

1 **ARTICLE 11**

2 RELATING TO ADULT USE MARIJUANA

3 SECTION 1. Section 2-26-5 of the General Laws in Chapter 2-26 entitled “Hemp Growth
4 Act” is hereby amended to read as follows:

5 **2-26-5. Authority over licensing and sales.**

6 (a) The department shall prescribe rules and regulations for the licensing and regulation of
7 hemp growers, handlers, licensed CBD distributors, and licensed CBD retailers and persons
8 employed by the applicant not inconsistent with law, to carry into effect the provision of this chapter
9 and shall be responsible for the enforcement of the licensing.

10 (b) All growers, handlers, licensed CBD distributors, and licensed CBD retailers must have
11 a hemp license issued by the department. All production, distribution, and retail sale of hemp-
12 derived consumable CBD products must be consistent with any applicable state or local food
13 processing and safety regulations, and the applicant shall be responsible to ensure its compliance
14 with the regulations and any applicable food safety licensing requirements, including, but not
15 limited to, those promulgated by the department on health.

16 (c) The application for a hemp license shall include, but not be limited to, the following:

17 (1)(i) The name and address of the applicant who will supervise, manage, or direct the
18 growing and handling of hemp and the names and addresses of any person or entity partnering or
19 providing consulting services regarding the growing or handling of hemp; and

20 (ii) The name and address of the applicant who will supervise, manage, or direct the
21 distribution or sale of hemp-derived consumable CBD products, and names and addresses of any
22 person or entity partnering or providing consulting services regarding the distribution or sale of
23 hemp-derived CBD products.

24 (2) A certificate of analysis that the seeds or plants obtained for cultivation are of a type
25 and variety that do not exceed the maximum concentration of delta-9 THC, as set forth in § 2-26-
26 3; any seeds that are obtained from a federal agency are presumed not to exceed the maximum
27 concentration and do not require a certificate of analysis.

28 (3) (i) The location of the facility, including the Global Positioning System location, and
29 other field reference information as may be required by the department with a tracking program
30 and security layout to ensure that all hemp grown is tracked and monitored from seed to distribution
31 outlets; and

1 (ii) The location of the facility and other information as may be required by the department
2 as to where the distribution or sale of hemp-derived consumable CBD products will occur.

3 (4) An explanation of the seed to sale tracking, cultivation method, extraction method, and
4 certificate of analysis or certificate of analysis for the standard hemp seeds or hemp product if
5 required by the department.

6 (5) Verification, prior to planting any seed, that the plant to be grown is of a type and
7 variety of hemp that will produce a delta-9 THC concentration of no more than three-tenths of one
8 percent (0.3%) on a dry-weight basis.

9 (6) Documentation that the licensee and/or its agents have entered into a purchase
10 agreement with a hemp handler, processor, distributor or retailer.

11 (7) All applicants:

12 (i) Shall apply to the state police, attorney general, or local law enforcement for a National
13 Criminal Identification records check that shall include fingerprints submitted to the Federal
14 Bureau of Investigation. Upon the discovery of a disqualifying conviction defined in subsections
15 (c)(7)(iv) and (c)(7)(v), and in accordance with the rules promulgated by the department, the state
16 police shall inform the applicant, in writing, of the nature of the conviction, and the state police
17 shall notify the department, in writing, without disclosing the nature of the conviction, that a
18 conviction has been found;

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

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

23 (iv) Any applicant who has been convicted of any felony offense under chapter 28 of title
24 21, or any person who has been convicted of murder; manslaughter; first-degree sexual assault;
25 second-degree sexual assault; first-degree child molestation; second-degree child molestation;
26 kidnapping; first-degree arson; second-degree arson; mayhem; robbery; burglary; breaking and
27 entering; assault with a dangerous weapon; or any assault and battery punishable as a felony or
28 assault with intent to commit any offense punishable as a felony, shall be disqualified from holding
29 any license or permit under this chapter. The department shall notify any applicant, in writing, of a
30 denial of a license pursuant to this subsection, provided that any disqualification or denial of license
31 shall be subject to the provisions of § 28-5.1-14 of the general laws.

32 (v) For purposes of this section, "conviction" means, in addition to judgments of conviction
33 entered by a court subsequent to a finding of guilty, or plea of guilty, those instances where the
34 defendant has entered a plea of nolo contendere and has received a jail sentence or a suspended jail

1 sentence, or those instances wherein the defendant has entered into a deferred sentence agreement
2 with the Rhode Island attorney general and the period of deferment has not been completed.

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

5 (d) [Deleted by P.L. 2019, ch. 88, art. 15, §1].

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

14 (f) Any grower or handler license applicant or license holder may also apply for and be
15 issued a CBD distributor and/or CBD retailer license at no additional cost provided their grower or
16 handler license is issued or renewed. CBD distributor and CBD retailer licenses shall be renewed
17 each year at no additional fee provided the applicant also holds or renews a grower and/or handler
18 license.

19 (g) For applicants who do not hold, renew, or receive a grower or handler license, CBD
20 distributor and CBD retailer licenses shall have a licensure fee of five hundred dollars (\$500). The
21 licenses shall be renewed each year upon approval by the department and payment of a five hundred
22 dollar (\$500) renewal fee.

23 SECTION 2. Chapter 12-1.3 of the General Laws entitled “EXPUNGEMENT OF
24 CRIMINAL RECORDS” is hereby amended by adding thereto the following section:

25 **12-1.3-5. Automatic expungement of marijuana related convictions.**

26 (a) Any person with a prior conviction for misdemeanor or felony possession of a
27 marijuana-related offense that has been decriminalized subsequent to the date of conviction shall
28 be entitled to have the criminal conviction automatically expunged, notwithstanding the provisions
29 of chapter 1.3 of title 12. No prior criminal charge and/or conviction having been expunged
30 pursuant to the provisions of this section may be used to impede a person from entering into the
31 cannabis industry or any government assistance programs. There shall be no expungement fee
32 assessed to the individual.

1 (b) Any person who has been incarcerated for misdemeanor or felony possession of
2 marijuana shall have all court costs waived with respect to expungement of his or her criminal
3 record under this section.

4 (c) Records shall be expunged pursuant to the procedures set forth in this chapter in
5 accordance with the following timelines:

6 (i) Records created prior to the effective date of this section, but on or after January 1,
7 2014, shall be automatically expunged January 1, 2023;

8 (ii) Records created prior to January 1, 2014, but on or after January 1, 2001, shall be
9 automatically expunged January 1, 2024;

10 (iii) Records created prior to January 1, 2001, shall be automatically expunged prior to
11 January 1, 2026.

12 (d) Nothing in this section shall be construed to restrict or modify a person’s right to have
13 their records expunged, except as otherwise may be provided in this chapter, or diminish or
14 abrogate any rights or remedies otherwise available to the individual;

15 (e) The Rhode Island attorney general, in consultation with the Rhode Island state police
16 and the municipal police departments of the state, is hereby authorized to promulgate any and all
17 rules and regulations necessary to carry out the provisions of this section.

18 SECTION 3. Section 21-28.5-2 of the General Laws in Chapter of Chapter 21-28.5 entitled
19 “Sale of Drug Paraphernalia” is hereby amended to read as follows:

20 **21-28.5-2. Manufacture or delivery of drug paraphernalia – Penalty.**

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

28 Notwithstanding any other provision of the general laws, the sale, manufacture, or delivery
29 of drug paraphernalia to a person acting in accordance with chapters 28.6, 28.11, or 28.12 of this
30 title shall not be considered a violation of this chapter.

31 SECTION 4. Chapter 21-28.6 of the General Laws entitled “The Edward O. Hawkins and
32 Thomas C. Slater Medical Marijuana Act” is hereby amended by adding thereto the following
33 section:

34 **21-28.6-16.1 Procurement and transfer of marijuana.**

1 (a) A compassion center or licensed medical marijuana cultivator that obtains a
2 corresponding hybrid license pursuant to chapter 28.12 of title 21 may procure marijuana and
3 marijuana products from or transfer medical marijuana for processing and product manufacturing
4 to a marijuana establishment that is licensed under chapter 28.12 provided such procurement,
5 processing, manufacturing and transfer is conducted in accordance and compliance with chapters
6 28.6, 28.11 and 28.12 of title 21 and regulations promulgated by the office of cannabis regulation
7 including regulations regarding product testing, labeling, packaging and other requirements
8 designed to ensure health, safety and patient access and all applicable provisions of title 44.

9 (b) Notwithstanding any other provision of the general laws, a licensed compassion center
10 that also holds a license as a hybrid marijuana retailer pursuant to chapter 28.12 of title 21 and the
11 regulations promulgated hereunder shall be exempt from the requirements of chapter 28.6 of title
12 21 requiring registration as a not-for-profit corporation under chapter 6 of title 7 of the general
13 laws, provided the compassion center maintains operation and licensure as a hybrid marijuana
14 retailer in good standing with the department of business regulation. The department of business
15 regulation may promulgate regulations or issue guidance to facilitate the transition from a not-for-
16 profit corporation to a for profit corporation or other entity including but not limited to the
17 requirement that the compassion center must update and/or resubmit licensing and application
18 documents which reflect this transfer.

19 SECTION 5. Sections 21-28.6-3, 21-28.6-5, and 21-28.6-6 of the General Laws in Chapter
20 21-28.6 entitled “The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act” are
21 hereby amended to read as follows:

22 **21-28.6-3 Definitions.**

23 For the purposes of this chapter:

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

30 (2) “Cannabis” means all parts of the plant of the genus marijuana, also known as marijuana
31 sativa L, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and
32 every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin
33 regardless of cannabinoid content or cannabinoid potency including “marijuana”, and “industrial
34 hemp” or “industrial hemp products” which satisfy the requirements of chapter 26 of title 2.

1 (3) "Cannabis testing laboratory" means a third-party analytical testing laboratory licensed
2 by the department of health, in coordination with the department of business regulation, to collect
3 and test samples of cannabis.

4 (4) "Cardholder" means a person who has been registered or licensed with the department
5 of health or the department of business regulation pursuant to this chapter and possesses a valid
6 registry identification card or license.

7 (5) "Commercial unit" means a building, or other space within a commercial or industrial
8 building, for use by one business or person and is rented or owned by that business or person.

9 (6)(i) "Compassion center" means a not-for-profit corporation, subject to the provisions of
10 chapter 6 of title 7, and licensed under § 21-28.6-12, that acquires, possesses, cultivates,
11 manufactures, delivers, transfers, transports, supplies, or dispenses medical marijuana, and/or
12 related supplies and educational materials, to patient cardholders and/or their registered caregiver,
13 cardholder or authorized purchaser.

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

17 (7) "Debilitating medical condition" means:

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

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

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

28 (8) "Department of business regulation" means the Rhode Island department of business
29 regulation or its successor agency.

30 (9) "Department of health" means the Rhode Island department of health or its successor
31 agency.

32 (10) "Department of public safety" means the Rhode Island department of public safety or
33 its successor agency.

34 (11) "Dried marijuana" means the dried leaves and flowers of the marijuana plant as

1 defined by regulations promulgated by the department of business regulation.

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

5 (13) "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
7 regulations promulgated by the departments of business regulation.

8 (14) "Immature marijuana plant" means a marijuana plant, rooted or unrooted, with no
9 observable flower or buds.

10 (15) "Licensed medical marijuana cultivator" means a person or entity, as identified in §
11 43-3-6, who has been licensed by the department of business regulation to cultivate medical
12 marijuana pursuant to § 21-28.6-16.

13 (16) "Marijuana" has the meaning given that term in § 21-28-1.02.

14 (17) "Marijuana establishment licensee" means any person or entity licensed by the
15 department of business regulation under this chapter [or chapter 28.12 of title 21](#) whose license
16 permits it to engage in or conduct activities in connection with the medical marijuana program [or](#)
17 [adult use marijuana industry](#). "Marijuana establishment licensees" shall include [but not be limited](#)
18 [to](#), compassion centers, medical marijuana cultivators, ~~and~~ cannabis testing laboratories, [adult use](#)
19 [marijuana retailers, hybrid marijuana cultivators, and the holder of any other license issued by the](#)
20 [department of business regulation under chapters 28.6 or 28.12 of title 21 of the general laws and/or](#)
21 [as specified and defined in regulations promulgated by the department of business regulation](#).

22 (18) "Mature marijuana plant" means a marijuana plant that has flowers or buds that are
23 readily observable by an unaided visual examination.

24 (19) "Medical marijuana emporium" means any establishment, facility or club, whether
25 operated for-profit or nonprofit, or any commercial unit, at which the sale, distribution, transfer or
26 use of medical marijuana or medical marijuana products is proposed and/or occurs to, by or among
27 registered patients, registered caregivers, authorized purchaser cardholders or any other person.
28 This shall not include a compassion center regulated and licensed by the department of business
29 regulation pursuant to the terms of this chapter.

30 (20) "Medical marijuana" means marijuana and marijuana products that satisfy the
31 requirements of this chapter and have been given the designation of "medical marijuana" due to
32 dose, potency, form. Medical marijuana products are only available for use by patient cardholders,
33 and may only be sold to or possessed by patient cardholders, or their registered caregiver, or

1 authorized purchaser in accordance with this chapter. Medical marijuana may not be sold to,
2 possessed by, manufactured by, or used except as permitted as under this chapter.

3 (21) "Medical marijuana plant tag set" or "plant tag" means any tag, identifier, registration,
4 certificate, or inventory tracking system authorized or issued by the department or which the
5 department requires be used for the lawful possession and cultivation of medical marijuana plants
6 in accordance with this chapter.

7 (22) "Medical use" means the acquisition, possession, cultivation, manufacture, use,
8 delivery, transfer, or transportation of medical marijuana or paraphernalia relating to the
9 consumption of marijuana to alleviate a patient cardholder's debilitating medical condition or
10 symptoms associated with the medical condition in accordance with the provisions of this chapter.

11 (23) "Practitioner" means a person who is licensed with authority to prescribe drugs
12 pursuant to chapters 34, 37, and 54 of title 5 who may provide a qualifying patient with a written
13 certification in accordance with regulations promulgated by the department of health.

14 (24) "Primary caregiver" means a natural person who is at least twenty-one (21) years old
15 who is registered under this chapter in order to, and who may assist one (1) qualifying patient, but
16 no more than five (5) qualifying patients, with their medical use of marijuana, provided that a
17 qualified patient may also serve as his or her own primary caregiver subject to the registration and
18 requirements set forth in § 21-28.6-4.

19 (25) "Qualifying patient" means a person who has been certified by a practitioner as having
20 a debilitating medical condition and is a resident of Rhode Island.

21 (26) "Registry identification card" means a document issued by the department of health
22 or the department of business regulation, as applicable, that identifies a person as a registered
23 qualifying patient, a registered primary caregiver, or authorized purchaser, or a document issued
24 by the department of business regulation or department of health that identifies a person as a
25 registered principal officer, board member, employee, volunteer, or agent of a compassion center,
26 licensed medical marijuana cultivator, cannabis testing lab, or any other medical marijuana
27 licensee.

28 (27) "Unusable marijuana" means marijuana seeds, stalks, and unusable roots and shall not
29 count towards any weight-based possession limits established in this chapter.

30 (28) "Usable marijuana" means the leaves and flowers of the marijuana plant, and any
31 mixture or preparation thereof, but does not include the seeds, stalks, and roots of the plant.

32 (29) "Wet marijuana" means the harvested leaves and flowers of the marijuana plant before
33 they have reached a dry state, as defined by regulations promulgated by the department of health
34 and department of business regulation.

1 (30) "Written certification" means a statement signed by a practitioner, stating that, in the
2 practitioner's professional opinion, the potential benefits of the medical use of marijuana would
3 likely outweigh the health risks for the qualifying patient. A written certification shall be made only
4 in the course of a bona fide, practitioner-patient relationship after the practitioner has completed a
5 full assessment of the qualifying patient's medical history. The written certification shall specify
6 the qualifying patient's debilitating medical condition or conditions which may include the
7 qualifying patient's medical records.

8 **21-28.6-5 Departments of health and business regulation to issue regulations.**

9 (a) Not later than ninety (90) days after the effective date of this chapter, the department of
10 health shall promulgate regulations governing the manner in which it shall consider petitions from
11 the public to add debilitating medical conditions to those included in this chapter. In considering
12 such petitions, the department of health shall include public notice of, and an opportunity to
13 comment in a public hearing, upon such petitions. The department of health shall, after hearing,
14 approve or deny such petitions within one hundred eighty (180) days of submission. The approval
15 or denial of such a petition shall be considered a final department of health action, subject to judicial
16 review. Jurisdiction and venue for judicial review are vested in the superior court. The denial of a
17 petition shall not disqualify qualifying patients with that condition, if they have a debilitating
18 medical condition as defined in § 21-28.6-3(57). The denial of a petition shall not prevent a person
19 with the denied condition from raising an affirmative defense.

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

28 (c) Not later than October 1, 2019, the department of business regulation shall promulgate
29 regulations not inconsistent with law, to carry into effect the provisions of this section, governing
30 the manner in which it shall consider applications for, and renewals of, registry identification cards
31 for primary caregivers. The department of business regulation's regulations shall establish
32 application and renewal fees. The department of business regulation may vary the application and
33 renewal fees along a sliding scale that accounts for a qualifying patient's or caregiver's income. The

1 department of business regulation may accept donations from private sources in order to reduce the
2 application and renewal fees.

3 21-28.6-6 Administration of departments of health and business regulation
4 regulations.

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

8 (1) Written certification as defined in § 21-28.6-3;

9 (2) Application fee, as applicable;

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

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

13 (5) Whether the patient elects to grow medical marijuana plants for himself or herself; and

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

18 (b) The department of health shall not issue a registry identification card to a qualifying
19 patient under the age of eighteen (18) unless:

20 (1) The qualifying patient's practitioner has explained the potential risks and benefits of the
21 medical use of marijuana to the qualifying patient and to a parent, guardian, or person having legal
22 custody of the qualifying patient; and

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

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

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

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

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

31 (d) The department of health shall not issue a registry identification card to a qualifying
32 patient seeking treatment for post-traumatic stress disorder (PTSD) under the age of eighteen (18).

33 (e) The department of health shall verify the information contained in an application or
34 renewal submitted pursuant to this section, and shall approve or deny an application or renewal

1 within thirty-five (35) days of receiving it. The department may deny an application or renewal
2 only if the applicant did not provide the information required pursuant to this section, or if the
3 department determines that the information provided was falsified, or that the renewing applicant
4 has violated this chapter under their previous registration. Rejection of an application or renewal is
5 considered a final department action, subject to judicial review. Jurisdiction and venue for judicial
6 review are vested in the superior court.

