

2025 -- H 5565 SUBSTITUTE A

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO FOOD AND DRUGS -- THE RHODE ISLAND KRATOM ACT

Introduced By: Representatives Kennedy, Edwards, and Diaz

Date Introduced: February 26, 2025

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 21 of the General Laws entitled "FOOD AND DRUGS" is hereby
2 amended by adding thereto the following chapter:

3 CHAPTER 28.12

4 THE RHODE ISLAND KRATOM ACT

5 **21-28.12-1. Short title.**

6 This chapter shall be known and may be cited as the "Rhode Island Kratom Act."

7 **21-28.12-2. Definitions.**

8 As used in this chapter:

9 (1) "Contraband kratom products" means any kratom product that is prohibited by § 21-
10 28.12-3.

11 (2) "Department" means the department of health;

12 (3) "Distributor" means any person:

13 (i) Whether located within or outside of this state, other than a retailer, who sells or
14 distributes kratom or kratom products within or into this state; and

15 (ii) Engaged in this state in the business of manufacturing kratom products or any person
16 engaged in the business of selling kratom or kratom products to dealers, or to other persons, for the
17 purpose of resale only; provided that, seventy-five percent (75%) of all kratom and kratom products
18 sold by that person in this state are sold to retailers or other persons for resale and selling kratom
19 and kratom products directly to at least twenty (20) dealers or other persons for resale; or

1 (iii) Maintaining one or more regular places of business in this state for that purpose;
2 provided that, seventy-five percent (75%) of the sold kratom and kratom products are purchased
3 directly from the manufacturer and selling kratom and kratom products directly to at least twenty
4 (20) retailers or other persons for resale.

5 (4) "Kratom" means any part of the leaf of the plant mitragyna speciosa.

6 (5) "Kratom product" means a product containing any part or extract of the leaf of the plant
7 mitragyna speciosa or an extract thereof including concentrated forms of kratom and products
8 composed of kratom and other ingredients.

9 (6) "Importer" means any person who imports into the United States, either directly or
10 indirectly, kratom or a kratom product for sale or distribution.

11 (7) "Kratom extract" means a substance or compound obtained by extraction of the
12 mitragyna speciosa leaf, intended for ingestion, containing only naturally occurring constituents of
13 the kratom plant, Generally Recognized As Safe (GRAS) substances, approved constituent articles,
14 and does not contain any controlled substances.

15 (8) "Synthesized material" means:

16 (i) An alkaloid or alkaloid derivative that has been created by chemical synthesis or
17 biosynthetic means (including, but not limited to, fermentation, recombinant techniques, yeast
18 derived, enzymatic techniques), rather than traditional food preparation techniques, such as heating
19 or extracting that synthetically alters the composition of any kratom alkaloid or constituent; or

20 (ii) An alkaloid or alkaloid derivative contained in kratom that has been exposed to
21 chemicals or processes that would confer a structural change in the alkaloids, resulting in material
22 that has been chemically altered.

23 (9) "Licensed" when used with reference to a manufacturer, importer, distributor, or
24 retailer, means only those persons who hold a valid and current license issued under § 21-28.12-6
25 for the type of business being engaged in. When the term "licensed" is used before a list of entities,
26 such as "licensed manufacturer, importer, wholesale retailer, or retailer" such term shall be deemed
27 to apply to each entity in such list.

28 (10) "Manufacturer" means any person who manufactures, fabricates, assembles,
29 processes, or labels a kratom product.

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

32 (12) "Place of business" means any location where kratom or kratom products are sold,
33 stored, or kept including, but not limited to: any storage room, attic, basement, garage or other
34 facility immediately adjacent to the location. It also includes any receptacle, hide, vessel, vehicle,

1 airplane, or train.

2 (13) "Retailer" means any person, whether located within or outside of this state, who sells
3 or distributes kratom or kratom products to a consumer in this state.

4 (14) "Sale" or "sell" means gifts, exchanges, and/or barter of kratom products. The act of
5 holding, storing, or keeping kratom products at a place of business or with a person for any purpose
6 shall be presumed to be holding the kratom products for sale. Furthermore, any sale of kratom
7 products by the servants, employees, or agents of the licensed retailer at the place of business shall
8 be presumed to be a sale by the licensee.

