 21-28.11-12.1; and

15 (4) A cannabis testing laboratory shall notify the commission within one business day if a  
16 laboratory agent ceases to be associated with the laboratory, and the laboratory agent's registration  
17 document shall be immediately revoked.

18 (e) A cannabis testing laboratory and all agents and employees shall comply with all rules  
19 adopted by the commission and all applicable laws.

20 (f) As a condition of licensing and pursuant to the provisions of § 21-28.11-20, cannabis  
21 testing laboratories shall consent and be subject to inspection by the commission or personnel  
22 designated by the commission for the purposes of ensuring and enforcing compliance with this  
23 chapter and all rules and regulations promulgated pursuant to this chapter, to include, but not be  
24 limited to, the provisions of chapter 5 of title 28 (the "fair employment practices act").

25 (g) Persons issued cannabis testing laboratory licenses shall be subject to the following:

26 (1) A licensed cannabis testing laboratory shall notify and request approval from the  
27 commission of any change in his or her name or address within ten (10) days of the change. A  
28 licensed cannabis testing laboratory who fails to notify the commission of any of these changes  
29 shall be subject to an administrative fine of no more than one hundred fifty dollars (\$150) or other  
30 penalty as determined by the commission.

31 (2) When a licensed cannabis testing laboratory notifies the commission of any changes  
32 listed in this subsection, the commission shall issue the licensed cannabis testing laboratory a new  
33 registry identification document after the department approves the changes and receives from the  
34 licensee payment of a fee specified in regulation.

5 (4) A licensed cannabis testing laboratory has a continuing duty to notify the commission  
6 of any criminal conviction(s) of a laboratory licensee or agent that occurs after the issuance of a  
7 license or registration. A criminal conviction relating solely to a cannabis offense shall not  
8 automatically result in suspension or revocation of a license, but shall be subject to § 21-28.11-  
9 12.1.

(5) If a licensed cannabis testing laboratory violates any provision of this chapter or regulations promulgated hereunder as determined by the commission, his or her issued license may be suspended and/or revoked.

13 (h) **Immunity.**

14 (1) No licensed cannabis testing laboratory licensee or agent shall be subject to: arrest;  
15 prosecution; search or seizure, except as authorized pursuant to §§ 21-28.11-20 and 21-28.11-27  
16 and by subsection (f) of this section; or penalty in any manner, or denied any right or privilege,  
17 including, but not limited to, civil penalty or disciplinary action by a business, occupational, or  
18 professional licensing board or entity, solely for acting in accordance with this chapter, chapter  
19 28.6 of this title and the rules and regulations promulgated by the commission.

20 (2) No principal officers, board members, agents, volunteers, or employees of a licensed  
21 cannabis testing laboratory shall be subject to arrest; prosecution; search or seizure, except as  
22 authorized pursuant to §§ 21-28.11-20 and 21-28.11-27 and by subsection (f) of this section; or  
23 penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty  
24 or disciplinary action by a business, occupational, or professional licensing board or entity, solely  
25 for working for or with a licensed cannabis cultivator to engage in acts permitted by this chapter,  
26 chapter 28.6 of this title and the rules and regulations promulgated by the commission.

27 (3) No state employee or commission member shall be subject to arrest; prosecution; search  
28 or seizure, except as authorized pursuant to §§ 21-28.11-20 and 21-28.11-27 and by subsection (f)  
29 of this section; or penalty in any manner, or denied any right or privilege, including, but not limited  
30 to, civil penalty, disciplinary action, termination, or loss of employee or pension benefits, for any  
31 and all conduct that occurs within the scope of his or her employment regarding the administration,  
32 execution, and/or enforcement of this chapter, chapter 28.6 of this title and the rules and regulations  
33 promulgated by the commission. The provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this  
34 section.

1 SECTION 2. This act shall take effect upon passage.

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LC004844

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO FOOD AND DRUGS -- THE RHODE ISLAND CANNABIS ACT

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- 1        This act would amend sections of the Rhode Island cannabis act relating to the residency
- 2        requirements for applicants for issuance of a license or certificate to own a cannabis establishment.
- 3        This act would take effect upon passage.

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LC004844  
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