7 (f) If the qualifying patient's practitioner notifies the department of health in a written
8 statement that the qualifying patient is eligible for hospice care or chemotherapy, the department
9 of health and department of business regulation, as applicable, shall give priority to these
10 applications when verifying the information in accordance with subsection (e) and issue a registry
11 identification card to these qualifying patients, primary caregivers and authorized purchasers within
12 seventy-two (72) hours of receipt of the completed application. The departments shall not charge a
13 registration fee to the patient, caregivers or authorized purchasers named in the application. The
14 department of health may identify through regulation a list of other conditions qualifying a patient
15 for expedited application processing.

16 (g) Following the promulgation of regulations pursuant to § 21-28.6-5(c), the department
17 of business regulation may issue or renew a registry identification card to the qualifying patient
18 cardholder's primary caregiver, if any, who is named in the qualifying patient's approved
19 application. The department of business regulation shall verify the information contained in
20 applications and renewal forms submitted pursuant to this chapter prior to issuing any registry
21 identification card. The department of business regulation may deny an application or renewal if
22 the applicant or appointing patient did not provide the information required pursuant to this section,
23 or if the department determines that the information provided was falsified, or if the applicant or
24 appointing patient has violated this chapter under their previous registration or has otherwise failed
25 to satisfy the application or renewal requirements.

26 (1) A primary caregiver applicant or an authorized purchaser applicant shall apply to the
27 bureau of criminal identification of the department of attorney general, department of public safety
28 division of state police, or local police department for a national criminal records check that shall
29 include fingerprints submitted to the Federal Bureau of Investigation. Upon the discovery of any
30 disqualifying information as defined in subsection (g)(5), and in accordance with the rules
31 promulgated by the director, the bureau of criminal identification of the department of attorney
32 general, department of public safety division of state police, or the local police department shall
33 inform the applicant, in writing, of the nature of the disqualifying information; and, without
34 disclosing the nature of the disqualifying information, shall notify the department of business

1 regulation or department of health, as applicable, in writing, that disqualifying information has been
2 discovered.

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

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

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

25 (5) Information produced by a national criminal records check pertaining to a conviction
26 for any felony offense under chapter 28 of this title 21 ("Rhode Island Controlled Substances Act");
27 murder; manslaughter; rape; first-degree sexual assault; second-degree sexual assault; first-degree
28 child molestation; second-degree child molestation; kidnapping; first-degree arson; second-degree
29 arson; mayhem; robbery; burglary; breaking and entering; assault with a dangerous weapon; assault
30 or battery involving grave bodily injury; and/or assault with intent to commit any offense
31 punishable as a felony or a similar offense from any other jurisdiction shall result in a letter to the
32 applicant and the department of health or department of business regulation, as applicable,
33 disqualifying the applicant. If disqualifying information has been found, the department of health
34 or department of business regulation, as applicable, may use its discretion to issue a primary

1 caregiver registry identification card or an authorized purchaser registry identification card if the
2 applicant's connected patient is an immediate family member and the card is restricted to that
3 patient only. [Any disqualification or denial of registration hereunder shall be subject to the](#)
4 [provisions of § 28-5.1-14 of the general laws.](#)

5 (6) The primary caregiver or authorized purchaser applicant shall be responsible for any
6 expense associated with the national criminal records check.

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

12 (8) The office of cannabis regulation may adopt rules and regulations based on federal
13 guidance provided those rules and regulations are designed to comply with federal guidance and
14 mitigate federal enforcement against the registrations and licenses issued under this chapter.

15 (h)(1) On or before December 31, 2016, the department of health shall issue registry
16 identification cards within five (5) business days of approving an application or renewal that shall
17 expire two (2) years after the date of issuance.

18 (2) Effective January 1, 2017, and thereafter, the department of health or the department of
19 business regulation, as applicable, shall issue registry identification cards within five (5) business
20 days of approving an application or renewal that shall expire one year after the date of issuance.

21 (3) Registry identification cards shall contain:

22 (i) The date of issuance and expiration date of the registry identification card;

23 (ii) A random registry identification number;

24 (iii) A photograph; and

25 (iv) Any additional information as required by regulation or the department of health or
26 business regulation as applicable.

27 (i) Persons issued registry identification cards by the department of health or department
28 of business regulation shall be subject to the following:

29 (1) A qualifying patient cardholder shall notify the department of health of any change in
30 his or her name, address, primary caregiver, or authorized purchaser; or if he or she ceases to have
31 his or her debilitating medical condition, within ten (10) days of such change.

32 (2) A qualifying patient cardholder who fails to notify the department of health of any of
33 these changes is responsible for a civil infraction, punishable by a fine of no more than one hundred
34 fifty dollars (\$150). If the patient cardholder has ceased to suffer from a debilitating medical

1 condition, the card shall be deemed null and void and the person shall be liable for any other
2 penalties that may apply to the person's nonmedical use of marijuana.

3 (3) A primary caregiver cardholder or authorized purchaser shall notify the issuing
4 department of any change in his or her name or address within ten (10) days of such change. A
5 primary caregiver cardholder or authorized purchaser who fails to notify the issuing department of
6 any of these changes is responsible for a civil infraction, punishable by a fine of no more than one
7 hundred fifty dollars (\$150).

8 (4) When a qualifying patient cardholder or primary caregiver cardholder notifies the
9 department of health or department of business regulation, as applicable, of any changes listed in
10 this subsection, the department of health or department of business regulation, as applicable, shall
11 issue the qualifying patient cardholder and each primary caregiver cardholder a new registry
12 identification card within ten (10) days of receiving the updated information and a ten-dollar
13 (\$10.00) fee.

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

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

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

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

33 (j) Possession of, or application for, a registry identification card shall not constitute
34 probable cause or reasonable suspicion, nor shall it be used to support the search of the person or

1 property of the person possessing or applying for the registry identification card, or otherwise
2 subject the person or property of the person to inspection by any governmental agency.

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

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

16 (3) The department of health and the department of business regulation, as applicable, shall
17 maintain a confidential list of the persons to whom the department of health or department of
18 business regulation has issued authorized patient, primary caregiver, and authorized purchaser
19 registry identification cards. Individual names and other identifying information on the list shall be
20 confidential, exempt from the provisions of Rhode Island access to public records, chapter 2 of title
21 38, and not subject to disclosure, except to authorized employees of the departments of health and
22 business regulation as necessary to perform official duties of the departments and of this section.

23 (l) Notwithstanding subsections (k) and (m), the departments of health and business
24 regulation, as applicable, shall verify to law enforcement personnel whether a registry identification
25 card is valid and may provide additional information to confirm whether a cardholder is compliant
26 with the provisions of this chapter and the regulations promulgated hereunder. The department of
27 business regulation shall verify to law enforcement personnel whether a registry identification card
28 is valid and may confirm whether the cardholder is compliant with the provisions of this chapter
29 and the regulations promulgated hereunder. This verification may occur through the use of a shared
30 database, provided that any medical records or confidential information in this database related to
31 a cardholder's specific medical condition is protected in accordance with subsection (k)(1).

32 (m) It shall be a crime, punishable by up to one hundred eighty (180) days in jail and a one
33 thousand dollar (\$1,000) fine, for any person, including an employee or official of the departments
34 of health, business regulation, public safety, or another state agency or local government, to breach

1 the confidentiality of information obtained pursuant to this chapter. Notwithstanding this provision,
2 the department of health and department of business regulation employees may notify law
3 enforcement about falsified or fraudulent information submitted to the department or violations of
4 this chapter. Nothing in this act shall be construed as to prohibit law enforcement, public safety,
5 fire, or building officials from investigating violations of, or enforcing state law.

6 (n) On or before the fifteenth day of the month following the end of each quarter of the
7 fiscal year, the department of health and the department of business regulation shall report to the
8 governor, the speaker of the House of Representatives, and the president of the senate on
9 applications for the use of marijuana for symptom relief. The report shall provide:

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

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

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

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

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

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

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

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

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

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

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

11 (3) The number of marijuana plant tag sets ordered, delivered, and currently held within
12 the state;

13 (4) The total revenue collections of any monies related to its regulator activities for the
14 prior fiscal year, by the relevant category of collection, including enumerating specifically the total
15 amount of revenues foregone or fees paid at reduced rates pursuant to this chapter.

16
17 SECTION 6. Title 21 of the General Laws entitled "FOOD AND DRUGS" is hereby
18 amended by adding thereto the following Chapters:

19 CHAPTER 28.11

20 ADULT USE OF MARIJUANA ACT

21 21-28.11-1. Short title.

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

23 21-28.11-2. Legislative Findings.

24 The general assembly finds and declares that:

25 (1) Prohibiting the possession, cultivation, and sale of cannabis to adults has proven to be
26 an ineffective policy for the State of Rhode Island. In the absence of a legal, tightly regulated
27 market, an illicit cannabis industry has thrived, undermining the public health, safety and welfare
28 of Rhode Islanders.

29 (2) Regional and national shifts in cannabis policy have increased access to legal cannabis
30 and marijuana products for Rhode Islanders in other states, the sale of which benefits the residents
31 of the providing state while providing no funds to the State of Rhode Island to address the public
32 health, safety and welfare externalities that come with increased access to cannabis, including
33 marijuana.

34 (3) It is in the best interests of the of the State of Rhode Island to implement a new

1 regulatory framework and tax structure for the commercial production and sale of cannabis and
2 cannabis products, all aspects of which shall be tightly regulated and controlled by the provisions
3 of this act and the office of cannabis regulation, the revenue from which is to be used to tightly
4 regulate cannabis and cannabis products and to study and mitigate the risks and deleterious
5 impacts that cannabis and marijuana use may have on the citizens and State of Rhode Island.

6 **21-28.11-3. Definitions.**

7 For purposes of this chapter:

8 (1) “Adult use marijuana cultivator” means an entity that holds a license to cultivate
9 marijuana pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by
10 the office of cannabis regulation and includes a hybrid marijuana cultivator.

11 (2) “Adult use marijuana retailer” means an entity that holds a license to sell marijuana at
12 retail pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by the
13 office of cannabis regulation and includes a hybrid marijuana retailer.

14 (3) “Cannabis” means all parts of the plant of the genus marijuana, also known as marijuana
15 sativa L, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and
16 every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin
17 regardless of cannabinoid content or cannabinoid potency including “marijuana”, and “industrial
18 hemp” or “industrial hemp products” which satisfy the requirements of chapter 2-26 of the general
19 laws and the regulations promulgated thereunder.

20 (4) “Cannabis plant” means a cannabis plant, rooted or unrooted, with no observable flower
21 or buds.

22 (5) “Department” or “department of business regulation” means the office of cannabis regulation
23 within the department of business regulation or its successor agency.

24 (6) “Dwelling unit” means a room or group of rooms within a residential dwelling used or
25 intended for use by one family or household, or by no more than three (3) unrelated individuals, with
26 facilities for living, sleeping, sanitation, cooking, and eating.

27 (7) “Equivalent amount” means the portion of usable marijuana, be it in extracted, edible,
28 concentrated, or any other form, found to be equal to a portion of dried, marijuana, as defined by
29 regulations promulgated by the office of cannabis regulation.

30 (8) “Hybrid marijuana cultivator” means an entity that holds a medical marijuana cultivator
31 license pursuant to chapter 28.6 of title 21 that also holds a license to cultivate marijuana pursuant
32 to chapter 28.12 of title 21 and in accordance with regulations promulgated by the office of cannabis
33 regulation.

34 (9) “Hybrid marijuana retailer” means an entity that holds a medical marijuana compassion

1 center license pursuant to chapter 28.6 of title 21 that also holds a license to sell marijuana at retail
2 pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by the office
3 of cannabis regulation.

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

11 (11) "Industrial Hemp products" means all products made from industrial hemp plants,
12 including, but not limited to, concentrated oil, cloth, cordage, fiber, food, fuel, paint, paper,
13 construction materials, plastics, seed, seed meal, seed oil, and certified for cultivation which satisfy
14 the requirements of chapter 2-26 of the general laws and the regulations promulgated thereunder.

15 (12) "Marijuana" means all parts of the plant cannabis sativa L., whether growing or not;
16 the seeds of the plant; the resin extracted from any part of the plant; and every compound,
17 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin, but shall not
18 include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the
19 seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of
20 mature stalks, (except the resin extracted from it), fiber, oil or cake, or the sterilized seed from the
21 plant which is incapable of germination. Marijuana shall not include "industrial hemp" or
22 industrial hemp products" which satisfy the requirements of chapter 26 of title 2 of the general laws
23 and the regulations promulgated thereunder.

24 (13) "Marijuana establishment" and "marijuana establishment licensee" means any person
25 or entity licensed by the office of cannabis regulation under chapter 28.12 or chapter 28.6 of title
26 21 whose license permits it to engage in or conduct activities in connection with the adult use
27 marijuana industry or medical marijuana program and includes but is not limited to a licensed
28 adult use marijuana retailer, marijuana testing facility, hybrid marijuana retailer, adult use marijuana
29 cultivator, hybrid marijuana cultivator, compassion center, medical marijuana cultivator, or any
30 other license issued by the office of cannabis regulation under chapter 28.12 or chapter 28.6 of title
31 21 and/or as specified and defined in regulations promulgated by the office of cannabis regulation.

32 (14) "Marijuana paraphernalia" means equipment, products, and materials which are used
33 or intended for use in planting, propagating, cultivating, growing, harvesting, manufacturing,
34 compounding, converting, producing, processing, preparing, testing, analyzing, packaging,

1 repackaging, storing, containing, concealing, ingesting, or inhaling marijuana, or otherwise
2 introducing marijuana into the human body.

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

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

10 (17) "Office of cannabis regulation" means the office of cannabis regulation within the
11 department of business regulation.

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

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

20 (20) "State prosecution" means prosecution initiated or maintained by the state of Rhode Island
21 or an agency or political subdivision of the state of Rhode Island.

22 (21) "Vaporize" or "vape" means heating below the point of combustion and resulting in a
23 vapor or mist.

24 **21-28.11-4. Exempt activities.**

25 Effective from and after April 1, 2023, except as otherwise provided in this chapter:

26 (1) A person who is twenty-one (21) years of age or older is exempt from arrest, civil or
27 criminal penalty, seizure or forfeiture of assets, discipline by any state or local licensing board, and state
28 prosecution for solely engaging in the following acts:

29 (i) Actually or constructively using, obtaining, purchasing, transporting, or possessing one ounce
30 (1 oz.) or less of marijuana plant material, or an equivalent amount of marijuana product as determined
31 by regulations promulgated by the office of cannabis regulation, provided that a person who is twenty-
32 one (21) years of age or older may only purchase one ounce (1 oz.) of marijuana plant material, or an
33 equivalent amount of marijuana product as determined by regulations promulgated by the office of
34 cannabis regulation per day;

1 (ii) Possessing in the person’s primary residence in secured and locked storage five ounces
2 (5 oz) or less of marijuana plant material or an equivalent amount of marijuana product as determined
3 by regulations promulgated by the office of cannabis regulation, or possessing in any dwelling unit used
4 as the a primary residence by two or more persons who are each twenty-one (21) years of age or
5 older in secured and locked storage ten ounces (10 oz.) or less of marijuana plant material or an
6 equivalent amount of marijuana product as determined by regulations promulgated by the office of
7 cannabis regulation;

8 (iii) Controlling any premises or vehicle where persons who are twenty-one (21) years of age
9 or older possess, process, or store amounts of marijuana plant material and marijuana products that are
10 legal under state law under subsections (1)(i) and (1)(ii) of this section, provided that any and all
11 marijuana plant material and/or marijuana products in a vehicle are sealed, unused, and in their original
12 unopened packaging;

13 (iv) Giving away, without consideration, the amounts of marijuana and marijuana products
14 that are legal under state law under subsection (1)(i) of this section, if the recipient is a person who is
15 twenty-one (21) years of age or older, provided the gift or transfer of marijuana is not advertised or
16 promoted to the public and the gift or transfer of marijuana is not in conjunction with the sale or transfer
17 of any money, consideration or value, or another item or any other services in an effort to evade laws
18 governing the sale of marijuana;

19 (v) Aiding and abetting another person who is twenty-one (21) years of age or older in the
20 actions allowed under this chapter; and

21 (vi) Any combination of the acts described within subsections (1)(i) through (1)(v) of this
22 section, inclusive.

23 (2) Except as provided in this chapter and chapter 28.12 of title 21, an adult use marijuana
24 retailer, hybrid marijuana retailer or any person who is twenty-one (21) years of age or older and
25 acting in their capacity as an owner, principal officer, partner, board member, employee, or agent
26 of a licensed retailer is exempt from arrest, civil or criminal penalty, seizure or forfeiture of assets,
27 discipline by any state or local licensing board, and state prosecution for solely engaging in the
28 following acts:

29 (i) Actually or constructively transporting or possessing marijuana or marijuana products that
30 were purchased from a hybrid marijuana cultivator, another adult use marijuana retailer, or any other
31 marijuana establishment in accordance with regulations promulgated by the office of cannabis
32 regulation;

33 (ii) Manufacturing, possessing, producing, obtaining, or purchasing marijuana paraphernalia;

34 (iii) Selling, delivering, or transferring marijuana or marijuana products to another retailer in

1 accordance with regulations promulgated by the office of cannabis regulation;
2 (iv) Selling, transferring, or delivering, no more than, one ounce (1 oz.) of marijuana, or an
3 equivalent amount of marijuana product per day, or marijuana paraphernalia to any person who is
4 twenty-one (21) years of age or older, in accordance with regulations promulgated by the office of
5 cannabis regulation and within the transaction limits of this chapter, chapter 21-28.12 and transactions
6 limits specified in regulations promulgated by the office of cannabis regulation;
7 (v) Transferring or delivering marijuana or marijuana products to a cannabis testing facility
8 in accordance with regulations promulgated by the office of cannabis regulation;
9 (vi) Controlling any premises or vehicle where marijuana, marijuana products, and marijuana
10 paraphernalia are possessed, sold, or deposited in a manner that is not in conflict with this chapter or
11 the regulations pursuant thereto; and
12 (vii) Any combination of the acts described within subsections (2)(i) through (2)(vi) of this
13 section, inclusive.
14 (3) Except as provided in this chapter and chapter 28.12 of title 21, an adult use marijuana
15 cultivator, hybrid marijuana cultivator or any person who is twenty-one (21) years of age or older
16 and acting in their capacity as an owner, principal officer, partner, board member, employee, or agent
17 of a licensed cultivator is exempt from arrest, civil or criminal penalty, seizure or forfeiture of assets,
18 discipline by any state or local licensing board, and state prosecution for solely engaging in the
19 following acts:
20 (i) Cultivating, packing, processing, transporting, or manufacturing marijuana, but not
21 marijuana products, in accordance with regulations promulgated by the office of cannabis
22 regulation;
23 (ii) Transporting or possessing marijuana that was produced by the hybrid marijuana cultivator
24 or another marijuana establishment, in accordance with regulations promulgated by the office of
25 cannabis regulation;
26 (iii) Selling, delivering, or transferring marijuana to an adult use marijuana retailer, hybrid
27 marijuana retailer, another hybrid marijuana cultivator, or any other marijuana establishment, in
28 accordance with regulations promulgated by the office of cannabis regulation;
29 (iv) Purchasing marijuana from another hybrid marijuana cultivator;
30 (v) Delivering or transferring marijuana to a marijuana testing facility;
31 (vi) Controlling any premises or vehicle where marijuana is possessed, manufactured, sold, or
32 deposited, in accordance with regulations promulgated by the office of cannabis regulation; and
33 (vii) Any combination of the acts described within subsections (3)(i) through (3)(vi) of this
34 section, inclusive.