9 **21-28.12-3. Kratom and kratom product limitations.**

10 (a) A person shall not prepare, distribute, sell, possess, or advertise any of the following:

11 (1) A kratom product that is a conventional food or beverage or labeled as a conventional
12 food or beverage product.

13 (2) A kratom product that contains any substance that is poisonous, harmful, or injurious
14 to health.

15 (3) A kratom product that contains a substance other than a non-psychoactive substance
16 necessary for the preparation, processing, or manufacturing of said product.

17 (4) A kratom extract that contains levels of residual solvents higher than is allowed in the
18 U.S. Pharmacopeia 467.

19 (5) A kratom product containing any synthetic alkaloids including synthetic mitragynine,
20 synthetic 7-hydroxymitragynine, or any other synthetically derived compounds of the kratom plant.

21 (6) A kratom product that contains a heavy metal that exceeds any of the following limits
22 in parts per million:

23 (i) Arsenic <2

24 (ii) Cadmium <0.82

25 (iii) Lead <1.2

26 (iv) Mercury <0.4

27 (7) A kratom product in any form that is combustible or intended to be used for
28 vaporization, aerosolization, or injection.

29 (8) A kratom product in any form that mimics a candy product or is manufactured,
30 packaged, or advertised in a way that can be reasonably considered to appeal to individuals under
31 twenty-one (21) years.

32 (9) A kratom product not contained in child-resistant packaging that meets the standards
33 set forth in 16 C.F.R 1700.15(b) when tested in accordance with 16 C.F.R 1700.20. All persons
34 holding valid licenses pursuant to §21-28.12 shall ensure that kratom and/or any kratom product

1 sold by the licensee and intended for human consumption shall meet requirements related to child-
2 resistant packaging.

3 (10) A kratom product that contains a concentration ratio that is:

4 (i) Greater than 150 mg of mitragynine per serving;

5 (ii) Greater than 0.5 mg 7-hydroxymitragynine per gram; or

6 (iii) Greater than 1 mg 7-hydroxymitragynine per serving.

7 (11) A kratom product that contains more than one percent of 7-hydroxymitragynine by
8 percentage of total kratom alkaloids.

9 (12) Kratom or a kratom product that does not provide clearly visible labeling including,
10 but not limited to:

11 (i) A recommendation to consult a health care professional prior to use;

12 (ii) A statement that kratom may be habit forming;

13 (iii) A statement that kratom is not safe for use while pregnant or breastfeeding;

14 (iv) A warning that the product may result in dangerous medication interactions.

15 (v) The following statement: “These statements have not been evaluated by the United
16 States Food and Drug Administration. This product is not intended to diagnose, treat, cure, or
17 prevent any disease.”;

18 (vi) The net quantity of contents declared in numerical count (e.g., thirty (30) capsules), or
19 in volume or weight in United States Customary System terms;

20 (A) The amount of mitragynine and/or 7-hydroxymitragynine contained in a serving in said
21 kratom product;

22 (B) A recommended amount of the kratom product per serving; and

23 (C) A recommended number of servings that can be safely consumed in a twenty-four (24)
24 hour period.

25 (vii) The total amount of mitragynine and 7-hydroxymitragynine contained in the kratom
26 product;

27 (viii) A statement that this product should be stored safely and out of the reach of children;

28 (ix) The name, physical non-post office box address of the manufacturer.

29 (b) Kratom and kratom products sold at retail must be sold by a licensed retailer and must
30 be obtained from a licensed manufacturer, importer, or distributor.

31 (c) All kratom and kratom products that do not comply with subsection (a) of this section
32 shall be deemed contraband.

33 **21-28.12-4. Age limits and sales restrictions.**

34 (a) No person or entity shall distribute, sell, transfer, or advertise a kratom product to a

1 person under twenty-one (21) years.

2 (b) All kratom products shall be kept behind the sales counter only accessible to store
3 employees.

4 (c) The sale or distribution of kratom or kratom products to individuals under the age of
5 twenty-one (21) is prohibited.

6 (d) Valid photo identification for proof of age is required for all kratom and kratom product
7 purchases. Acceptable forms of government-issued identification shall include a recent photo of
8 the individual to whom the identification has been issued showing the date of birth of the individual
9 to verify the individual is age twenty-one (21) years or over. Acceptable forms of government-
10 issued identification are: a valid motor vehicle operator's license issued by the State of Rhode
11 Island or another State; a valid driver privilege card issued by the State of Rhode Island or another
12 state; a valid Rhode Island identification card issued by the administrator of the division of motor
13 vehicles; a valid armed services identification card; or a valid passport.