1 (4) Except as provided in this chapter and chapter 28.12 of title 21, a cannabis testing facility
2 or any person who is twenty-one (21) years of age or older and acting in their capacity as an owner,
3 principal officer, owner, partner, board member, employee, or agent of a licensed cannabis testing
4 facility shall not be subject to state prosecution; search, except by the department of business regulation
5 or department of health pursuant to § 21-28.12-8; seizure; or penalty in any manner or be denied any
6 right or privilege, including, but not limited to, civil penalty or disciplinary action by a court or business
7 licensing board or entity solely engaging in for the following acts:

8 (i) Acquiring, transporting, storing, or possessing marijuana or marijuana products, in
9 accordance with regulations promulgated by the office of cannabis regulation;

10 (ii) Returning marijuana and marijuana products to marijuana cultivation facilities, marijuana
11 retailers, other marijuana establishment licensees and industrial hemp license holders, in accordance
12 with regulations promulgated by the office of cannabis regulation;

13 (iii) Receiving compensation for analytical testing, including but not limited to testing for
14 contaminants and potency; and

15 (iv) Any combination of the acts described within subsections (4)(i) through (4)(iii) of this
16 section, inclusive.

17 (5) The acts listed in subsections (1) through (4) of this section, when undertaken in
18 compliance with the provisions of this chapter and regulations promulgated hereunder, are lawful
19 under Rhode Island law.

20 (6) Except as provided in this chapter and chapter 28.12 of title 21, a marijuana establishment
21 licensee or any person who is twenty-one (21) years of age or older and acting in their capacity as an
22 owner, principal officer, partner, board member, employee, or agent of licensed a marijuana
23 establishment created by the office of cannabis regulation is exempt from arrest, civil or criminal
24 penalty, seizure or forfeiture of assets, discipline by any state or local licensing board, and state
25 prosecution solely for possessing, transferring, dispensing, or delivering marijuana in accordance
26 with the corresponding marijuana establishment license regulations promulgated by the office of
27 cannabis regulation, or otherwise engaging in activities permitted under the specific marijuana
28 establishment license it holds as issued by the office of cannabis regulation and the regulations
29 promulgated by the office of cannabis regulation.

30 (7) Except for the exemptions set forth in subsection (1) of this section which shall be
31 effective from and after April 1, 2023, the exemptions set forth in subsections (2), (3), (4), (5) and
32 (6) of this section shall be effective as to a marijuana establishment licensee from and after the date
33 of issuance of a license by the office of cannabis regulation.

34 **21-28.11-5. Authorized activities; paraphernalia.**

1 (a) Any person who is twenty-one (21) years of age or older is authorized to manufacture,
2 produce, use, obtain, purchase, transport, or possess, actually or constructively, marijuana
3 paraphernalia in accordance with all applicable laws.

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

7 **21-28.11-6. Unlawful activities; penalties.**

8 (a) Except as expressly provided in this chapter and chapters 2-26, 28.6 and 21-28.12, no
9 person or entity shall cultivate, grow, manufacture, process, or otherwise produce cannabis,
10 cannabis plants or cannabis products.

11 (b) Any person who cultivates, grows, manufactures, processes, or otherwise produces
12 cannabis, cannabis plants or cannabis products in violation of this chapter and chapters 2-26, 21-
13 28.6, 21-28.12, and/or the regulations promulgated hereunder shall be subject to imposition of an
14 administrative penalty and order by the office of cannabis regulation as follows:

15 (i) for a violation of this section involving one (1) to five (5) cannabis plants, an
16 administrative penalty of \$2,000 per plant and an order requiring forfeiture and/or destruction of
17 said plants;

18 (ii) for a violation of this section involving six (6) to ten (10) cannabis plants, an
19 administrative penalty of \$3,000 per plant and an order requiring forfeiture and/or destruction of
20 said plants;

21 (iii) for a violation of this section involving eleven (11) to twenty (20) cannabis plants, an
22 administrative penalty of \$4,000 per plant and an order requiring forfeiture and/or destruction of
23 said plants;

24 (iv) for a violation of this section involving more than twenty (20) cannabis plants, an
25 administrative penalty of \$5,000 per plant and an order requiring forfeiture and/or destruction of
26 said plants;

27 (v) for any violation of this section involving more than twenty (20) cannabis plants, such
28 person and, in the case of an entity such entity's principal officers and other key persons, shall also
29 be guilty of a felony, and upon conviction shall be punished by imprisonment and a fine as provided
30 in chapter 21-28 of the general laws and the attorney general shall prosecute such criminal
31 violation; and

32 (vi) for any violation of this section involving possession of marijuana material or marijuana
33 products over the legal possession limits of this chapter, there shall be an administrative penalty of \$2,000
34 per ounce of equivalent marijuana material over the legal possession limit and an order requiring

1 forfeiture and/or destruction of said marijuana.

2 **21-28.11-7. Activities not exempt.**

3 The provisions of this chapter do not exempt any person from arrest, civil or criminal penalty,
4 seizure or forfeiture of assets, discipline by any state or local licensing board or authority, and state
5 prosecution for, nor may they establish an affirmative defense based on this chapter to charges arising
6 from, any of the following acts:

7 (1) Driving, operating, or being in actual physical control of a vehicle or a vessel under power
8 or sail while impaired by marijuana or marijuana products;

9 (2) Possessing marijuana or marijuana products if the person is incarcerated;

10 (3) Possessing marijuana or marijuana products in any local detention facility, county jail,
11 state prison, reformatory, or other correctional facility, including, without limitation, any facility for the
12 detention of juvenile offenders; or

13 (4) Manufacturing or processing of marijuana products with the use of prohibited solvents,
14 in violation of § 21-28.11-13.

15 **21-28.11-8. Marijuana use prohibitions.**

16 (a) No person shall smoke, vaporize or otherwise consume or use cannabis in a public
17 place. A person who violates this section shall be subject to imposition of any applicable penalty
18 or fine established pursuant to local ordinance by the municipality where the public consumption
19 or use occurred.

20 (b) No person shall smoke or vaporize cannabis in, on or about the premises of any housing
21 that is subject to regulation or otherwise within the purview of chapters 45-25, 45-26, 45-53 or 45-
22 60 of the general laws and any regulations promulgated thereunder. A person who smokes or
23 vaporizes cannabis in, on or about such housing premises shall be subject to imposition of any
24 applicable penalty established pursuant to local ordinance, access prohibition or restriction, eviction
25 or other action that may lawfully be taken by the owner and/or applicable authority with respect to
26 said housing.

27 (c) No person shall smoke or vaporize cannabis in, on or about the premises of any multi-
28 unit housing complex or building without the written permission of the owner of such property
29 and/or any applicable governing body of the housing complex or building. A person who smokes
30 or vaporizes cannabis in, on or about any multi-unit housing complex or building premises without
31 such written permission shall be subject to imposition of any applicable penalty established
32 pursuant to local ordinance, access prohibition or restriction, eviction or other action that may
33 lawfully be taken by the owner and/or any applicable authority with respect to such multi- unit
34 housing complex or building.

1 (d) No person or entity shall permit smoking, vaporizing or other consumption or use, sale,
2 distribution or other transfer or any proposed sale, distribution or transfer, of cannabis or cannabis
3 products in, on or about the premises of any place of business, establishment, or club, whether
4 public or private, and whether operated for-profit or nonprofit, or any commercial property or other
5 premises as further defined through regulations promulgated by the office of cannabis regulation,
6 unless a cannabis social use license or temporary cannabis social use permit has been issued by the
7 office of cannabis regulation with respect to such business, establishment, club or commercial
8 property premises in accordance with regulations promulgated by the office of cannabis regulation.
9 Any person or entity who violates this section shall be subject to imposition of administrative fine
10 and/or other penalty as prescribed by the office of cannabis regulation in such regulations.

11 **21-28.11-9. Places of employment.**

12 (a) Nothing in this chapter shall be construed to require an employer to accommodate the
13 use or possession of marijuana, or being under the influence of marijuana, in any workplace.

14 (b) An employer shall be entitled to implement policies prohibiting the use or possession
15 of marijuana in the workplace and/or working under the influence of marijuana, provided such
16 policies are in writing and uniformly applied to all employees and an employee is given prior
17 written notice of such policies by the employer.

18 (c) The provisions of this chapter shall not permit any person to undertake any task under
19 the influence of marijuana when doing so would constitute negligence or professional malpractice,
20 jeopardize workplace safety, or to operate, navigate or be in actual physical control of any motor
21 vehicle or other transport vehicle, aircraft, motorboat, machinery or equipment, or firearms under
22 the influence of marijuana.

23 (d) Notwithstanding any other section of the general laws, upon specific request of a person
24 who is a qualifying medical marijuana patient cardholder under chapter 28.6 of title 21, the
25 department of health may verify the requesting cardholder's status as a valid patient cardholder to
26 the qualifying patient cardholder's employer, in order to ensure compliance with patient protections
27 of § 21-28.6-4(e).

28 (e) Notwithstanding any other section of the general laws, an employer may take
29 disciplinary action against an employee, including termination of employment, if the results of a
30 drug test administered in accordance with section § 28-6.5-1 of the general laws demonstrates that
31 the employee was under the influence of or impaired by marijuana while in the workplace or during
32 the performance of work. For purposes of this subsection (e), a drug test that yields a positive result
33 for cannabis metabolites shall not be construed as proof that an employee is under the influence of
34 or impaired by marijuana unless the test yields a positive result for active THC, delta-9-

1 tetrahydrocannabinol, delta-8-tetrahydrocannabinol, or any other active cannabinoid found in
2 marijuana which causes intoxication and/or impairment.

3 **21-28.11-10. Private property.**

4 (a) Except as provided in this section, the provisions of this chapter do not require any person,
5 corporation, or any other entity that occupies, owns, or controls a property to allow the consumption, or
6 transfer of marijuana on or in that property.

7 (b) Except as provided in this section, in the case of the rental of a residential dwelling unit
8 governed by chapter 18 of title 34, a landlord may not prohibit the consumption of cannabis by non-
9 smoked or non-vaporized means, or the transfer without compensation of cannabis by the tenant as
10 defined in § 34-18-11, provided the tenant is in compliance with the possession and transfer limits
11 and other requirements set forth in § 21-28.11-4(1)(i)-(vi), and provided any such consumption or
12 transfer by the tenant is done within the tenant's dwelling unit and is not visible from outside of the
13 individual residential dwelling unit. A landlord may prohibit the consumption, display, and transfer of
14 cannabis by a roomer as defined in § 34-18-11 and by any other person who is not a tenant.

15 **21-28.11-12. Unlawful distribution to minors; penalties.**

16 (a) Except as expressly provided in chapter 28.6 of title 21 of the general laws, no person
17 or entity shall sell, deliver or otherwise transfer to any person who is under twenty-one (21) years
18 of age marijuana, marijuana plants or marijuana products.

19 (b) Any person or entity who sells, delivers or otherwise transfers marijuana, marijuana
20 plants or marijuana products to any person who is under twenty-one (21) years of age violation of
21 this chapter and chapter 28.12 of title 21 and/or the regulations promulgated hereunder shall be
22 subject to imposition of an administrative penalty by the office of cannabis regulation in the amount
23 of \$10,000 per violation.

24 (c) As to any violation of this section, such person, and in the case of an entity such entity's
25 principal officers and other key persons, shall also be guilty of a felony, and upon conviction shall
26 be punished by imprisonment and a fine as provided in chapter 28 of title 21 of the general laws
27 and the attorney general shall prosecute such criminal violation.

28 **21-28.11-13. Unlawful marijuana extraction, penalties.**

29 (a) No person, other than a licensee who is authorized to process marijuana pursuant to a
30 license under chapter 28.12 of title 21 and who is in compliance with this chapter, chapter 28.12 and
31 accompanying regulations or an agent of such licensee acting in that capacity, may extract compounds
32 from marijuana using solvents other than water, glycerin, propylene glycol, vegetable oil, or food grade
33 ethanol (ethyl alcohol). No person may extract compounds from marijuana using ethanol in the
34 presence or vicinity of open flame.

1 (b) A person who violates this section shall be subject to imposition of an administrative
2 penalty by the office of cannabis regulation of up to five thousand dollars (\$5,000) per violation.

3 (c) A person who violates this section shall also be guilty of a felony punishable by imprisonment
4 and a fine in accordance with chapter 28 of title 21 of the general laws and the attorney general shall
5 prosecute such criminal violation.

6 **21-28.11-14. Medical marijuana program parity.**

7 (a) No later than April 1, 2024, the department of business regulation shall, in collaboration
8 with the department of health and the office of management and budget, conduct and deliver to the
9 Governor, the Speaker of the House of Representatives, and the President of the Senate a study
10 relating to the impact of the implementation of adult use cannabis in Rhode Island on the existing
11 medical marijuana program (MMP) established pursuant to chapter 28.6 of title 21. This study shall
12 examine and make recommendations relating to, without limitation, the following:

13 (b) The extent to which the introduction of adult use cannabis has diminished or eliminated
14 the availability of certain medical marijuana products or product types;

15 (c) The extent to which patient cardholders in Rhode Island have experienced new or
16 greater obstacles to obtaining medical marijuana, including on the basis of price, quantity, product
17 type, or geographic location;

18 (d) The extent to which the number of caregiver registrations and/or the number of plant
19 tag certificates issued by the office of cannabis regulation increases or decreases;

20 (e) The extent to which the introduction of the new adult use cannabis tax and license fee
21 structure requires a realignment of the existing medical marijuana tax and license fee structure; and

22 (f) Any recommendations delivered to the Governor pursuant to this study shall be
23 considered by the Governor, the department, and the office of management and budget in the
24 development of the act proposing appropriations for the fiscal year beginning July 1, 2025.

25 CHAPTER 28.12

26 MARIJUANA REGULATION, CONTROL, AND TAXATION ACT

27 **21-28.12-1. Short title.**

28 This chapter shall be known and may be cited as the "Marijuana Regulation, Control, and
29 Taxation Act."

30 **21-28.12-2. Definitions.**

31 For purposes of this chapter:

32 (1) "Adult use marijuana cultivator" means an entity that holds a license to cultivate
33 marijuana pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by
34 the office of cannabis regulation and includes a hybrid marijuana cultivator.

1 (2) "Adult use marijuana retailer" means an entity that holds a license to sell marijuana at
2 retail pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by the
3 office of cannabis regulation and includes a hybrid marijuana retailer.

4 (3) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana
5 sativa L, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and
6 every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin
7 regardless of cannabinoid content or cannabinoid potency including "marijuana", and "industrial
8 hemp" or "industrial hemp products" which satisfy the requirements of chapter 26 of title 2 of the
9 general laws and the regulations promulgated thereunder.

10 (4) "Equivalent amount" means the portion of usable marijuana, be it in extracted, edible,
11 concentrated, or any other form, found to be equal to a portion of dried marijuana, as defined by
12 regulations promulgated by the office of cannabis regulation.

13 (5) "Hybrid marijuana cultivator" means an entity that holds a medical marijuana cultivator
14 license pursuant to chapter 28.6 of title 21 that also holds a license to cultivate marijuana pursuant
15 to chapter 28.12 of title 21 and in accordance with regulations promulgated by the office of cannabis
16 regulation.

17 (6) "Hybrid marijuana retailer" means an entity that holds a medical marijuana compassion
18 center license pursuant to chapter 28.6 of title 21 that also holds a license to sell marijuana at retail
19 pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by the office
20 of cannabis regulation.

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

30 (8) "Marijuana establishment" and "marijuana establishment licensee" means any person or
31 entity licensed by the office of cannabis regulation under this chapter or chapter 21-28.6 whose
32 license permits it to engage in or conduct activities in connection with the adult use marijuana
33 industry or medical marijuana program and includes but is not limited to a licensed adult use
34 marijuana retailer, marijuana testing facility, adult use marijuana cultivator, hybrid marijuana retailer,

1 hybrid marijuana cultivator, compassion center, medical marijuana cultivator or any other license issued by
2 the office of cannabis regulation under this chapter or chapter 28.6 of title 21 and/or as specified and defined
3 in regulations promulgated by the office of cannabis regulation.

4 (9) "Marijuana paraphernalia" means equipment, products, and materials which are used
5 or intended for use in planting, propagating, cultivating, growing, harvesting, manufacturing,
6 compounding, converting, producing, processing, preparing, testing, analyzing, packaging,
7 repackaging, storing, containing, concealing, ingesting, or inhaling marijuana, or otherwise
8 introducing marijuana into the human body.

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

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

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

21 (13) "State prosecution" means prosecution initiated or maintained by the state of Rhode Island
22 or an agency or political subdivision of the state of Rhode Island.

23 (14) "Vaporize" or "vape" means heating below the point of combustion and resulting in a
24 vapor or mist.

25 **21-28.12-3. Office of Cannabis Regulation.**

26 (a) The office of cannabis regulation within the department of business regulation shall
27 oversee the regulation, licensing and control of cannabis, including marijuana, medical marijuana
28 and industrial hemp, and such other matters within the jurisdiction of the department as determined
29 by the director. The head of the office shall serve as the chief of the office of cannabis regulation.
30 The chief shall be the executive and administrative head of the office and shall be responsible for
31 administering and enforcing the laws and regulations relating to cannabis in the state of Rhode
32 Island.