14 **21-28.12-5. Violations.**

15 (a) A person or entity that violates §§ 21-28.12-3 or 21-28.12-4 may be subject to the
16 suspension or revocation of its license pursuant to § 21-28.12-9 by the department and shall be
17 subject to a fine by the department of not more than one thousand dollars (\$1,000) for the first
18 offense and not more than two thousand dollars (\$2,000) for a second offense. Upon a third
19 violation, the license of the retailer shall be revoked by the department, and the retailer shall be
20 prohibited from selling kratom or kratom products.

21 (b) The department may require an independent third-party test of a kratom product by a
22 laboratory of the department's choice to determine if the product is prohibited by § 21-28.12-3, and
23 the retailer shall be required to submit payment for the test and administrative costs associated with
24 said testing. If the retailer does not tender payment to the department within thirty (30) days of
25 receipt of the invoice, the retailer may be subject to the suspension or revocation of its license
26 pursuant to this section.

27 (c) The department of health, the department of revenue division of taxation, and the
28 department of behavioral health, developmental disabilities, and hospitals are authorized to share
29 information to effectuate the purposes of this chapter and chapter 20.3 of title 44.

30 (d) A person or entity who violates the provisions of this chapter by adulterating a kratom
31 product with any substance listed in § 21-28-2.08 shall be subject to penalties set forth in this
32 chapter as well as in § 21-28-4.01.

33 (e) All funds received by the department pursuant to this section shall be deposited into a
34 restricted receipt account established in § 21-28.12-11.

1 **21-28.12-5.1. Confiscation of contraband kratom products and other property.**

2 (a) All kratom products that are held for sale or distribution within the borders of this state
3 in violation of the requirements of this chapter are declared to be contraband goods and may be
4 seized by the department or the department's agents, or employees, or by any sheriff, or the sheriff's
5 deputy, or any police officer when directed by the department to do so, without a warrant. All
6 contraband goods seized by the state under this chapter shall be destroyed.

7 (b) All fixtures, equipment, and all other materials and personal property on the premises
8 of any distributor or retailer who or that, with the intent to defraud the state, fails to keep or make
9 any record, return, report, or inventory; keeps or makes any false or fraudulent record, return,
10 report, or inventory required by this chapter; refuses to pay any tax imposed by this chapter; or
11 attempts in any manner to evade or defeat the requirements of this chapter shall be forfeited to the
12 state.

13 **21-28.12-5.2. Sale of contraband kratom products prohibited.**

14 No distributor shall sell, and no other person shall sell, offer for sale, display for sale, or
15 possess with intent to sell any contraband kratom products without written record of the payment
16 of tax imposed by this chapter.

17 **21-28.12-5.3. Penalties for violations as to contraband kratom products.**

18 (a) Any person who violates any provision of § 21-28.12-5.2 shall be fined by the
19 department as follows:

20 (1) For a first offense in a twenty-four-month (24) period, fined not more than ten (10)
21 times the retail value of the contraband kratom products;

22 (2) For a second or subsequent offense in a twenty-four-month (24) period, fined not more
23 than twenty-five (25) times the retail value of the contraband kratom products.

24 (b) When determining the amount of a fine sought or imposed under this section, evidence
25 of mitigating factors, including history, severity, and intent shall be considered.

26 (c) All funds received by the department pursuant to this section shall be deposited into a
27 restricted receipt account established in § 21-28.12-11.

28 **21-28.12-5.4. Hearing on kratom products confiscated, fines, or license suspension or**
29 **revocation.**

30 (a) When any kratom products are confiscated under the provisions of § 21-28.12-5.1, upon
31 the request of a person claiming an interest in the kratom the department shall conduct a hearing in
32 accordance with the procedures as set forth in chapter 35 of title 42 ("administrative procedures").