33 (b) Whenever in chapter 26 of title 2, and chapters 28.6, 28.11, and 28.12 of title 21 and
34 chapter 49.1 of title 44 of the general laws the words "department of business regulation" shall

1 appear, the words shall be deemed to mean the office of cannabis regulation within the department
2 of business regulation. Whenever in chapter 26 of title 2, and chapters 28.6, 28.11, and 28.12 of
3 title 21 and chapter 49.1 of title 44 of the general laws the words “office of cannabis regulation”
4 shall appear, the words shall be deemed to mean the office of cannabis regulation within the
5 department of business regulation.

6 (c) The office of cannabis regulation shall coordinate the executive branch response to the
7 regulation and control of cannabis including, but not limited to, strategic planning, coordination
8 and approval of regulations, educational content, planning and implementation, community
9 engagement, budget coordination, data collection and analysis functions, and any other duties
10 deemed necessary and appropriate by the office of cannabis regulation to carry out the provisions
11 of this chapter.

12 (d) In furtherance of coordinating the oversight of cannabis, including marijuana, medical
13 marijuana and industrial hemp, across state agencies, the office of cannabis regulation shall:

14 (1) Coordinate with the staff designated by the respective directors of each state agency
15 regarding the agency's promulgation and implementation of rules and regulations regarding adult use of
16 marijuana, medical marijuana and industrial hemp with the objective of producing positive economic,
17 public safety, and health outcomes for the state and its citizens;

18 (2) Offer guidance to and communicate with municipal officials regarding the implementation
19 and enforcement of this chapter and chapters 28.6 and 28.11;

20 (3) Align all policy objectives and the promulgation of rules and regulations across state
21 agencies to increase efficiency and eliminate unintended negative impacts on the state and its citizens;

22 (4) Communicate with regulatory officials from other states that allow marijuana for adult use,
23 medical marijuana use and industrial hemp production to learn from the experiences of those states;

24 (5) Anticipate, prioritize, and respond to emerging issues with the regulation of marijuana;

25 (6) Coordinate the collection of data on adult use of marijuana and medical marijuana use from
26 state agencies and report to the governor and legislature no later than April 1, 2023, and every year
27 thereafter. The report shall include, but is not limited to:

28 (i) The number and geographic distribution of all licensed marijuana establishments;

29 (ii) Data on the total amount of sales of marijuana and the total amount of revenue raised from
30 taxes and fees levied on marijuana;

31 (iii) Projected estimate of the total marijuana revenue that will be raised in the proceeding year;

32 (iv) The distribution of funds to programs and agencies from revenue raised from fees and
33 taxes levied on marijuana; and

1 (v) Any findings from the departments of health and public safety related to changes in
2 marijuana use rates and the impact, if any, of marijuana use on public health and public safety.

3 **21-28.12-4. Governor’s Cannabis Reinvestment Task Force.**

4 (a) There is hereby created the Governor’s Cannabis Reinvestment Task Force, members
5 of which shall be appointed by and serve at the pleasure of the Governor. There shall be fifteen
6 (15) members, with eight (8) members constituting a quorum. The members shall serve for an initial
7 term of one (1) year and may be reappointed for an additional period of one (1) year. The members
8 shall serve on the task force without compensation.

9 (b) The task force shall be co-chaired by the Director of the Department of Business
10 Regulation or her or his designee and the Secretary of the Executive Office of Health and Human
11 Services or her or his designee and shall also include the Directors of the Departments of Health,
12 Labor and Training, Public Safety, and the President of the Rhode Island Commerce Corporation,
13 or their designees.

14 (c) The task force shall further consist of, but not be limited to, representatives of municipal
15 government, faith-based organizations, Rhode Island-based community development corporations
16 (CDCs), industry associations, small business owners, and at least two (2) members of the Rhode
17 Island cannabis industry, including at least one (1) representative of a licensed compassion center
18 and one (1) representative of a licensed cultivator. No later than July 1, 2023, the task force shall
19 present recommendations to the office of cannabis regulation and the office of management and
20 budget specifically relating to the long-term reinvestment of adult use cannabis revenues in existing
21 or new programs or initiatives which shall include, but not be limited to: job training, small business
22 access to capital, affordable housing, health equity, and neighborhood and community
23 development. These recommendations shall contemplate an overall proportion of cannabis
24 revenues to be reinvested in these targeted areas, and shall be made with a specific focus on racial
25 equity, worker and family economic empowerment, the disproportionate impact of cannabis-related
26 law enforcement policies and procedures, and structural barriers to participation in Rhode Island’s
27 cannabis industry.

28 (d) All meetings of the task force shall be open meetings and all records of the task force
29 shall be public records. The office of cannabis regulation, the office of management and budget,
30 and the executive office of health and human services shall provide administrative support to the
31 task force as needed.

32 **21-28.12-5. Licensed retailers.**

33 (a) The department of business regulations shall accept applications for adult use marijuana
34 retailer licenses on an annual basis according to the following methodology:

1 (1) During the 12-month period beginning July 1, 2022, the department of business
2 regulation shall establish and open a first application period, the duration of which shall be
3 determined by the department, during which the department will accept applications for twenty-
4 five (25) adult use marijuana retailer licenses;

5 (2) During the 12-month period beginning July 1, 2023, the department of business
6 regulation shall establish and open a second application period, the duration of which shall be
7 determined by the department, during which the department will accept applications for an
8 additional twenty-five (25) adult use marijuana retailer licenses;

9 (3) During the 12-month period beginning July 1, 2024, the department of business
10 regulation shall establish and open a third application period, the duration of which shall be
11 determined by the department, during which the department will accept applications for an
12 additional twenty-five (25) adult use marijuana retail licenses; such that by June 30, 2025 the
13 department will have awarded or issued preliminary approval for no more than seventy-five (75)
14 adult use retail licenses;

15 (b) Beginning July 1, 2025 and for the years that follow, the department may make
16 additional retail adult use cannabis licenses available based on market factors including, but not
17 limited to, the findings of a market demand study conducted pursuant to § 21-28.12-18, and taking
18 into consideration the impact of said additional licenses on public health and safety.

19 (c) Excluding applications for hybrid marijuana retailer licenses as described in subsection
20 (f), to the extent that the total number of qualifying applications for retail licenses received during
21 any application period exceeds the number of licenses made available by the department pursuant
22 to this section, the department shall award the licenses to qualifying applicants selected by way of
23 a randomized lottery in accordance with rules and regulations promulgated by the department,
24 provided in no case shall the number of licenses awarded to qualifying minority business
25 enterprises, as defined in chapter 14.1 of title 37 and regulations promulgated thereunder, be fewer
26 than five (5) or twenty percent (20%) of the total number of licenses awarded on an annual basis,
27 whichever is greater.

28 (d) By January 1, 2024, the department of business regulation shall conduct a disparity
29 study examining the extent to which minority-owned businesses have been able to participate in
30 the adult use cannabis market in Rhode Island, and may recommend revisions to the ratio set forth
31 in subsection (c) as needed based on the findings of this study.

32 (e) The departments of administration and business regulation are hereby authorized to
33 jointly promulgate additional rules and regulations as needed to clarify and implement the process
34 of certification as a minority business enterprise for the purposes of this section.

1 (f) In addition to the adult use marijuana retailer licenses issued pursuant to subsection (a),
2 any person or entity to whom the department of business regulation has issued a compassion center
3 license or conditional compassion center application approval as of the date the department's
4 opening of the application period, and who is in good standing with the department pursuant to
5 chapter 28.6 of title 21 may apply for and shall be issued a hybrid marijuana retailer license during
6 the first application period, provided that any such applicant is in compliance with all applicable
7 regulations and demonstrates to the satisfaction of the department in accordance with regulations
8 promulgated hereunder that the applicant's proposed adult use licensure will have no adverse effect
9 on the medical marijuana program market and patient need. The department may deny an
10 application that fails to make this demonstration and/or may impose restrictions and conditions to
11 licensure as it deems appropriate to ensure no adverse effect on the medical marijuana program
12 market and patient needs. A hybrid marijuana retailer licensee must maintain its compassion center
13 license in good standing as a condition to licensure for its hybrid marijuana retailer license.

14 (g) An adult use marijuana retailer licensed under this section may acquire marijuana and
15 marijuana products from licensed hybrid marijuana cultivators and other licensed marijuana
16 establishments in accordance with regulations promulgated by department of business regulation,
17 and possess, deliver, transfer, transport, supply and sell at retail marijuana, marijuana products and
18 marijuana paraphernalia to persons who are twenty-one (21) years of age or older in accordance
19 with the provisions of chapters 28.11 and 28.12 of title 21 and the regulations promulgated by the
20 department of business regulation. A licensed adult use marijuana retailer shall not be a primary
21 caregiver cardholder and shall not hold a cooperative cultivation license. A licensed adult use
22 marijuana retailer shall not hold an adult use marijuana cultivator license and shall not grow or
23 cultivate marijuana except to the extent the adult use marijuana retailer is licensed as a hybrid
24 marijuana retailer issued to a compassion center that has been approved for cultivation of marijuana
25 pursuant to such compassion center license. The department of business regulation may restrict the
26 number, types, and classes of adult use marijuana licenses an applicant may be issued through
27 regulations promulgated by the department.

28 (h) The department of business regulation may promulgate regulations governing the
29 manner in which it shall consider applications for the licensing of adult use marijuana retailers and
30 registration of all of its owners, officers, directors, managers, members, partners, employees, and
31 agents, including but not limited to regulations governing:

32 (1) The form and content of licensing and renewal applications, including, without
33 limitation, required submission materials upon which the department shall determine suitability of
34 an applicant;

- 1 (2) Minimum oversight requirements for licensed adult use marijuana retailers;
2 (3) Minimum record-keeping requirements for adult use marijuana retailers;
3 (4) Minimum insurance requirements for adult use marijuana retailers;
4 (5) Minimum security requirements for adult use marijuana retailers;
5 (6) Procedures for suspending, revoking, or terminating the license of adult use marijuana
6 retailers that violate any provisions of this chapter or the regulations promulgated hereunder; and
7 (7) Applicable application and license fees.

8 (i) The license issued by the department of business regulation to an adult use marijuana
9 retailer and the registration issued to each of its owners, officers, directors, managers, members,
10 partners, employees and agents shall expire one (1) year after it was issued and the licensee may
11 apply for renewal with the department in accordance with its regulations pertaining to licensed
12 adult use marijuana retailers.

13 (j) The department of business regulation may promulgate regulations that govern how
14 much marijuana a licensed adult use marijuana retailer may possess. All marijuana acquired,
15 possessed and sold by a licensed adult use marijuana retailer must be catalogued in a seed to sale
16 inventory tracking system in accordance with regulations promulgated by the department of
17 business regulation.

18 (k) Adult use marijuana retailers shall only sell marijuana, marijuana products and
19 marijuana paraphernalia at retail to persons twenty-one (21) years of age or older in accordance
20 with chapters 28.11 and 28.12 of title 21 and the regulations promulgated by the department of
21 business regulation thereunder. Adult use marijuana retailers shall not sell any other products
22 except as otherwise permitted in regulations promulgated by the department of business regulation.
23 The department may suspend and/or revoke the adult use marijuana retailer's license and the
24 registration of any owner, officer, director, manager, member, partner, employee, or agent of such
25 adult use marijuana retailer and/or impose an administrative penalty in accordance with such
26 regulations promulgated by the department for any violation of chapters 28.11 or 28.12 of title 21
27 or the regulations promulgated thereunder. In addition, any violation of chapters 28.11 or 28.12 of
28 title 21 or the regulations promulgated pursuant to this subsection and subsection (h) shall cause a
29 licensed adult use marijuana retailer to lose the protections described in § 21-28.11-4(2) and may
30 subject the licensed adult use marijuana retailer and its owners, officers, directors, managers,
31 members, partners, employees, and agents to arrest and prosecution under Chapter 28 of title 21
32 (the Rhode Island Controlled Substances Act).

33 (l) Adult use marijuana retailers shall be subject to any regulations promulgated by the
34 department of health or department of business regulation that specify how marijuana must be

1 tested for items, including, but not limited to, potency, cannabinoid profile, and contaminants:

2 (m) Adult use marijuana retailers shall be subject to any product labeling requirements
3 promulgated by the department of business regulation and the department of health;

4 (n) Adult use marijuana retailers shall only be licensed to possess and sell marijuana,
5 marijuana products and marijuana paraphernalia at the location(s) set forth in its adult use
6 marijuana retailer license and registered with the department of business regulation and the
7 department of public safety. The department of business regulation may promulgate regulations
8 governing the department's approval of locations where adult use marijuana retailers are allowed
9 to operate. Adult use marijuana retailers must abide by all local ordinances, including zoning
10 ordinances.

11 (o) Adult use marijuana retailers shall be subject to inspection and audit by the department
12 of business regulation or the department of health for the purposes of enforcing regulations
13 promulgated pursuant to this chapter and all applicable Rhode Island general laws.

14 (p) An adult use marijuana retailer applicant, unless they are an employee with no equity,
15 ownership, financial interest, or managing control, shall apply to the bureau of criminal
16 identification of the department of attorney general, department of public safety division of state
17 police, or local police department for a national criminal records check that shall include
18 fingerprints submitted to the Federal Bureau of Investigation. Upon the discovery of any
19 disqualifying information as defined in subdivision (p)(2), and in accordance with the rules
20 promulgated by the director of the department of business regulation, the bureau of criminal
21 identification of the department of attorney general, department of public safety division of state
22 police, or the local police department shall inform the applicant, in writing, of the nature of the
23 disqualifying information; and, without disclosing the nature of the disqualifying information, shall
24 notify the department of business regulation, in writing, that disqualifying information has been
25 discovered.

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

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

34 (3) The adult use marijuana retailer applicant shall be responsible for any expense

1 associated with the national criminal records check.

2 (q) Persons issued adult use marijuana retailer licenses or registration cards shall be subject
3 to the following:

4 (1) A licensed adult use marijuana retailer cardholder shall notify and request approval
5 from the department of business regulation of any change in his or her name or address within ten
6 (10) days of such change. An adult use marijuana retailer cardholder who fails to notify the
7 department of business regulation of any of these changes is responsible for a civil infraction,
8 punishable by a fine of no more than one hundred fifty dollars (\$150).

9 (2) When a licensed adult use marijuana retailer cardholder notifies the department of
10 business regulation of any changes listed in this subsection, the department of business regulation
11 shall issue the adult use marijuana retailer cardholder a new license or registry identification card
12 after the department approves the changes and receives from the licensee payment of a fee specified
13 in regulation.

14 (3) If a licensed adult use marijuana retailer cardholder loses his or her registry
15 identification card, he or she shall notify the department of business regulation and submit a fee
16 specified in regulation within ten (10) days of losing the registry identification card. The department
17 of business regulation shall issue a new registry identification card with a new random
18 identification number.

19 (4) A licensed adult use marijuana retailer cardholder shall notify the department of
20 business regulation of any disqualifying criminal convictions as defined in subsection (p)(2). The
21 department of business regulation may choose to suspend and/or revoke his or her card after such
22 notification.

23 (5) If a licensed adult use marijuana retailer or adult use marijuana retailer cardholder
24 violates any provision of this chapter or regulations promulgated hereunder as determined by the
25 department of business regulation, his or her card or the issued license may be suspended and/or
26 revoked.

27 (r) No person or entity shall engage in activities described in this § 21-28.12-5 without an
28 adult use marijuana retailer license issued by the department of business regulation in accordance
29 with chapters 28.11 and 28.12 of title 21 and regulations promulgated thereunder by the department
30 of business regulation.

31 **21-28.12-6 Licensed cultivators.**

32 (a) On or after July 1, 2022, the department of business regulation shall establish and open
33 an application period during which it will accept applications for adult use marijuana cultivator
34 licenses. The duration of the application period, the number and class of adult use marijuana

1 licenses and the method of selection shall be determined in accordance with regulations
2 promulgated by the department of business regulation taking into consideration market demand
3 and the impact of said additional licenses on public health and safety.

4 (b) A medical marijuana cultivator licensed and in good standing with the department of
5 business regulation as of the opening of the application period may apply for and shall be issued a
6 hybrid marijuana cultivator license under this section, provided that a medical marijuana cultivator
7 licensee who applies for a hybrid marijuana cultivator license will be required to demonstrate to
8 the satisfaction of the department of business regulation in accordance with regulations
9 promulgated hereunder that the applicant's proposed adult use licensure will have no adverse effect
10 on the medical marijuana program market and patient need. The department of business regulation
11 may deny an application that fails to make this demonstration and/or may impose restrictions and
12 conditions to licensure as it deems appropriate to ensure no adverse effect on the medical marijuana
13 program market and patient needs. A licensed hybrid marijuana cultivator must maintain its
14 medical marijuana cultivator license in good standing as a condition to licensure for its hybrid
15 marijuana cultivator license.

16 (c) An adult use marijuana cultivator licensed pursuant to this section shall be authorized
17 to acquire, possess, cultivate, package, process, manufacture and transfer marijuana and marijuana
18 products, in accordance with chapters 28.11 and 28.12 of title 21 and regulations promulgated by
19 the department of business regulation, and may sell, deliver, or transfer marijuana and marijuana
20 products to adult use marijuana retailers, a cannabis testing laboratory, or another marijuana
21 establishment licensee in accordance with regulations promulgated by the department of business
22 regulation. A licensed cultivator shall not be a primary caregiver cardholder and shall not hold a
23 cooperative cultivation license. A licensed adult use marijuana cultivator shall not sell, deliver, or
24 transfer marijuana or marijuana products to a compassion center licensed under chapter 28.6 of title
25 21 except to the extent that the adult use marijuana cultivator is licensed as a hybrid cultivator
26 issued to a medical marijuana cultivator licensed and in good standing with the department of
27 business regulation and in accordance with the applicable regulations. A licensed adult use
28 marijuana cultivator shall not sell marijuana or marijuana products at retail or otherwise to the
29 general public. The department of business regulation may restrict the number, types, and classes
30 of adult use marijuana establishment licenses an applicant may be issued through regulations
31 promulgated by the department.