33 (b) When a fine, or license suspension or revocation occurs under the provisions of this
34 chapter, upon the request of the aggrieved party, the department shall conduct a hearing in

1 [accordance with the procedures as set forth in chapter 35 of title 42 \("administrative procedures"\).](#)

2 [\(c\) When a person aggrieved by any action under this chapter, upon the request of a person](#)
3 [claiming an interest in the kratom the department shall conduct a hearing in accordance with the](#)
4 [procedures as set forth in chapter 35 of title 42 \("administrative procedures"\).](#)

5 **21-28.12-5.6. Appeal to district court.**

6 [Any person aggrieved by any decision of the department under the provisions of this](#)
7 [chapter may appeal the decision within thirty \(30\) days thereafter to the sixth division of the district](#)
8 [court.](#)

9 **21-28.12-5.7. Disposition of revenue — Payment of refunds.**

10 [All monies received by the department under the provisions of this chapter, unless](#)
11 [otherwise designated, are paid to the general fund. Whenever the department determines that any](#)
12 [person is entitled to a refund of any monies paid by that person under the provisions of this chapter,](#)
13 [or whenever a court of competent jurisdiction orders a refund of any paid monies, the general](#)
14 [treasurer shall, upon certification by the department and with the approval of the controller, pay the](#)
15 [refunds from any monies in the treasury not appropriated without any further act or resolution](#)
16 [making appropriation for any monies.](#)

17 **21-28.12-6. Manufacturer, importer, distributor, and retailer licenses required –**
18 **Licenses required.**

19 [\(a\) Each person engaging in the business of selling kratom or kratom products in this state,](#)
20 [including any manufacturer, importer, distributor, or retailer, shall secure a license from the](#)
21 [department before engaging or continuing to engage in that business in accordance with this](#)
22 [section. A separate application and license are required for each place of business operated by a](#)
23 [distributor, manufacturer, importer, distributor, or retailer. If the applicant for a license does not](#)
24 [have a place of business in this state, the license shall be issued for such applicant's principal place](#)
25 [of business, wherever located. A licensee shall notify the department within thirty \(30\) days that it](#)
26 [changes its principal place of business. A separate license is required for each class of business if](#)
27 [the applicant is engaged in more than one of the activities required to be licensed by this section.](#)
28 [Each license shall expire after one year at which time said license shall be renewed in accordance](#)
29 [with subsection \(c\) of this section.](#)

30 [\(b\) Effective April 1, 2026 until December 31, 2027, each initial licensing application for](#)
31 [a manufacturer's, importer's, or distributor's license shall be accompanied by a non-refundable](#)
32 [initial application fee of two thousand dollars \(\\$2,000\). Effective April 1, 2026 until December 31,](#)
33 [2027, each initial licensing application for a retailer's license shall be accompanied by a non-](#)
34 [refundable initial application fee of one thousand dollars \(\\$1,000\).](#)

1 (c) Each license, including any manufacturer, importer, distributor, or retailer license, shall
2 be renewed annually. Effective April 1, 2026 until December 31, 2027, each license renewal of a
3 manufacturer's, importer's, or distributor's license shall be accompanied by a non-refundable
4 renewal fee of two thousand dollars (\$2,000). Effective April 1, 2026 until December 31, 2027,
5 each license renewal of a retailer's license shall be accompanied by a non-refundable renewal fee
6 of one thousand dollars (\$1,000).

7 (d) Effective January 1, 2028, the director of the department of health is authorized to
8 establish by rule and regulation reasonable initial application fees and license renewal fees for
9 kratom manufacturer's, importer's, distributor's, and retail licenses.

10 (e) Each issued license shall be prominently displayed on the premises, if any, covered by
11 the license.

12 (f) A manufacturer or importer may sell or distribute kratom and/or kratom products to a
13 person located or doing business within the state only if such person is a licensed distributor. An
14 importer may obtain kratom and/or kratom products only from a licensed manufacturer. A
15 distributor may sell or distribute kratom and/or kratom products to a person located or doing
16 business within this state only if such person is a licensed distributor or retailer. A distributor may
17 obtain kratom and/or kratom products only from a licensed manufacturer, importer, or distributor.
18 A retailer may obtain kratom and/or kratom products only from a licensed distributor.

19 (g)(1) No license under this chapter may be granted, maintained, or renewed if the
20 applicant, or any combination of persons owning directly or indirectly any interests in the applicant:

21 (i) Is delinquent in any tax filings for one month or more; or

22 (ii) Had a license under this chapter revoked within the past two (2) years.