32 (d) The department of business regulation may promulgate regulations governing the
33 manner in which it shall consider applications for the licensing of adult use marijuana cultivators,
34 including but not limited to regulations governing:

- 1 (1) The form and content of licensing and renewal applications;
2 (2) Minimum oversight requirements for licensed adult use marijuana cultivators;
3 (3) Minimum record-keeping requirements for adult use marijuana cultivators;
4 (4) Minimum insurance requirements for adult use marijuana cultivators;
5 (5) Minimum security requirements for adult use marijuana cultivators;
6 (6) Procedures for suspending, revoking, or terminating the license of adult use marijuana
7 cultivators that violate any provisions of this chapter or the regulations promulgated hereunder and
8 (7) Applicable application and license fees.
- 9 (e) An adult use marijuana cultivator license issued by the department of business
10 regulation shall expire one (1) years after it was issued and the licensed hybrid marijuana cultivator
11 may apply for renewal with the department in accordance with its regulations pertaining to licensed
12 adult use marijuana cultivators.
- 13 (f) The department of business regulation may promulgate regulations that govern how
14 much marijuana a licensed adult use marijuana cultivator may cultivate and possess. All marijuana
15 possessed by a licensed adult use marijuana cultivator must be catalogued in a seed to sale inventory
16 tracking system in accordance with regulations promulgated by the department of business
17 regulation.
- 18 (g) Adult use marijuana cultivators shall only sell marijuana and marijuana products to
19 adult use marijuana retailers or another licensed marijuana establishment licensee in accordance
20 with regulations promulgated by the department of business regulation. The department may
21 suspend and/or revoke the adult use marijuana cultivator’s license and the registration of any owner,
22 officer, director, manager, member, partner, employee, or agent of such adult use marijuana
23 cultivator and/or impose an administrative penalty in accordance with such regulations
24 promulgated by the department for any violation of this section or the regulations. In addition, any
25 violation of this section or the regulations promulgated pursuant to this subsection and subsection
26 (f) shall cause a licensed adult use marijuana cultivator to lose the protections described in § 21-
27 28.11-4(3) and may subject the licensed adult use marijuana cultivator and its owners, officers,
28 directors, managers, members, partners, employees, or agents to arrest and prosecution under
29 chapter 28 of title 21 (the Rhode Island Controlled Substances Act).
- 30 (h) Adult use marijuana cultivators shall be subject to any regulations promulgated by the
31 department of health or department of business regulation for marijuana testing, including, but not
32 limited to, potency, cannabinoid profile, and contaminants;
- 33 (i) Adult use marijuana cultivators shall be subject to any product packaging and labeling
34 requirements promulgated by the department of business regulation and the department of health;

1 (j) Adult use marijuana cultivators shall only be licensed to cultivate and process marijuana
2 at a single location, registered with the department of business regulation and the department of
3 public safety provided that a hybrid marijuana cultivator licensee whose hybrid license and medical
4 marijuana cultivator license under chapter 28.6 of title 21 is in good standing may cultivate and
5 process adult use marijuana at an additional location that is separate from its original licensed
6 premises if approved in accordance with regulations adopted by the department of business
7 regulation. Adult use marijuana cultivators must abide by all local ordinances, including zoning
8 ordinances.

9 (k) Adult use marijuana cultivators shall be subject to reasonable inspection by the
10 department of business regulation and the department of health for the purposes of enforcing
11 regulations promulgated pursuant to this chapter and all applicable Rhode Island general laws.

12 (l) An adult use marijuana cultivator applicant, unless they are an employee with no equity,
13 ownership, financial interest, or managing control, shall apply to the bureau of criminal
14 identification of the department of attorney general, department of public safety division of state
15 police, or local police department for a national criminal records check that shall include
16 fingerprints submitted to the Federal Bureau of Investigation. Upon the discovery of any
17 disqualifying information as defined in subdivision (l)(2), and in accordance with the rules
18 promulgated by the director of the department of business regulation, the bureau of criminal
19 identification of the department of attorney general, department of public safety division of state
20 police, or the local police department shall inform the applicant, in writing, of the nature of the
21 disqualifying information; and, without disclosing the nature of the disqualifying information, shall
22 notify the department of business regulation, in writing, that disqualifying information has been
23 discovered.

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

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

32 (3) An adult use marijuana cultivator applicant shall be responsible for any expense
33 associated with the national criminal records check.

1 (m) Persons issued adult use marijuana cultivator licenses or registration cards shall be
2 subject to the following:

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

8 (2) When a licensed adult use marijuana cultivator cardholder notifies the department of
9 business regulation of any changes listed in this subsection, the department of business regulation
10 shall issue the adult use marijuana cultivator cardholder a new license or registry identification card
11 after the department approves the changes and receives from the licensee payment of a fee specified
12 in regulation.

13 (3) If a licensed adult use marijuana cultivator cardholder loses his or her registry
14 identification card, he or she shall notify the department of business regulation and submit a fee
15 specified in regulation within ten (10) days of losing the registry identification card. The
16 department of business regulation shall issue a new registry identification card with a new random
17 identification number.

18 (4) A licensed adult use marijuana cultivator cardholder shall notify the department of
19 business regulation of any disqualifying criminal convictions as defined in subdivision (1)(2). The
20 department of business regulation may choose to suspend and/or revoke his or her card after such
21 notification.

22 (5) If a licensed adult use marijuana cultivator or hybrid marijuana cultivator cardholder
23 violates any provision of this chapter or regulations promulgated hereunder as determined by the
24 department of business regulation, his or her card or the issued license may be suspended and/or
25 revoked.

26 (n) No person or entity shall engage in activities described in this § 21-28.12-6 without an
27 adult use marijuana cultivator license issued by the department of business regulation.

28 21-28.12-7. Other supporting marijuana establishment licenses.

29 (a) The office of cannabis regulation shall have the authority to promulgate regulations to
30 establish and implement additional types and classes of commercial marijuana establishment
31 licenses, including but not limited to, craft cultivators, marijuana processors and licenses for
32 businesses to engage in marijuana, destruction, delivery, disposal, research and development,
33 transportation, social use licenses, or any other commercial activity needed to support licensed
34 hybrid marijuana cultivators, licensed adult use marijuana retailers, and licensed cannabis testing

1 facilities, provided no such license created by the department shall allow for the retail sale of
2 marijuana.

3 (b) The office of cannabis regulation shall promulgate regulations governing the manner
4 in which it shall accept applications and issue licenses for such additional types and classes of
5 marijuana establishment licenses, in accordance with this section provided that any regulations
6 establishing a new license type shall include a mechanism to issue not less than 50% of such license
7 type to minority business enterprises (MBEs), as defined in chapter 14.1 of title 37 and regulations
8 promulgated thereunder, during the first application period, provided that this ratio shall be subject
9 to annual review and revision according to rules and regulations promulgated by the department
10 pursuant to this section and the disparity study conducted pursuant to § 21-28.12-5(d).

11 (c) The office of cannabis regulation shall promulgate regulations governing the manner in
12 which it shall consider applications for the licensing and renewal of each type of additional
13 marijuana establishment license necessary and proper to enforce the provisions of and carry out the
14 duties assigned to it under this chapter and chapter 28.11, including but not limited to regulations
15 governing:

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

17 (2) Application and licensing fees for marijuana establishment licensees;

18 (3) Procedures for the approval or denial of a license, and procedures for suspension or
19 revocation of the license of any marijuana establishment licensee that violates the provisions of this
20 chapter, chapter 28.11 or the regulations promulgated thereunder in accordance with the provisions
21 of chapter 35 of title 42 of the general laws;

22 (4) Minimum oversight requirements for marijuana establishment licensees;

23 (5) The allowable size, scope and permitted activities of marijuana establishment licensees
24 and facilities and the number and type of licenses that a marijuana establishment licensee may be
25 issued;

26 (6) Minimum record-keeping requirements for marijuana establishment licensees;

27 (7) Minimum security requirements for additional adult use marijuana establishment
28 licensees; and

29 (8) Compliance with municipal zoning restrictions, if any, which comply with § 21-28.12-
30 12 of this chapter.

31 (d) The department of health, in coordination with the office of cannabis regulation, shall
32 have authority to promulgate regulations to create and implement all licenses involving cannabis
33 reference testing requirements including approval, laboratory proficiency programs and proficiency
34 sample providers, quality assurance sample providers, round robin testing and regulations

1 establishing quality control and test standardization, and create and implement additional types and
2 classes of licensed cannabis testing facilities in accordance with regulations promulgated
3 hereunder.

4 (e) The department of health or the office of cannabis regulation, as applicable, shall issue
5 each principal officer, board member, agent, volunteer, and employee of a marijuana establishment
6 license a registry identification card or renewal card after receipt of the person's name, address,
7 date of birth; a fee in an amount established by the department of health or the office of cannabis
8 regulation; and, when the applicant holds an ownership, equity, controlling, or managing stake in
9 the marijuana establishment license as defined in regulations promulgated by the office of cannabis
10 regulation, notification to the department of health or the office of cannabis regulation by the
11 department of public safety division of state police, attorney general's office, or local law
12 enforcement that the registry identification card applicant has not been convicted of a felony drug
13 offense or has not entered a plea of nolo contendere for a felony drug offense and received a
14 sentence of probation. Each card shall specify that the cardholder is a principal officer, board
15 member, agent, volunteer, employee, or other designation required by the departments of marijuana
16 establishment license and shall contain the following:

17 (i) The name, address, and date of birth of card applicant;

18 (ii) The legal name of the marijuana establishment licensee to which the applicant is
19 affiliated;

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

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

22 (v) A photograph, if the department of health or the office of cannabis regulation decides
23 to require one; and

24 (vi) Any other information or card classification that the office of cannabis regulation or
25 department of health requires.

26 (f) Except as provided in subsection (e), neither the department of health nor the office of
27 cannabis regulation shall issue a registry identification card to any card applicant who holds an
28 ownership, equity, controlling, or managing stake in the marijuana establishment license as defined
29 in regulations promulgated by the office of cannabis regulation, who has been convicted of a felony
30 drug offense or has entered a plea of nolo contendere for a felony drug offense and received a
31 sentence of probation or who the department has otherwise deemed unsuitable. If a registry
32 identification card is denied, the applicant will be notified in writing of the purpose for denying the
33 registry identification card.

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

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

18 (iii) All registry identification card applicants shall be responsible for any expense
19 associated with the criminal background check with fingerprints.

20 (h) A registry identification card of a principal officer, board member, agent, volunteer, or
21 employee, or any other designation required by the office of cannabis regulation shall expire one
22 year after its issuance, or upon the termination of the principal officer, board member, agent,
23 volunteer or employee's relationship with the marijuana establishment licensee, or upon the
24 termination or revocation of the affiliated marijuana establishment’s license, whichever occurs first.

25 (i) A registration identification card holder shall notify and request approval from the office
26 of cannabis regulation or department of health of any change in his or her name or address within
27 ten (10) days of such change. A cardholder who fails to notify the office of cannabis regulation or
28 health of any of these changes is responsible for a civil infraction, punishable by a fine of no more
29 than one hundred fifty dollars (\$150).

30 (j) When a cardholder notifies the department of health or the office of cannabis regulation
31 of any changes listed in this subsection, the department shall issue the cardholder a new registry
32 identification after receiving the updated information and a ten dollar (\$10.00) fee.

1 (k) If a cardholder loses his or her registry identification card, he or she shall notify the
2 department of health or the office of cannabis regulation and submit a ten dollar (\$10.00) fee within
3 ten (10) days of losing the card and the department shall issue a new card.

4 (l) Registry identification cardholders shall notify the office of cannabis regulation or
5 health of any disqualifying criminal convictions as defined in subdivision (g)(i). The applicable
6 department may choose to suspend and/or revoke his or her registry identification card after such
7 notification.

8 (m) If a registry identification cardholder violates any provision of this chapter or
9 regulations promulgated hereunder as determined by the departments of health and office of
10 cannabis regulation, his or her registry identification card may be suspended and/or revoked.

11 (n) The office of cannabis regulation may limit or prohibit a medical marijuana
12 establishment's operation under an adult use marijuana establishment license if the office of
13 cannabis regulation determines that failure to do so would threaten medical marijuana patients'
14 access to marijuana products needed to treat qualifying conditions.

15 (o) Licensees may hold a medical marijuana establishment license and an adult use
16 marijuana establishment license in accordance with regulations promulgated by the office of
17 cannabis regulation.

18 21-28.12-8. Ineligibility for license.

19 A marijuana establishment may not operate, and a prospective marijuana establishment
20 may not apply for a license, if any of the following are true:

21 (1) The person or entity is applying for a license to operate as a marijuana establishment
22 and the establishment would operate in a location that is within one thousand (1,000) feet of the
23 property line of a preexisting public or private school; or

24 (2) The establishment would be located at a site where the use is not permitted by applicable
25 zoning classification or by special use permit or other zoning approval, or if the proposed location
26 would otherwise violate a municipality's zoning ordinance; or

27 (3) The establishment would be located in a municipality in which the kind of marijuana
28 establishment being proposed is not permitted pursuant to a referendum approved in accordance
29 with § 21-28.12-12. For purpose of illustration but not limitation, an adult use marijuana retailer
30 may not operate in a municipality in which residents have approved by a simple majority
31 referendum a ban on marijuana retailers.

32 (4) If any marijuana establishment licensee including an adult use marijuana retailer applicant is
33 deemed unsuitable or denied a license or any of its owners, officers, directors, managers, members,
34 partners or agents is denied a registry identification card by the office of cannabis regulation.

1 **21-28.12-9. License Required.**

2 No person or entity shall engage in any activities in which a licensed marijuana
3 establishment licensee may engage pursuant to chapters 28.6, 28.11 or 28.12 of title 21 and the
4 regulations promulgated thereunder, without the license that is required in order to engage in such
5 activities issued by the office of cannabis regulation and compliance with all provisions of such
6 chapters 28.6, 28.11 and 28.12 of title 21 and the regulations promulgated thereunder.

7 **21.28.12-10. Enforcement.**

8 (a)(1) Notwithstanding any other provision of this chapter, if the director of the department
9 of business regulation or his or her designee has cause to believe that a violation of any provision
10 of chapters 21-28.6, 21-28.11 or 28.12 or any regulations promulgated thereunder has occurred by
11 a licensee that is under the department’s jurisdiction pursuant to chapters 21-28.6, 21-28.11 or
12 28.12, or that any person or entity is conducting any activities requiring licensure or registration by
13 the office of cannabis regulation under chapters 21-28.6, 21-28.11 or 28.12 or the regulations
14 promulgated thereunder without such licensure or registration, the director or his or her designee
15 may, in accordance with the requirements of the administrative procedures act, chapter 35 of title
16 42:

17 (i) With the exception of patients and authorized purchasers, revoke or suspend a license
18 or registration;

19 (ii) Levy an administrative penalty in an amount established pursuant to regulations
20 promulgated by the office of cannabis regulation;

21 (iii) Order the violator to cease and desist such actions;

22 (iv) Require a licensee or registrant or person or entity conducting any activities requiring
23 licensure or registration under chapters 21-28.6, 21-28.11 or 28.12 to take such actions as are
24 necessary to comply with such chapter and the regulations promulgated thereunder; or

25 (v) Any combination of the above penalties.

26 (2) If the director of the department of business regulation finds that public health, safety,
27 or welfare imperatively requires emergency action, and incorporates a finding to that effect in his
28 or her order, summary suspension of license or registration and/or cease and desist may be ordered
29 pending proceedings for revocation or other action. These proceedings shall be promptly instituted
30 and determined.

31 (b) If a person exceeds the possession limits set forth in chapters 21-28.6, 21-28.11 or 21-
32 28.12, or is in violation of any other section of chapters 21-28.6, 21-28.11 or 28.12 or the
33 regulations promulgated thereunder, he or she may also be subject to arrest and prosecution under
34 chapter 28 of title 21 of the general laws.

1 (c) All marijuana establishment licensees are subject to inspection by the office of cannabis
2 regulation including but not limited to, the licensed premises, all marijuana and marijuana products
3 located on the licensed premises, personnel files, training materials, security footage, all business
4 records and business documents including but not limited to purchase orders, transactions, sales,
5 and any other financial records or financial statements whether located on the licensed premises or
6 not.

7 (d) All marijuana products that are held within the borders of this state in violation of the
8 provisions of chapters 28.6, 28.11 or 28.12 of title 21 or the regulations promulgated thereunder
9 are declared to be contraband goods and may be seized by the office of cannabis regulation, the tax
10 administrator or his or her agents, or employees, or by any sheriff, or his or her deputy, or any
11 police or other law enforcement officer when requested by the tax administrator or office of
12 cannabis regulation to do so, without a warrant. All contraband goods seized by the state under this
13 chapter may be destroyed.

14 (e) Notwithstanding any other provision of law, the office of cannabis regulation may make
15 available to law enforcement and public safety personnel, any information that the department's
16 director or his or her designee may consider proper contained in licensing records, inspection
17 reports and other reports and records maintained by the office of cannabis regulation, as necessary
18 or appropriate for purposes of ensuring compliance with state laws and regulations. Nothing in this
19 act shall be construed to prohibit law enforcement, public safety, fire, or building officials from
20 investigating violations of, or enforcing state law.

21 **21-28.12-11. Rulemaking authority.**

22 (a) The department of business regulation may adopt all rules and regulations necessary and
23 convenient to carry out and administer the provisions in this chapter and chapter 28.11 including
24 operational requirements applicable to licensees and regulations as are necessary and proper to
25 enforce the provisions of and carry out the duties assigned to it under this chapter and chapter 28.11,
26 including but not limited to regulations governing:

27 (1) Record-keeping requirements for marijuana establishment licensees;

28 (2) Security requirements for marijuana establishment licensees including but not limited
29 to the use of:

30 (i) An alarm system, with a backup power source, that alerts security personnel and local
31 law enforcement officials of any unauthorized breach;

32 (ii) Perpetual video surveillance system, with a backup power source, that records video
33 surveillance must be stored for at least two (2) months and be accessible to the office of cannabis
34 regulation via remote access and to law enforcement officials upon request;

1 (iii) Protocols that ensure the secure transport, delivery, and storage of cannabis and
2 cannabis products;

3 (iv) Additional security measures to protect against diversion or theft of cannabis from
4 cannabis cultivation facilities that cultivate cannabis outdoors; and

5 (v) any additional requirements deemed necessary by the office of cannabis regulation;

6 (3) Requirements for inventory tracking and the use of seed to sale monitoring system(s)
7 approved by the state which tracks all cannabis from its origin up to and including the point of sale;

8 (4) Permitted forms of advertising and advertising content.

9 (5) Permitted forms of marijuana products including, but not limited to, regulations which:

10 (i) prohibit any form of marijuana product which is in the shape or form of an animal,
11 human, vehicle, or other shape or form which may be attractive to children;

12 (ii) prohibit any marijuana “additives” which could be added, mixed, sprayed on, or applied
13 to an existing food product without a person’s knowledge; and

14 (iii) include any other requirements deemed necessary by the office of cannabis regulation;

15 and

16 (6) Limits for marijuana product serving sizes, doses, and potency including but not limited
17 to regulations which:

18 (i) limit all servings of edible forms of marijuana to no more than five milligrams (5 mg)
19 of THC per serving;

20 (ii) limit the total maximum amount of THC per edible product package to one hundred
21 milligrams (100 mg) of THC;

22 (iii) limit the THC potency of any product;

23 (iv) may establish product or package limits based on the total milligrams of THC; and

24 (v) include any additional requirements or limitations deemed necessary by the office of
25 cannabis regulation in consultation with the department of health.

26 (7) Product restrictions including but not limited to regulations which:

27 (i) establish a review process for the office of cannabis regulation to approve or deny forms
28 of marijuana products which may require marijuana establishment licensees to submit a proposal,
29 which includes photographs of the proposed product properly packaged and labeled and any other
30 materials deemed necessary by the office of cannabis regulation, to the office of cannabis regulation
31 for each line of cannabis products;

32 (ii) place additional restrictions on marijuana products to safeguard public health and
33 safety, as determined by the office of cannabis regulation in consultation with the executive branch
34 state agencies;

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

1 shopper program, round robin testing, or any other mechanism to ensure the accuracy of product
2 testing and labeling;

3 (vii) require marijuana establishment licensees and marijuana products to comply with any
4 applicable food safety requirements determined by the office of cannabis regulation and/or the
5 department of health;

6 (viii) include any additional requirements deemed necessary by the office of cannabis
7 regulation and the department of health; and

8 (ix) allow the office of cannabis regulation, in coordination with the department of health, at
9 their discretion, to temporarily remove, or phase in, any requirement for laboratory testing if it finds
10 that there is not sufficient laboratory capacity for the market.

11 (10) Online sales;

12 (11) Transport and delivery;

13 (12) Marijuana and marijuana product packaging and labeling including but not limited to
14 requirements that packaging be:

15 (i) opaque;

16 (ii) constructed to be significantly difficult for children under five (5) years of age to open
17 and not difficult for normal adults to use properly as defined by 16 C.F.R. 1700.20 (1995) or another
18 approval standard or process approved by the office of cannabis regulation;

19 (iii) designed in a way that is not deemed as especially appealing to children; and

20 (iv) any other regulations required by the office of cannabis regulation.

21 (13) Regulations for the quarantine and/or destruction of unauthorized materials;

22 (14) Industry and licensee production limitations;

23 (15) Procedures for the approval or denial of a license, and procedures for suspension or
24 revocation of the license of any marijuana establishment licensee that violates the provisions of this
25 chapter, chapter 28.11 or the regulations promulgated thereunder in accordance with the provisions
26 of chapter 35 of title 42 of the general laws;

27 (16) Compliance with municipal zoning restrictions, if any, which comply with § 21-28.12-
28 12 of this chapter;

29 (17) Standards and restrictions for marijuana manufacturing and processing which shall
30 include but not be limited to requirements that marijuana processors;

31 (i) comply with all applicable building and fire codes;

32 (ii) receive approval from the state fire marshal's office for all forms of manufacturing that
33 use a heat source or flammable solvent;

1 (iii) require any marijuana processor that manufactures edibles of marijuana infused food
2 products to comply with all applicable requirements and regulations issued by the department of
3 health's office of food safety; and

4 (iv) comply with any other requirements deemed suitable by the office of cannabis
5 regulation.

6 (18) Standards for employee and workplace safety and sanitation;
7 (19) Standards for employee training including but not limited to:

8 (i) requirements that all employees of cannabis establishments must participate in a
9 comprehensive training on standard operating procedures, security protocols, health and sanitation
10 standards, workplace safety, and the provisions of this chapter prior to working at the establishment.
11 Employees must be retrained on an annual basis or if state officials discover a cannabis
12 establishment in violation of any rule, regulation, or guideline in the course of regular inspections
13 or audits; and

14 (ii) any other requirements deemed appropriate by the office of cannabis regulation; and

15 (20) Mandatory labeling that must be affixed to all packages containing cannabis or
16 cannabis products including but not limited to requirements that the label display:

17 (i) the name of the establishment that cultivated the cannabis or produced the cannabis
18 product;

19 (ii) the tetrahydrocannabinol (THC) content of the product;
20 (iii) a "produced on" date;

21 (iv) warnings that state: "Consumption of cannabis impairs your ability to drive a car or
22 operate machinery" and "Keep away from children" and, unless federal law has changed to
23 accommodate cannabis possession, "Possession of cannabis is illegal under federal law and in many
24 states outside of Rhode Island";

25 (v) a symbol that reflects these products are not safe for children which contains poison
26 control contact information; and

27 (vi) any other information required by the office of cannabis regulation.

28 (21) Standards for the use of pesticides;
29 (22) General operating requirements, minimum oversight, and any other activities,
30 functions, or aspects of a marijuana establishment licensee in furtherance of creating a stable,
31 regulated cannabis industry and mitigating its impact on public health and safety; and

32 (23) Rules and regulations based on federal law provided those rules and regulations are
33 designed to comply with federal guidance and mitigate federal enforcement against the marijuana
34 establishments and adult use state stores authorized, licensed and operated pursuant to this chapter.

1 21-28.12-12. Municipal authority.

2 (a) Municipalities shall:

3 (i) Have the authority to enact local zoning and use ordinances not in conflict with this chapter
4 or with rules and regulations adopted by the office of cannabis regulation regulating the time, place, and
5 manner of marijuana establishments' operations, provided that no local authority may prohibit any type
6 of marijuana establishment operations altogether, either expressly or through the enactment of
7 ordinances or regulations which make any type of marijuana establishments' operation impracticable.

8 (b) Zoning ordinances enacted by a local authority shall not require a marijuana establishment
9 licensee or marijuana establishment applicant to enter into a community host agreement or pay any
10 consideration to the municipality other than reasonable zoning and permitting fees as determined by the
11 office of cannabis regulation. The office of cannabis regulation is the sole licensing authority for
12 marijuana establishment licensees. A municipality shall not enact any local zoning ordinances or
13 permitting requirements that establishes a de facto local license or licensing process unless explicitly
14 enabled by this chapter or ensuing regulations promulgated by the office of cannabis regulation.

15 (c) Notwithstanding subsection (a) of this section:

16 (i) Municipalities may enact local zoning and use ordinances which prohibit specific classes of
17 marijuana establishment licenses, or all classes of marijuana establishment licenses from being issued
18 within their jurisdiction and which may remain in effect until November 8, 2022. A local zoning and use
19 ordinance which prohibits specific classes of marijuana establishment licenses, or all classes of marijuana
20 establishment licenses from being issued within a city or town's jurisdiction may only remain in effect past
21 November 8, 2021, if the residents of the municipality have approved, by a simple majority of the electors
22 voting, a referendum to ban adult use marijuana cultivator facilities, adult use state stores, adult use
23 marijuana processors or cannabis testing facilities, provided such referendum must be conducted on or
24 before November 8, 2022, and any ordinances related thereto must be adopted before April 1, 2023;

25 (ii) Municipalities must put forth a separate referendum question to ban each class of
26 marijuana establishment. A single question to ban all classes of marijuana establishments shall not be
27 permitted; and

28 (iii) Municipalities which ban the licensure of marijuana establishments located within their
29 jurisdiction pursuant to subsection (c)(i), and/or adopt local zoning and other ordinances, in accordance
30 with this section, may hold future referenda to prohibit previously allowed licenses, or allow previously
31 prohibited licenses, provided those subsequent referenda are held on the first Tuesday after the first
32 Monday in the month of November.

33 (d) Notwithstanding subsections (a), (b) or (c) of this section, a municipality may not
34 prohibit a medical marijuana establishment licensee from continuing to operate under a marijuana

1 establishment license issued by the office of cannabis regulation or previously issued by the
2 department of business regulation if that marijuana establishment licensee was approved or licensed
3 prior to the passage of this chapter.

4 (e) Notwithstanding any other provision of this chapter, no municipality or local authority
5 shall restrict the transport or delivery of marijuana through their jurisdiction, or to local residents,
6 provided all transport and/or delivery is in accordance with this chapter.

7 (f) Municipalities may impose civil and criminal penalties for the violation of ordinances
8 enacted pursuant to and in accordance with this section.

9 (g) Notwithstanding subsection (b) of this section, a city or town may receive a municipal
10 impact fee from a newly licensed and operating marijuana establishment located within their
11 jurisdiction provided:

12 (i) the municipal impact fee must offset or reimburse actual costs and expenses incurred by
13 the city or town during the first three (3) months that the licensee is licensed and/or operational;

14 (ii) the municipal impact fee must offset or reimburse reasonable and appropriate expenses
15 incurred by the municipality, which are directly attributed to, or are a direct result of, the licensed
16 operations of the marijuana establishment which may include but not be limited to, increased traffic or
17 police details needed to address new traffic patterns, increased parking needs, or pedestrian foot traffic
18 by consumers;

19 (iii) the municipality is responsible for estimating or calculating projected impact fees and
20 must follow the same methodology if providing a fee estimate or projection for multiple marijuana
21 establishment locations or applicants;

22 (iv) marijuana establishment licensees or applicants may not offer competing impact fees or
23 pay a fee that is more than the actual and reasonable costs and expenses incurred by the municipality;
24 and

25 (v) the office of cannabis regulation may suspend, revoke or refuse to issue a license to an
26 applicant or for a proposed establishment within a municipality if the municipality and/or marijuana
27 establishment local impact fee violates the requirements of this section.

28 **21-28.12-13. Transportation of marijuana.**

29 The office of cannabis regulation shall promulgate regulations regarding secure transportation
30 of marijuana for eligible adult use marijuana retailers delivering products to purchasers in accordance
31 with this chapter and shipments of marijuana or marijuana products between marijuana establishment
32 licensees.

33 **21-28.12-14. No minors on the premises of marijuana establishments.**

1 A marijuana establishment shall not allow any person who is under twenty-one (21) years of
2 age to be present inside any room where marijuana or marijuana products are stored, produced, or sold
3 by the marijuana establishment unless the person who is under twenty-one (21) years of age is:

4 (1) A government employee performing their official duties; or

5 (2) If the marijuana establishment is a hybrid marijuana retailer that also holds a compassion
6 center license pursuant § 21-28.6-12 for the same licensed premises and the individual under twenty-
7 one (21) years of age is a qualifying patient registered under chapter 28.6 of title 21 and the retail
8 establishment complies with applicable regulations promulgated by the department of business
9 regulation.

10 **21-28.12-15. Contracts enforceable.**

11 It is the public policy of the state that contracts related to the operation of a marijuana
12 establishment or a licensee under chapter 26 of title 2 or chapters 28.6 and 28.12 of title 21 in
13 accordance with Rhode Island law shall be enforceable. It is the public policy of the state that no
14 contract entered into by a licensed marijuana establishment or other licensee under chapter 26 of title
15 2 or chapters 28.6 and 28.12 of title 21 of the general laws or its employees or agents as permitted
16 pursuant to a valid license issued by the office of cannabis regulation, or by those who allow property
17 to be used by an establishment, its employees, or its agents as permitted pursuant to a valid license, shall
18 be unenforceable solely on the basis that cultivating, obtaining, manufacturing, distributing, dispensing,
19 transporting, selling, possessing, testing or using marijuana or hemp is prohibited by federal law.

20 **21-28.12-16. Establishment of marijuana trust fund.**

21 (a) There is created with the general fund a restricted receipt accounts collectively known
22 as the “marijuana trust fund”, otherwise known as the “adult use marijuana licensing” or “adult use
23 marijuana program licensing” accounts. Taxes collected pursuant to chapter 49.1 of title 44,
24 including sales and use tax attributable to marijuana products, and fees collected pursuant to chapter
25 28.12 of title 21 shall be deposited into this account. The state share of trust fund revenue will be
26 used to fund programs and activities related to program administration; revenue collection and
27 enforcement; substance use disorder prevention for adults and youth; education and public
28 awareness campaigns; treatment and recovery support services; public health monitoring, research,
29 data collection, and surveillance; law enforcement training and technology improvements including
30 grants to local law enforcement; and such other related uses that may be deemed necessary by the
31 office of management and budget. The restricted receipt account will be housed within the budgets
32 of the departments of attorney general, behavioral healthcare, developmental disabilities, and
33 hospitals; business regulation; health; judiciary; revenue and public safety, and the executive office
34 of health and human services. All amounts deposited into the marijuana trust fund shall be exempt

1 from the indirect cost recovery provisions of § 35-4-27. The allocation of the marijuana trust fund
2 shall be:

3 (1) Twenty-five percent (25%) of trust fund revenue to the departments of business
4 regulation, health, revenue and public safety, and the executive office of health and human services,
5 except that in fiscal year 2022 the office of management and budget may allocate up to an additional
6 five million three hundred thousand dollars (\$5,300,000) from trust fund revenues to these
7 agencies;

8 (2) Fifteen percent (15%) of trust fund revenue to cities and towns; and

9 (3) Sixty percent (60%) of trust fund revenue to the general fund.

10 (b) All revenue allocated to cities and towns under subsection (a)(2) shall be distributed at
11 least quarterly by the division of taxation and department of business regulation, credited and paid
12 by the state treasurer to the city or town based on the following allocation:

13 (1) One-quarter based in an equal distribution to each city or town in the state;

14 (2) One-quarter based on the share of total licensed marijuana cultivators, licensed
15 marijuana processors, and licensed marijuana retailers found in each city or town at the end of the
16 quarter that corresponds to the distribution, with licensed marijuana retailers assigned a weight
17 twice that of the other license types; and

18 (3) One-half based on the volume of sales of adult use marijuana products that occurred in
19 each city or town in the quarter of the distribution.

20 (c) The division of taxation and the department of business regulation shall jointly
21 promulgate regulations to effectuate the distribution under subsection (a)(2).

22 **21-28.12-17. Transfer of revenue to the marijuana trust fund.**

23 The department of business regulation shall transfer all revenue collected pursuant to this
24 chapter, including penalties or forfeitures, interest, costs of suit and fines, to the marijuana trust
25 fund established by § 21-28.12-16.

26 **21-28.12-18. Market demand study to determine viability of a cap on retail licenses.**

27 (a) No later than January 1, 2025, the department of business regulation shall conduct a
28 market demand study to determine the effect of the phased implementation of adult use marijuana
29 retail licenses on the Rhode Island market. This study shall include, but not be limited to, an analysis
30 of price changes, product availability, geographic dispersion, and downstream effects on
31 cultivators, manufacturers, and other market participants licensed under chapter 28.12 of title 21.

32 (b) The study may further contemplate, based on this analysis, a recommendation for an
33 overall cap on retail licenses in Rhode Island. The study shall be made public by the department

1 [and delivered to the Governor, the Speaker of the House of Representatives, and the President of](#)
2 [the Senate.](#)

3 **21-28.12-19. Severability.**

4 [If any provision of this chapter or its application thereof to any person or circumstance is](#)
5 [held invalid, such invalidity shall not affect other provisions or applications of this chapter, which](#)
6 [can be given effect without the invalid provision or application, and to this end the provisions of](#)
7 [this chapter are declared to be severable.](#)

8 SECTION 7. Sections 31-27-2, 31-27-2.1 and 31-27-2.9 of the General Laws in Chapter
9 31-27 entitled “Motor Vehicles Offenses” are hereby amended to read as follows:

10 **31-27-2. Driving under influence of liquor or drugs.**

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

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

26 (2) [Deleted by P.L. 2021, ch. 170, § 1 and P.L. 2021, ch. 171, § 1.]

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

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

4 (2) A true copy of the report of the test result was hand delivered at the location of the test
5 or mailed within seventy-two (72) hours of the taking of the test to the person submitting to a breath
6 test.

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

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

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

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

24 (d)(1)(i) Every person found to have violated subsection (b)(1) shall be sentenced as
25 follows: for a first violation whose blood alcohol concentration is eight one-hundredths of one
26 percent (.08%), but less than one-tenth of one percent (.1%), by weight, or who has a blood presence
27 of any scheduled controlled substance as defined in chapter 28 of title 21, shall be subject to a fine
28 of not less than one hundred dollars (\$100), nor more than three hundred dollars (\$300); shall be
29 required to perform ten (10) to sixty (60) hours of public community restitution, and/or shall be
30 imprisoned for up to one year. The sentence may be served in any unit of the adult correctional
31 institutions in the discretion of the sentencing judge and/or shall be required to attend a special
32 course on driving while intoxicated or under the influence of a controlled substance; provided,
33 however, that the court may permit a servicemember or veteran to complete any court-approved
34 counseling program administered or approved by the Veterans' Administration, and his or her

1 driver's license shall be suspended for thirty (30) days up to one hundred eighty (180) days. The
2 sentencing judge or magistrate may prohibit that person from operating a motor vehicle, pursuant
3 to subsection (d)(9) or (d)(10) of this section, that is not equipped with an ignition interlock system
4 and/or blood and urine testing as provided in § 31-27-2.8.

5 (ii) Every person convicted of a first violation whose blood alcohol concentration is one-
6 tenth of one percent (.1%) by weight or above, but less than fifteen hundredths of one percent
7 (.15%), or whose blood alcohol concentration is unknown, shall be subject to a fine of not less than
8 one hundred (\$100) dollars, nor more than four hundred dollars (\$400), and shall be required to
9 perform ten (10) to sixty (60) hours of public community restitution and/or shall be imprisoned for
10 up to one year. The sentence may be served in any unit of the adult correctional institutions in the
11 discretion of the sentencing judge. The person's driving license shall be suspended for a period of
12 three (3) months to twelve (12) months. The sentencing judge shall require attendance at a special
13 course on driving while intoxicated or under the influence of a controlled substance and/or
14 alcoholic or drug treatment for the individual; provided, however, that the court may permit a
15 servicemember or veteran to complete any court-approved counseling program administered or
16 approved by the Veterans' Administration. The sentencing judge or magistrate may prohibit that
17 person from operating a motor vehicle that is not equipped with an ignition interlock system as
18 provided in § 31-27-2.8.