23 (2) No person shall apply for a new license, or renewal of a license and no license shall be
24 issued or renewed for any person, unless all outstanding fines, fees, or other charges relating to any
25 license held by that person have been paid.

26 (3) No license shall be issued relating to a business at any specific location until all prior
27 licenses relating to that location have been officially terminated and all fines, fees, or charges
28 relating to the prior licenses have been paid or otherwise resolved or if the department has found
29 that the person applying for the new license is not acting as an agent for the prior licensee who is
30 subject to any such related fines, fees, or charges that are still due. Evidence of such agency status
31 includes, but is not limited to, a direct familial relationship and/or employment, contractual, or
32 other formal financial or business relationship with the prior licensee.

33 (4) No person shall apply for a new license pertaining to a specific location to evade
34 payment of any fines, fees, or other charges relating to a prior license for that location.

1 (5) No new license shall be issued for a business at a specific location for which a license
2 has already issued unless there is a bona fide, good-faith change in ownership of the business at
3 that location.

4 (6) No license or permit shall be issued, renewed, or maintained for any person, including
5 the owners of the business being licensed, who has been convicted of violating any criminal law
6 relating to tobacco products, electronic nicotine-delivery system products, kratom and/or kratom
7 products, the payment of taxes, fraud, and/or has been ordered to pay civil fines of more than
8 twenty-five thousand dollars (\$25,000) for violations of any civil law relating to tobacco products,
9 electronic nicotine-delivery system products, kratom and/or kratom products, the payment of taxes,
10 or fraud.

11 (h) All funds received by the department pursuant to this section shall be deposited into a
12 restricted receipt account established in § 21-28.12-11.

13 **21-28.12-7. Penalties for unlicensed business.**

14 Any manufacturer, importer, distributor, or retailer who sells, offers for sale, or possesses
15 with intent to sell, kratom or kratom products, without a license as provided in § 21-28.12-6, shall
16 be fined in accordance with the provisions of, and the penalties contained in, § 21-28.12-8.

17 **21-28.12-8. Penalty for operating without a manufacturer, importer, distributor, or**
18 **dealer license.**

19 Any individual or business who violates this chapter by selling or conveying kratom or a
20 kratom product without a retail license or a license under this chapter shall be cited for that violation
21 and shall be fined five thousand (\$5,000) dollars by the department. All funds received by the
22 department pursuant to this section shall be deposited into a restricted receipt account established
23 in § 21-28.12-11.

24 **21-28.12-9. Suspension or revocation of license.**

25 The department may suspend or revoke any license under this chapter for failure of the
26 licensee to comply with any provision of this chapter or with any provision of any other law or
27 ordinance relative to the sale or purchase of kratom or kratom products. The department may also
28 suspend or revoke any license for failure of the licensee to comply with any provision of this chapter
29 and chapter 13 of title 6 ("unfair sales practices"), and, for the purpose of determining whether the
30 licensee is complying with any provision of chapter 13 of title 6 ("unfair sales practices"), the
31 department and his or her authorized agents are empowered to examine the books, papers, and
32 records of any licensee. The department shall revoke the license of any person who would be
33 ineligible to obtain a new or renew a license by reason of any of the conditions for licensure
34 provided in this chapter. Any person aggrieved by the suspension or revocation may apply to the

1 [department for a hearing as provided in this title.](#)

2 **21-28.12-10. Taxation of kratom products.**

3 [\(a\) The following taxes are imposed on kratom and kratom products pursuant to the](#)
4 [provisions of this chapter.](#)

5 [\(1\) Sales tax pursuant to the provisions of § 44-18-18;](#)

6 [\(2\) A state kratom and kratom product excise tax in accordance with chapter 20.3 in title](#)
7 [44.](#)

8 [\(b\) The assessment, collection, and enforcement of the sales tax pursuant to § 44-18-18](#)
9 [and the state kratom and kratom products tax shall be pursuant to the provisions of chapters 18 and](#)
10 [19 of title 44 and paid to the tax administrator by the manufacturer, importer or distributor at the](#)
11 [time and in the manner prescribed for the tax in chapter 20.3 in title 44.](#)