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

33 (2)(i) Every person convicted of a second violation within a five-year (5) period with a
34 blood alcohol concentration of eight one-hundredths of one percent (.08%) or above, but less than

1 fifteen hundredths of one percent (.15%), or whose blood alcohol concentration is unknown, or
2 who has a blood presence of any controlled substance as defined in chapter 28 of title 21, and every
3 person convicted of a second violation within a five-year (5) period, regardless of whether the prior
4 violation and subsequent conviction was a violation and subsequent conviction under this statute
5 or under the driving under the influence of liquor or drugs statute of any other state, shall be subject
6 to a mandatory fine of four hundred dollars (\$400). The person's driving license shall be suspended
7 for a period of one year to two (2) years, and the individual shall be sentenced to not less than ten
8 (10) days, nor more than one year, in jail. The sentence may be served in any unit of the adult
9 correctional institutions in the discretion of the sentencing judge; however, not less than forty-eight
10 (48) hours of imprisonment shall be served consecutively. The sentencing judge shall require
11 alcohol or drug treatment for the individual; provided, however, that the court may permit a
12 servicemember or veteran to complete any court-approved counseling program administered or
13 approved by the Veterans' Administration and shall prohibit that person from operating a motor
14 vehicle, pursuant to subsection (d)(9) or (d)(10) of this section, that is not equipped with an ignition
15 interlock system and/or blood and urine testing as provided in § 31-27-2.8.

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

29 (3)(i) Every person convicted of a third or subsequent violation within a five-year (5)
30 period with a blood alcohol concentration of eight one-hundredths of one percent (.08%) or above,
31 but less than fifteen hundredths of one percent (.15%), or whose blood alcohol concentration is
32 unknown or who has a blood presence of any scheduled controlled substance as defined in chapter
33 28 of title 21, regardless of whether any prior violation and subsequent conviction was a violation
34 and subsequent conviction under this statute or under the driving under the influence of liquor or

1 drugs statute of any other state, shall be guilty of a felony and be subject to a mandatory fine of
2 four hundred (\$400) dollars. The person's driving license shall be suspended for a period of two (2)
3 years to three (3) years, and the individual shall be sentenced to not less than one year and not more
4 than three (3) years in jail. The sentence may be served in any unit of the adult correctional
5 institutions in the discretion of the sentencing judge; however, not less than forty-eight (48) hours
6 of imprisonment shall be served consecutively. The sentencing judge shall require alcohol or drug
7 treatment for the individual; provided, however, that the court may permit a servicemember or
8 veteran to complete any court-approved counseling program administered or approved by the
9 Veterans' Administration, and shall prohibit that person from operating a motor vehicle, pursuant
10 to subsection (d)(9) or (d)(10) of this section, that is not equipped with an ignition interlock system
11 and/or blood and urine testing as provided in § 31-27-2.8.

12 (ii) Every person convicted of a third or subsequent violation within a ten-year (10) period
13 whose blood alcohol concentration is fifteen hundredths of one percent (.15%) above by weight as
14 shown by a chemical analysis of a blood, breath, or urine sample, or who is under the influence of
15 a drug, toluene, or any controlled substance as defined in subsection (b)(1), shall be subject to
16 mandatory imprisonment of not less than three (3) years, nor more than five (5) years; a mandatory
17 fine of not less than one thousand dollars (\$1,000), nor more than five thousand dollars (\$5,000);
18 and a mandatory license suspension for a period of three (3) years from the date of completion of
19 the sentence imposed under this subsection. The sentencing judge shall require alcohol or drug
20 treatment for the individual. The sentencing judge or magistrate shall prohibit that person from
21 operating a motor vehicle, pursuant to subsection (d)(9) or (d)(10) of this section, that is not
22 equipped with an ignition interlock system and/or blood and urine testing as provided in § 31-27-
23 2.8.

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

30 (4) Whoever drives or otherwise operates any vehicle in the state while under the influence
31 of any intoxicating liquor, drugs, toluene, or any controlled substance as defined in chapter 28 of
32 title 21, or any combination of these, when his or her license to operate is suspended, revoked, or
33 cancelled for operating under the influence of a narcotic drug or intoxicating liquor, shall be guilty
34 of a felony punishable by imprisonment for not more than three (3) years and by a fine of not more

1 than three thousand dollars (\$3,000). The court shall require alcohol and/or drug treatment for the
2 individual; provided, the penalties provided for in this subsection (d)(4) shall not apply to an
3 individual who has surrendered his or her license and served the court-ordered period of suspension,
4 but who, for any reason, has not had his or her license reinstated after the period of suspension,
5 revocation, or suspension has expired; provided, further, the individual shall be subject to the
6 provisions of subsection (d)(2)(i), (d)(2)(ii), (d)(3)(i), (d)(3)(ii), or (d)(3)(iii) regarding subsequent
7 offenses, and any other applicable provision of this section.

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

10 (ii) Any person over the age of eighteen (18) who is convicted under this section for
11 operating a motor vehicle while under the influence of alcohol, other drugs, or a combination of
12 these, while a child under the age of thirteen (13) years was present as a passenger in the motor
13 vehicle when the offense was committed shall be subject to immediate license suspension pending
14 prosecution. Any person convicted of violating this section shall be guilty of a misdemeanor for a
15 first offense and may be sentenced to a term of imprisonment of not more than one year and a fine
16 not to exceed one thousand dollars (\$1,000). Any person convicted of a second or subsequent
17 offense shall be guilty of a felony offense and may be sentenced to a term of imprisonment of not
18 more than five (5) years and a fine not to exceed five thousand dollars (\$5,000). The sentencing
19 judge shall also order a license suspension of up to two (2) years, require attendance at a special
20 course on driving while intoxicated or under the influence of a controlled substance, and alcohol
21 or drug education and/or treatment. The individual may also be required to pay a highway
22 assessment fee of no more than five hundred dollars (\$500) and the assessment shall be deposited
23 in the general fund.

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

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

30 (7)(i) If the person convicted of violating this section is under the age of eighteen (18)
31 years, for the first violation he or she shall be required to perform ten (10) to sixty (60) hours of
32 public community restitution and the juvenile's driving license shall be suspended for a period of
33 six (6) months, and may be suspended for a period up to eighteen (18) months. The sentencing
34 judge shall also require attendance at a special course on driving while intoxicated or under the

1 influence of a controlled substance and alcohol or drug education and/or treatment for the juvenile.
2 The juvenile may also be required to pay a highway assessment fine of no more than five hundred
3 dollars (\$500) and the assessment imposed shall be deposited into the general fund.

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

11 (8) Any person convicted of a violation under this section may undergo a clinical
12 assessment at the community college of Rhode Island's center for workforce and community
13 education. Should this clinical assessment determine problems of alcohol, drug abuse, or
14 psychological problems associated with alcoholic or drug abuse, this person shall be referred to an
15 appropriate facility, licensed or approved by the department of behavioral healthcare,
16 developmental disabilities and hospitals, for treatment placement, case management, and
17 monitoring. In the case of a servicemember or veteran, the court may order that the person be
18 evaluated through the Veterans' Administration. Should the clinical assessment determine problems
19 of alcohol, drug abuse, or psychological problems associated with alcohol or drug abuse, the person
20 may have their treatment, case management, and monitoring administered or approved by the
21 Veterans' Administration.

22 (9) Notwithstanding any other sentencing and disposition provisions contained in this
23 chapter, if the judge or magistrate makes a finding beyond a reasonable doubt that a motorist was
24 operating a vehicle in the state while under the influence of drugs, toluene, or any controlled
25 substance as evidenced by the presence of controlled substances on or about the person or vehicle,
26 or other reliable indicia or articulable conditions thereof, but not intoxicating liquor based on a
27 preliminary breath test, results from a breathalyzer that indicates no blood alcohol concentration,
28 or both, the judge or magistrate may exercise his or her discretion and eliminate the requirement of
29 an ignition interlock system; provided, that blood and/or urine testing is mandated as a condition
30 to operating a motor vehicle as provided in § 31-27-2.8.

31 (10) Notwithstanding any other sentencing and disposition provisions contained in this
32 chapter, if the judge or magistrate makes a finding beyond a reasonable doubt that a motorist was
33 operating a vehicle in the state while under the influence of drugs, toluene, or any controlled
34 substance as evidenced by the presence of controlled substances on or about the person or vehicle,

1 or other reliable indicia or articulable conditions thereof and intoxicating liquor based on a
2 preliminary breath test, results from a breathalyzer that indicates blood alcohol concentration, or
3 both, the judge or magistrate may require an ignition interlock system in addition to blood and/or
4 urine testing as a condition to operating a motor vehicle as provided in § 31-27-2.8.

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

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

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

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

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

1 (h) Jurisdiction for misdemeanor violations of this section shall be with the district court
2 for persons eighteen (18) years of age or older and to the family court for persons under the age of
3 eighteen (18) years. The courts shall have full authority to impose any sentence authorized and to
4 order the suspension of any license for violations of this section. Trials in superior court are not
5 required to be scheduled within thirty (30) days of the arraignment date.

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

9 (j) An order to attend a special course on driving while intoxicated that shall be
10 administered in cooperation with a college or university accredited by the state, shall include a
11 provision to pay a reasonable tuition for the course in an amount not less than twenty-five dollars
12 (\$25.00), and a fee of one hundred seventy-five dollars (\$175), which fee shall be deposited into
13 the general fund.

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

17 (l) If any provision of this section, or the application of any provision, shall for any reason
18 be judged invalid, such a judgment shall not affect, impair, or invalidate the remainder of the
19 section, but shall be confined in this effect to the provision or application directly involved in the
20 controversy giving rise to the judgment.

21 (m) For the purposes of this section, "servicemember" means a person who is presently
22 serving in the armed forces of the United States, including the Coast Guard, a reserve component
23 thereof, or the National Guard. "Veteran" means a person who has served in the armed forces,
24 including the Coast Guard of the United States, a reserve component thereof, or the National Guard,
25 and has been discharged under other than dishonorable conditions.

26 **31-27-2.1. Refusal to submit to chemical test.**

27 (a) Any person who operates a motor vehicle within this state shall be deemed to have
28 given his or her consent to chemical tests of his or her breath, blood, [saliva](#) and/or urine for the
29 purpose of determining the chemical content of his or her body fluids or breath. No more than two
30 (2) complete tests, one for the presence of intoxicating liquor and one for the presence of toluene
31 or any controlled substance, as defined in § 21-28-1.02, shall be administered at the direction of a
32 law enforcement officer having reasonable grounds to believe the person to have been driving a
33 motor vehicle within this state while under the influence of intoxicating liquor, toluene, or any
34 controlled substance, as defined in chapter 28 of title 21, or any combination of these. The director

1 of the department of health is empowered to make and file, with the secretary of state, regulations
2 that prescribe the techniques and methods of chemical analysis of the person's body fluids or breath
3 and the qualifications and certification of individuals authorized to administer the testing and
4 analysis.

5 (b) If a person, for religious or medical reasons, cannot be subjected to blood tests, the
6 person may file an affidavit with the division of motor vehicles stating the reasons why he or she
7 cannot be required to take blood tests and a notation to this effect shall be made on his or her
8 license. If that person is asked to submit to chemical tests as provided under this chapter, the person
9 shall only be required to submit to chemical tests of his or her breath, [saliva](#) or urine. When a person
10 is requested to submit to blood tests, only a physician or registered nurse, or a medical technician
11 certified under regulations promulgated by the director of the department of health, may withdraw
12 blood for the purpose of determining the alcoholic content in it. This limitation shall not apply to
13 the taking of breath, [saliva](#) or urine specimens. The person tested shall be permitted to have a
14 physician of his or her own choosing, and at his or her own expense, administer chemical tests of
15 his or her breath, blood, [saliva](#) and/or urine in addition to the tests administered at the direction of
16 a law enforcement officer. If a person, having been placed under arrest, refuses upon the request of
17 a law enforcement officer to submit to the tests, as provided in § 31-27-2, none shall be given.

18 (1) At the initial traffic tribunal appearance, the magistrate shall review the incident, action,
19 and/or arrest reports submitted by the law enforcement officer to determine if there exists
20 reasonable grounds to believe that the person had been driving a motor vehicle while under the
21 influence of intoxicating liquor, toluene, or any controlled substance as defined in chapter 28 of
22 title 21, or any combination thereof. The magistrate shall also determine if the person had been
23 informed of the penalties incurred as a result of failing to submit to a chemical test as provided in
24 this section and that the person had been informed of the implied consent notice contained in
25 subsection (c)(10) of this section. For the purpose of this subsection only, "driving a motor vehicle
26 while under the influence of any controlled substance as defined in chapter 28 of title 21" shall be
27 indicated by the presence or aroma of a controlled substance on or about the person or vehicle of
28 the individual refusing the chemical test or other reliable indicia or articulable conditions that the
29 person was impaired due to their intake of a controlled substance.

30 (2) If the magistrate determines that subsection (b)(1) of this section has been satisfied they
31 shall promptly order that the person's operator's license or privilege to operate a motor vehicle in
32 this state be immediately suspended. Said suspension shall be subject to the hardship provisions
33 enumerated in § 31-27-2.8.

1 (c) A traffic tribunal judge or magistrate, or a district court judge or magistrate, pursuant
2 to the terms of subsection (d) of this section, shall order as follows:

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

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

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

1 (4) For a second violation within a five-year (5) period with respect to a case of a refusal
2 to submit to a blood test, a fine in the amount of six hundred dollars (\$600) to one thousand dollars
3 (\$1,000); the person shall perform sixty (60) to one hundred (100) hours of public community
4 restitution; and the person's driving license in this state shall be suspended for a period of two (2)
5 years. The judicial officer shall require alcohol and/or drug treatment for the individual. The
6 sentencing judicial officer shall prohibit that person from operating a motor vehicle that is not
7 equipped with an ignition interlock system as provided in § 31-27-2.8. Such a violation with respect
8 to refusal to submit to a chemical blood test shall be a civil offense.

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

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

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

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

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

1 (10) Implied consent notice for persons eighteen (18) years of age or older: "Rhode Island
2 law requires you to submit to a chemical test of your blood, breath, or urine for the purpose of
3 determining the chemical content of your body fluids or breath. If you refuse this testing, certain
4 penalties can be imposed and include the following: for a first offense, your Rhode Island driver's
5 license or privilege to operate a motor vehicle in this state can be suspended for six (6) months to
6 one year or modified to permit operation in connection with an ignition interlock device for a period
7 specified by law; a fine from two hundred dollars (\$200) to five hundred dollars (\$500) can be
8 imposed; and you can be ordered to perform ten (10) to sixty (60) hours of community service and
9 attend a special course on driving while intoxicated or under the influence of a controlled substance
10 and/or alcohol or drug treatment. If you have had one or more previous offenses within the past
11 five (5) years, your refusal to submit to a chemical test of breath or urine at this time can have
12 criminal penalties, including incarceration up to six (6) months for a second offense and up to one
13 year for a third or subsequent offense, and can carry increased license suspension or ignition
14 interlock period, fines, and community service. All violators shall pay a five hundred dollar (\$500)
15 highway safety assessment fee, a two hundred dollar (\$200) department of health chemical testing
16 programs assessment fee, and a license reinstatement fee. Refusal to submit to a chemical test of
17 blood shall not subject you to criminal penalties for the refusal itself, but if you have one or more
18 previous offenses other civil penalties may increase. You have the right to be examined at your
19 own expense by a physician selected by you. If you submit to a chemical test at this time, you have
20 the right to have an additional chemical test performed at your own expense. You will be afforded
21 a reasonable opportunity to exercise these rights. Access to a telephone will be made available for
22 you to make those arrangements. You may now use a telephone."
23 Use of this implied consent notice shall serve as evidence that a person's consent to a chemical test
24 is valid in a prosecution involving driving under the influence of liquor, controlled substances,
25 and/or drugs.

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

32 (1) The law enforcement officer making the sworn report had reasonable grounds to believe
33 that the arrested person had been driving a motor vehicle within this state while under the influence

1 of intoxicating liquor, toluene, or any controlled substance, as defined in chapter 28 of title 21, or
2 any combination of these;

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

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

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

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

13 (f) If any provision of this section, or the application of any provision, shall, for any reason,
14 be judged invalid, the judgment shall not affect, impair, or invalidate the remainder of the section,
15 but shall be confined in this effect to the provisions or application directly involved in the
16 controversy giving rise to the judgment.

17 **31-27-2.9. Administration of chemical test.**

18 (a) Notwithstanding any provision of § 31-27-2.1, if an individual refuses to consent to a
19 chemical test as provided in § 31-27-2.1, and a peace officer, as defined in § 12-7-21, has probable
20 cause to believe that the individual has violated one or more of the following sections: 31-27-1, 31-
21 27-1.1, 31-27-2.2, or 31-27-2.6 and that the individual was operating a motor vehicle under the
22 influence of any intoxicating liquor, toluene or any controlled substance as defined in chapter 21-
23 28, or any combination thereof, a chemical test may be administered without the consent of that
24 individual provided that the peace officer first obtains a search warrant authorizing administration
25 of the chemical test. The chemical test shall determine the amount of the alcohol or the presence of
26 a controlled substance in that person's blood, [saliva](#) or breath.

27 (b) The chemical test shall be administered in accordance with the methods approved by
28 the director of the department of health as provided for in subdivision 31-27-2(c)(4). The individual
29 shall be afforded the opportunity to have an additional chemical test as established in subdivision
30 31-27-2(c)(6).

31 (c) Notwithstanding any other law to the contrary, including, but not limited to, chapter 5-
32 37.3, any health care provider who, as authorized by the search warrant in subsection (a):

33 (i) Takes a blood, [saliva](#) or breath sample from an individual; or

34 (ii) Performs the chemical test; or

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

5 (d) The results of a chemical test performed pursuant to this section shall be admissible as
6 competent evidence in any civil or criminal prosecution provided that evidence is presented in
7 compliance with the conditions set forth in subdivisions 31-27-2(c)(3), 31-27-2(c)(4) and 31-27-
8 2(c)(6).

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

12 SECTION 8. Sections 44-49-1, 44-49-2, 44-49-4, 44-49-5, 44-49-7, 44-49-8, 44-49-9, 44-
13 49-9.1, 44-49-10, 44-49-11, and 44-49-12 of the General Laws in Chapter 44-49 entitled "Taxation
14 of Marijuana and Controlled Substances" are hereby amended to read as follows:

15 **44-49-1. Short title.**

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

17 **44-49-2. Definitions.**

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

21 (b) "Dealer" means a person who in violation of Rhode Island law manufactures, produces,
22 ships, transports, or imports into Rhode Island or in any manner acquires or possesses ~~more than~~
23 ~~forty two and one half (42.5) grams of marijuana, or~~ seven (7) or more grams of any controlled
24 substance, or ten (10) or more dosage units of any controlled substance which is not sold by weight.
25 A quantity of ~~marijuana or~~ a controlled substance is measured by the weight of the substance
26 whether pure or impure or dilute, or by dosage units when the substance is not sold by weight, in
27 the dealer's possession. A quantity of a controlled substance is dilute if it consists of a detectable
28 quantity of pure controlled substance and any excipients or fillers.

29 ~~(c) "Marijuana" means any marijuana, whether real or counterfeit, as defined in § 21-28-~~
30 ~~1.02(30), that is held, possessed, transported, transferred, sold, or offered to be sold in violation of~~
31 ~~Rhode Island laws.~~

32 **44-49-4. Rules.**

33 The tax administrator may adopt rules necessary to enforce this chapter. The tax
34 administrator shall adopt a uniform system of providing, affixing, and displaying official stamps,

1 official labels, or other official indicia for ~~marijuana and~~ controlled substances on which a tax is
2 imposed.

3 **44-49-5. Tax payment required for possession.**

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

7 **44-49-7. Pharmaceuticals.**

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

10 **44-49-8. Measurement.**

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

16 **44-49-9. Tax rate.**

17 A tax is imposed on ~~marijuana and~~ controlled substances as defined in § 44-49-2 at the
18 following rates:

19 ~~(1) On each gram of marijuana, or each portion of a gram, three dollars and fifty cents~~
20 ~~(\$3.50); and~~

21 ~~(2)~~(1) On each gram of controlled substance, or portion of a gram, two hundred dollars
22 (\$200); or

23 ~~(3)~~(2) On each ten (10) dosage units of a controlled substance that is not sold by weight,
24 or portion of the dosage units, four hundred dollars (\$400).

25 **44-49-9.1. Imposition of tax, interest and liens.**

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

31 (b) The tax administrator shall assess the dealer for any tax due at the rate provided by §
32 44-49-9. The tax shall be payable within fifteen (15) days after its assessment and, if not paid when
33 due, shall bear interest from the date of its assessment at the rate provided in § 44-1-7 until paid.

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

6 **44-49-10. Penalties – Criminal provisions.**

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

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

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

18 **44-49-11. Stamp price.**

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

22 **44-49-12. Payment due.**

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

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

30 SECTION 9. Title 44 of the General Laws entitled “Taxation” is hereby amended by
31 adding thereto the following chapter:

32 CHAPTER 49.1

33 THE CANNABIS TAXATION ACT

34 **44-49.1-1. Short title.**

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

2 **44-49.1-2. Definitions.**

3 As used in this chapter, unless the context clearly indicates otherwise, the following words
4 and phrases shall have the following meanings:

5 (1) "Adult use marijuana retailer" has the meaning given that term in § 21-28.11-3.

6 (2) "Cannabis" has the meaning given that term in § 21-28.11-3.

7 (3) "Department of business regulation" means the office of cannabis regulation with the
8 department of business regulation or its successor agency.

9 (4) "Licensee" has the same meaning as "marijuana establishment licensee" in § 21-28.11-
10 3.

11 (5) "Marijuana" has the meaning given that term in § 21-28-1.02.

12 (6) Marijuana cash use surcharge account means the restricted receipt account established
13 in the department of revenue to collect penalties on tax payments related to marijuana that are paid
14 in cash.

15 (7) "Marijuana cultivator" means a licensed medical marijuana cultivator as defined in § 21-
16 28.6-3, an adult use marijuana cultivator as defined in § 21-28.11-3, or any other person licensed by
17 the department of business regulation to cultivate marijuana in the state. A marijuana cultivator does
18 not include a primary caregiver or qualifying patients, as defined in 21-28.6-3, who are growing
19 marijuana pursuant to § 21-28.6-4 and in accordance with chapter 28.6 of title 21 and the
20 regulations promulgated thereunder.

21 (8) "Marijuana flower" means the flower or bud from a marijuana plant.

22 (9) "Marijuana products" has the meaning given that term in § 21-28.11-3.

23 (10) "Marijuana trim" means any part of the marijuana plant other than marijuana flower.

24 (11) "Person" means any individual, including an employee or agent, firm, fiduciary,
25 partnership, corporation, trust, or association, however formed.

26 (12) "Tax administrator" means the tax administrator within the division of taxation of the
27 department of revenue as defined in § 44-1-1.

28 **44-49.1-3. Adult use cultivator, retailer licenses required.**

29 Each person engaging in the business of cultivating adult use marijuana or selling adult use
30 marijuana products, shall secure a license from the department of business regulation before
31 engaging in that business, or continuing to engage in it. A separate application and license is
32 required for each place of business operated by the retailer. A licensee shall notify the department
33 of business regulation and tax administrator simultaneously within thirty (30) days in the event that

1 it changes its principal place of business. A separate license is required for each type of business if
2 the applicant is engaged in more than one of the activities required to be licensed by this section.

3 **44-49.1-4. Marijuana cultivator excise tax.**

4 (a) An excise tax is imposed on all marijuana cultivated by marijuana cultivators. The rate
5 of taxation is as follows:

6 (1) Three dollars (\$3.00) for every dried ounce of marijuana trim and a proportionate tax
7 at the like rate on all fractional parts of an ounce thereof, and

8 (2) Ten dollars (\$10.00) for every dried ounce of marijuana flower and a proportionate tax
9 at the like rate on all fractional parts of an ounce thereof.

10 (b) Marijuana trim and marijuana flower that has not reached a dried state will be taxed
11 using equivalent amounts as established by regulations promulgated by the department of taxation
12 and the department of business regulation.

13 (c) The excise tax is assessed and levied upon the sale or transfer of marijuana by a
14 marijuana cultivator to any party or upon the designation of the product for retail sale by the
15 cultivator, whichever occurs earlier.

16 (d) The tax bears interest at the annual rate provided by § 44-1-7 from the twentieth (20th)
17 day after the close of the month for which the amount, or any portion of it, should have been paid
18 until the date of payment.

19 (e) This section is effective as of January 1, 2023.

20 **44-49.1-5. Adult use marijuana retail excise tax.**

21 (a) An excise tax is imposed on all marijuana sold by adult use marijuana retailers pursuant
22 to chapter 28.12 of title 21 at a rate of ten percent (10%) of the gross sales of marijuana products.
23 This excise tax is in addition to all other taxes imposed by title 44. The burden of proving the tax
24 was collected is upon the person who makes the sale and the purchaser, unless the person who
25 makes the sales takes from the purchaser a certificate to the effect that the purchase was for resale.
26 The certificate shall contain any information and be in the form that the tax administrator may
27 require.

28 (b) Any adult use marijuana retailer shall collect the taxes imposed by this section from
29 any purchaser to whom the sale of marijuana products is made and shall remit to the state the tax
30 levied by this section. The retail sale of marijuana products shall not be bundled with any other
31 non-marijuana tangible personal property or taxable services set forth in R.I. Gen. Laws § 44-18-
32 7.3.

33 (c) The adult use marijuana retailer shall add the tax imposed by this chapter to the sale
34 price or charge, and when added the tax constitutes a part of the price or charge, is a debt from the

1 consumer or user to the retailer, and is recoverable at law in the same manner as other debts;
2 provided, that the amount of tax that the retailer collects from the consumer or user is as follows:

<u>Amount of Fair Market Value, as Tax</u>	
<u>\$.01 to \$.09 inclusive</u>	<u>No Tax</u>
<u>.10 to .19 inclusive</u>	<u>.01</u>
<u>.20 to .29 inclusive</u>	<u>.02</u>
<u>.30 to .39 inclusive</u>	<u>.03</u>
<u>.40 to .49 inclusive</u>	<u>.04</u>
<u>.50 to .59 inclusive</u>	<u>.05</u>
<u>.60 to .69 inclusive</u>	<u>.06</u>
<u>.70 to .79 inclusive</u>	<u>.07</u>
<u>.80 to .89 inclusive</u>	<u>.08</u>
<u>.90 to .99 inclusive</u>	<u>.09</u>
<u>.100 to .109 inclusive</u>	<u>.10</u>

15 and where the amount of the sale is more than one dollar and nine cents (\$1.09) the amount
16 of the tax is computed at the rate of ten percent (10%)

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

21 (e) The tax bears interest at the annual rate provided by § 44-1-7 from the twentieth (20th)
22 day after the close of the month for which the amount, or any portion of it, should have been paid
23 until the date of payment.

24 **44-49.1-6. Returns.**

25 (a) Every marijuana cultivator shall, on or before the twentieth (20th) day of the month
26 following the sale or transfer of marijuana, make a return to the tax administrator for taxes due
27 under § 44-49.1-4. Marijuana cultivators shall file their returns on a form as prescribed by the tax
28 administrator.

29 (b) Every licensed adult use marijuana retailer shall, on or before the twentieth (20th) day
30 of the month following the sale of marijuana products, make a return to the tax administrator for
31 taxes due under § 44-49.1-5. Adult use marijuana retailers shall file their returns on a form as
32 prescribed by the tax administrator.

1 (c) If for any reason an adult use marijuana retailer fails to collect the tax imposed § 44-
2 49.1-5 from the purchaser, the purchaser shall file a return and pay the tax directly to the state, on
3 or before the date required by subsection (b) of this section.

4 (d) There is created with the general fund a restricted receipt account to be known as the
5 “marijuana cash use surcharge” account. Surcharge collected pursuant to subsection (e) shall be
6 deposited into this account and be used to finance costs associated with processing and handling
7 cash payments and other enforcement related to taxes mandated to be paid under this chapter. The
8 restricted receipt account will be housed within the budget of the department of revenue. All
9 amounts deposited into the marijuana cash use surcharge account shall be exempt from the indirect
10 cost recovery provisions of § 35-4-27.

11 (e) Any licensee who makes a payment in cash for taxes due under this chapter, or taxes
12 due under chapters 18 or 67 of this title, shall pay a ten percent (10%) penalty on the amount of
13 that payment to the division of taxation. Payment of a tax return with less than one thousand dollars
14 (\$1,000) in taxes due per month, on average, shall not be subject to the penalty.

15 (f) Notwithstanding any other provision of law, the department of business regulation and
16 tax administrator may, on a periodic basis, prepare and publish for public distribution a list of
17 entities and their active licenses administered under this chapter. Each list may contain the license
18 type, name of the licensee, and the amount of tax paid under this chapter.

19 **44-49.1-7. Sale of contraband products prohibited.**

20 (a) No person shall sell, offer for sale, display for sale, or possess with intent to sell any
21 contraband marijuana, marijuana products.

22 (b) Any marijuana or marijuana products exchanged in which one of the two entities does
23 not have a license or exchanged between a non-licensed entity and a consumer shall be considered
24 contraband.

25 (c) Any marijuana or marijuana products for which applicable taxes have not been paid as
26 specified in title 44 shall be considered contraband.

27 (d) Failure to comply with the provisions of this chapter may result in the imposition of the
28 applicable civil penalties in Section 44-49.1-12 below; however, the possession of marijuana or
29 marijuana products as described in this chapter do not constitute contraband for purposes of
30 imposing a criminal penalty under chapter 28 of title 21.

31 **44-49.1-8. Recordkeeping.**

32 (a) Each licensee shall maintain copies of invoices or equivalent documentation for, or
33 itemized for, each of its facilities for each involving the sale or transfer of marijuana or marijuana
34 products. All records and invoices required under this section must be safely preserved for three

1 (3) years in a manner to insure permanency and accessibility for inspection by the administrator or
2 his or her authorized agents.

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

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

19 **44-49.1-9. Inspections and investigations.**

20 (a) The tax administrator or his or her duly authorized agent shall have authority to enter
21 and inspect, without a warrant during normal business hours, and with a warrant during nonbusiness
22 hours, the facilities and records of any licensee.

23 (b) In any case where the administrator or his or her duly authorized agent, or any police
24 officer of this state, has knowledge or reasonable grounds to believe that any vehicle is transporting
25 marijuana or marijuana products in violation of this chapter, the administrator, such agent, or such
26 police officer, is authorized to stop such vehicle and to inspect the same for contraband marijuana
27 or marijuana products.

28 (c) For the purpose of determining the correctness of any return, determining the amount
29 of tax that should have been paid, determining whether or not the licensee should have made a
30 return or paid taxes, or collecting any taxes under this chapter, the tax administrator may examine,
31 or cause to be examined, any books, papers, records, or memoranda, that may be relevant to making
32 those determinations, whether the books, papers, records, or memoranda, are the property of or in
33 the possession of the licensee or another person. The tax administrator may require the attendance
34 of any person having knowledge or information that may be relevant, compel the production of

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

9 **44-49.1-10. Suspension or revocation of license.**

10 The tax administrator may instruct the department of business regulation to, and upon such
11 instruction the department shall be authorized to suspend or revoke any license under this chapter
12 for failure of the licensee to comply with any provision of this chapter or with any provision of any
13 other law or ordinance relative to the sale or transfer of marijuana or marijuana products.

14 **44-49.1-11. Seizure and destruction.**

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

25 **44-49.1-12. Penalties.**

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

27 (1) To file. The tax return on or before the prescribed date, unless it is shown that the failure
28 is due to reasonable cause and not due to willful neglect, an addition to tax shall be made equal to
29 ten percent (10%) of the tax required to be reported. For this purpose, the amount of tax required
30 to be reported shall be reduced by an amount of the tax paid on or before the date prescribed for
31 payment and by the amount of any credit against the tax which may properly be claimed upon the
32 return.

33 (2) To pay. The amount shown as tax on the return on or before the prescribed date for
34 payment of the tax unless it is shown that the failure is due to reasonable cause and not due to

1 willful neglect, there shall be added to the amount shown as tax on the return ten percent (10%) of
2 the amount of the tax.

3 (b) Negligence. If any part of a deficiency is due to negligence or intentional disregard of
4 the Rhode Island General Laws or rules or regulations under this chapter (but without intent to
5 defraud), five percent (5%) of that part of the deficiency shall be added to the tax.

6 (c) Fraud. If any part of a deficiency is due to fraud, fifty percent (50%) of that part of the
7 deficiency shall be added to the tax. This amount shall be in lieu of any other additional amounts
8 imposed by subsections (a) and (b) of this section.

9 (d) Failure to collect and pay over tax. Any person required to collect, truthfully account
10 for, and pay over any tax under this title who willfully fails to collect the tax or truthfully account
11 for and pay over the tax or willfully attempts in any manner to evade or defeat the tax or the payment
12 thereof, shall, in addition to other penalties provided by law, be liable to a civil penalty equal to the
13 total amount of the tax evaded, or not collected, or not accounted for and paid over.

14 (e) Additions and penalties treated as tax. The additions to the tax and civil penalties
15 provided by this section shall be paid upon notice and demand and shall be assessed, collected, and
16 paid in the same manner as taxes.

17 (f) Bad checks. If any check or money order in payment of any amount receivable under
18 this title is not duly paid, in addition to any other penalties provided by law, there shall be paid as
19 a penalty by the person who tendered the check, upon notice and demand by the tax administrator
20 or his or her delegate, in the same manner as tax, an amount equal to one percent (1%) of the amount
21 of the check, except that if the amount of the check is less than five hundred dollars (\$500), the
22 penalty under this section shall be five dollars (\$5.00). This subsection shall not apply if the person
23 tendered the check in good faith and with reasonable cause to believe that it would be duly paid.

24 (g) Misuse of Trust Funds. Any retailer and any officer, agent, servant, or employee of any
25 corporate retailer responsible for either the collection or payment of the tax, who appropriates or
26 converts the tax collected to his or her own use or to any use other than the payment of the tax to
27 the extent that the money required to be collected is not available for payment on the due date as
28 prescribed in this chapter, shall upon conviction for each offense be fined not more than ten
29 thousand dollars (\$10,000), or be imprisoned for one year, or by both fine and imprisonment, both
30 fine and imprisonment to be in addition to any other penalty provided by this chapter.

31 (h) Whoever fails to pay any tax imposed by § 44-49.1-4 or § 44-49.1-5 at the time
32 prescribed by law or regulations, shall, in addition to any other penalty provided in this chapter, be
33 liable for a penalty of one thousand dollars (\$1,000) or not more than five (5) times the tax due but
34 unpaid, whichever is greater.

1 (i) When determining the amount of a penalty sought or imposed under this section,
2 evidence of mitigating or aggravating factors, including history, severity, and intent, shall be
3 considered.

4 **44-49.1-13. Claim for refund.**

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

13 **44-49.1-14. Hearings and appeals.**

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

26 (b) Appeals from administrative orders or decisions made pursuant to any provisions of
27 this chapter shall be to the sixth division district court pursuant to chapter 8 of title 8. The taxpayer's
28 right to appeal under this section shall be expressly made conditional upon prepayment of all taxes,
29 interest, and penalties, unless the taxpayer moves for and is granted an exemption from the
30 prepayment requirement pursuant to § 8-8-26.

31 **44-49.1-15. Disclosure of information to the office of cannabis regulation.**

32 Notwithstanding any other provision of law, the tax administrator may make available to
33 an officer or employee of the office of cannabis regulation of the Rhode Island department of
34 business regulation, any information that the administrator may consider proper contained in tax

1 reports or returns or any audit or the report of any investigation made with respect to them, filed
2 pursuant to the tax laws of this state, to whom disclosure is necessary for the purpose of ensuring
3 compliance with state law and regulations.

4 **44-49.1-16. Transfer of revenue to the marijuana trust fund.**

5 (a) The division of taxation shall transfer all collections from marijuana cultivator excise
6 tax and the adult use marijuana retail excise tax, including penalties or forfeitures, interest, costs of
7 suit and fines, to the marijuana trust fund established by § 21-28.12-16.

8 (b) The division of taxation shall transfer all collections remitted by adult use marijuana
9 retailers pursuant to § 44-18-18 due to the net revenue of marijuana products. The tax administrator
10 may base this transfer on an estimate of the net revenue of marijuana products derived from any
11 other tax data collected under title 44 or data shared by the department of business regulation.

12 **44-49.1-17. Rules and regulations.**

13 The tax administrator is authorized to promulgate rules and regulations to carry out the
14 provisions, policies, and purposes of this chapter. The provisions of this chapter shall be liberally
15 construed to foster the enforcement of and compliance with all provisions herein related to taxation.

16 **44-49.1-18. Severability.**

17 If any provision of this chapter or the application of this chapter to any person or
18 circumstances is held invalid, that invalidity shall not affect other provisions or applications of the
19 chapter that can be given effect without the invalid provision or application, and to this end the
20 provisions of this chapter are declared to be severable.

21 SECTION 10. This Article shall take effect upon passage.