12 **21-28.12-11. Restricted receipt account established.**

13 [All funds received pursuant to §§ 21-28.12-5, 21-28.12-5.3, 21-28.12-6, and 21-28.12-8](#)
14 [shall be payable to the department of health. There is to be established a restricted receipt account](#)
15 [to be known as the “kratom administration account” which shall be a separate account within the](#)
16 [department of health. Penalties, fines, application fees, and license renewal fees shall be deposited](#)
17 [into the account. Monies deposited into the account shall be transferred to the department of health](#)
18 [and shall be expended for the purpose of administering the provision of this chapter.](#)

19 **21-28.12-12. Rules and regulation.**

20 [The department has the authority to promulgate rules and regulation to fulfill the intent of](#)
21 [this chapter.](#)

22 SECTION 2. Section 21-28-2.03 of the General Laws in Chapter 21-28 entitled "Uniform
23 Controlled Substances Act" is hereby amended to read as follows:

24 **21-28-2.03. Schedule I tests.**

25 [\(a\) The director of health shall place a substance in schedule I if he or she finds that the](#)
26 [substance:](#)

27 [\(1\) Has high potential for abuse; and](#)

28 [\(2\) Has no accepted medical use in treatment in the United States or lacks accepted safety](#)
29 [for use in treatment under medical supervision.](#)

30 [\(b\) Notwithstanding the provisions of subsection \(a\) of this section, the director shall have](#)
31 [no authority to place or maintain mitragynine and 7-hydroxymitragynine in schedule I.](#)

32 SECTION 3. Sections 11-9-13, 11-9-13.4, 11-9-13.8, 11-9-13.11 and 11-9-13.13 of the
33 General Laws in Chapter 11-9 entitled "Children" are hereby amended to read as follows:

34 **11-9-13. Sale or delivery of tobacco products, including electronic nicotine-delivery**

1 **system products to individuals under twenty-one (21) — Posting notice of law.**

2 No person shall sell, give, or deliver to any individual under twenty-one (21) years of age,
3 any tobacco product in the form of cigarettes, bidi cigarettes, cigars, little cigars, flavored cigars
4 known as “blunts,” unflavored “blunts,” flavored and unflavored blunt wraps, cigarette rolling
5 papers of any size or composition, cigarillos and tiparillos, pipe tobacco, chewing tobacco, snuff,
6 electronic nicotine-delivery system products, [kratom or kratom products](#) or any and all products as
7 defined in § 44-20-1 [or §21-28.12-2](#). Any person, firm, or corporation that owns, manages, or
8 operates a place of business in which tobacco products [kratom and/or kratom products](#) are sold,
9 including sales through tobacco product vending machines, shall post notice of this law
10 conspicuously in the place of business in letters at least three-eighths of an inch ($\frac{3}{8}$ ”) high.

11 **11-9-13.4. Definitions.**

12 For the purposes of this chapter:

13 (1) “Bidi cigarette” means any product that (i) Contains tobacco that is wrapped in
14 temburni or tender leaf, or that is wrapped in any other material identified by rules of the department
15 of health that is similar in appearance or characteristics to the temburni or tender leaf, and (ii) Does
16 not contain a smoke filtering device.

17 (2) “Court” means any appropriate district court of the state of Rhode Island.

18 (3) “Dealer” is synonymous with the term “retail tobacco products dealer.”

19 (4) “Department of behavioral healthcare, developmental disabilities and hospitals” means
20 the state of Rhode Island behavioral healthcare, developmental disabilities and hospitals
21 department, its employees, agents, or assigns.

22 (5) “Department of taxation” means the state of Rhode Island taxation division, its
23 employees, agents, or assigns.

24 (6) “Electronic nicotine-delivery system” means an electronic device that may be used to
25 simulate smoking in the delivery of nicotine or other substance to a person inhaling from the device,
26 and includes, but is not limited to, an electronic cigarette, electronic cigar, electronic cigarillo,
27 electronic little cigars, electronic pipe, electronic hookah, e-liquids, e-liquid products, or any related
28 device and any cartridge or other component of such device.

29 (7) “Electronic nicotine-delivery system product” means any combination of electronic
30 nicotine-delivery system and/or e-liquid and/or any derivative thereof, and/or any e-liquid
31 container. Electronic nicotine-delivery system products shall not include hemp-derived consumable
32 cannabidiol (CBD) products as defined in § 2-26-3.

33 (8) “E-liquid” and “e-liquid products” means any liquid or substance placed in or sold for
34 use in an electronic nicotine-delivery system that generally utilizes a heating element that

1 aerosolizes, vaporizes, or combusts a liquid or other substance containing nicotine or nicotine
2 derivative:

3 (i) Whether the liquid or substance contains nicotine or a nicotine derivative; or

4 (ii) Whether sold separately or sold in combination with a personal vaporizer, electronic
5 nicotine-delivery system, or an electronic inhaler.

6 (9) [“Kratom” means any part of the leaf of the plant mitragyna speciosa.](#)

7 [\(10\) “Kratom product” means a product that contains any part or extract of the leaf of the](#)
8 [plant mitragyna speciosa or an extract thereof including concentrated forms of kratom and products](#)
9 [composed of kratom and other ingredients.](#)

10 [\(11\) “License” is synonymous with the term “retail tobacco products dealer license” or](#)
11 [“electronic nicotine-delivery system license” or any license issued under chapter 20 of title 44 or](#)
12 [license issued under chapter 28.12 of title 21.](#)

13 ~~(10)~~[\(12\) “License holder” is synonymous with the term “retail tobacco products dealer” or](#)
14 [“electronic nicotine-delivery system license” or any licenses issued under chapter 20 of title 44 or](#)
15 [license issued under chapter 28.12 of title 21.](#)

16 ~~(11)~~[\(13\) “Little cigars” means and includes any roll, made wholly or in part of tobacco,](#)
17 [irrespective of size or shape, and irrespective of whether the tobacco is flavored, adulterated, or](#)
18 [mixed with any other ingredient, where such roll has a wrapper or cover made of tobacco wrapped](#)
19 [in leaf tobacco or any substance containing tobacco paper or any other material and where such roll](#)
20 [has an integrated filter, except where such wrapper is wholly or in greater part made of tobacco and](#)
21 [where such roll has an integrated filter and weighs over four \(4\) pounds per thousand \(1,000\).](#)

22 ~~(12)~~[\(14\) “Person” means any individual person, firm, fiduciary, partnership, trust,](#)
23 [association, or corporation licensed as a retail dealer to sell tobacco products within the state.](#)

24 [\(13\)\[\\(15\\) “Retail tobacco products dealer” means the holder of a license to sell tobacco\]\(#\)
25 \[products at retail and shall include holders of all other licenses issued under chapter 20 of title 44.\]\(#\)](#)

26 [\(14\)\[\\(16\\) “Retail tobacco products dealer license” means a license to sell tobacco products\]\(#\)
27 \[and/or electronic nicotine-delivery system products as defined in § 44-20-1\\(6\\) at retail as issued by\]\(#\)
28 \[the department of taxation.\]\(#\)](#)

29 [\(15\)\[\\(17\\) “Spitting tobacco” also means snuff, powdered tobacco, chewing tobacco, dipping\]\(#\)
30 \[tobacco, pouch tobacco, or smokeless tobacco.\]\(#\)](#)

31 [\(16\)\[\\(18\\) “Tobacco product\\(s\\)” means any product\\(s\\) containing, made of, or derived from\]\(#\)
32 \[tobacco or nicotine that is intended for human consumption or is likely to be consumed, whether\]\(#\)
33 \[inhaled, absorbed, or ingested by any other means, including, but not limited to, a cigarette, a little\]\(#\)
34 \[cigar as defined in § 44-20.2-1, and any and all products as defined in § 44-20-1, electronic nicotine-\]\(#\)](#)

1 delivery system products, or any added substance that may be aerosolized, vaporized, or otherwise
2 delivered by such an electronic nicotine-delivery system device, whether or not that substance
3 contains nicotine.

4 (i) “Tobacco product(s)” does not include drugs, devices, or combination products intended
5 to treat tobacco or nicotine dependence that are authorized by the United States Food and Drug
6 Administration, as those terms are defined in the Federal Food, Drug and Cosmetic Act. Nor does
7 it include such authorized drugs, devices, or combination products with such treatment purpose by
8 individuals under age twenty-one (21) if prescribed by a licensed prescriber such as a physician,
9 nurse practitioner, or physician assistant.

10 (17)(19) “Underage individual” or “underage individuals” means any individual under the
11 age of twenty-one (21).

12 **11-9-13.8. Prohibitions applicable to license holders and their employees and agents.**

13 A person holding a license issued under chapter 20 of title 44 and/or ~~§ 23-1-56~~ [chapter](#)
14 [28.12 of title 21](#), or an employee or agent of that person, is prohibited from selling, distributing, or
15 delivering a tobacco product, including an electronic nicotine-delivery system product [and/or](#)
16 [kratom or kratom product](#):

17 (1) To any individual who is under twenty-one (21) years of age; or

18 (2) In any form other than an original, factory-wrapped package as sealed and certified by
19 the manufacturer; or

20 (3) As a single-cigarette sale (§ 44-20-31) or as a sale of cigarettes by the individual piece
21 known as “loosies.”

22 **11-9-13.13. Nature and size of penalties.**

23 (a) Any license holder who violates a requirement of § 11-9-13.6(2) or § 11-9-13.7, display
24 of specific signage, shall be subject to a fine in court of not less than thirty-five dollars (\$35.00),
25 nor more than five hundred dollars (\$500), per civil violation.

26 (b) The license holder is responsible for all violations of this section that occur at the
27 location for which the license is issued. Any license holder who or that violates the prohibition of
28 § 11-9-13.8(1) or § 11-9-13.20 shall be subject to civil fines as follows:

29 (1) A fine of two hundred fifty dollars (\$250) for the first violation within any thirty-six-
30 month (36) period;

31 (2) A fine of five hundred dollars (\$500) for the second violation within any thirty-six-
32 month (36) period;

33 (3) A fine of one thousand dollars (\$1,000) and a fourteen-day (14) suspension of the
34 license to sell tobacco products, ~~or~~ electronic nicotine-delivery systems [or kratom or kratom](#)

1 [products](#) for the third violation within any thirty-six-month (36) period;

2 (4) A fine of one thousand five hundred dollars (\$1,500) and a ninety-day (90) suspension
3 of the license to sell tobacco products ~~, or~~ electronic nicotine-delivery systems [or kratom or kratom](#)
4 [products](#) for each violation in excess of three (3).

5 (c) Any person who or that violates a prohibition of § 11-9-13.8(3), sale of single cigarettes;
6 or § 11-9-13.8(2), regarding factory-wrapped packs as sealed and certified by the manufacturer;
7 shall be subject to a penalty of five hundred dollars (\$500) for each violation.

8 (d) The department of taxation [or department of health](#) shall not issue a license to any
9 individual, business, firm, fiduciary, partnership, trust, association, or corporation, the license of
10 which has been revoked or suspended; to any corporation, an officer of which has had his or her
11 license revoked or suspended; or to any individual who is, or has been, an officer of a corporation
12 the license of which has been revoked or suspended so long as such revocations or suspensions are
13 in effect.

14 (e) The court may suspend the imposition of a license suspension of the license secured
15 from the Rhode Island tax administrator or department of health for a violation of subsections (b)(3)
16 and (b)(4) of this section if the court finds that the license holder has taken measures to prevent the
17 sale of tobacco products, including electronic nicotine-delivery system products, [or kratom and](#)
18 [kratom products, as applicable](#), to an underage individual and the license holder can demonstrate
19 to the court that those measures have been taken and that employees have received training. No
20 person or individual shall sell tobacco products, including electronic nicotine-delivery system
21 products, [or kratom and kratom products](#), at retail without first being trained in the legal sale of
22 tobacco products, including electronic nicotine-delivery system products, [or kratom and kratom](#)
23 [products, as applicable](#). Training shall teach employees what constitutes a tobacco product,
24 including an electronic nicotine-delivery system product, [or kratom and kratom products, as](#)
25 [applicable](#); legal age of sale; acceptable identification; how to refuse a direct sale to an underage
26 individual or secondary sale to an individual twenty-one (21) years or older; and all applicable laws
27 on tobacco, [electronic nicotine-delivery systems or kratom and kratom products, as applicable](#) sales
28 and distribution. ~~Dealers~~ [All license holders](#) shall maintain records indicating that the provisions
29 of this section were reviewed with all employees who conduct, or will conduct, tobacco product
30 sales, including electronic nicotine-delivery system product sales, [or kratom and kratom products,](#)
31 [as applicable](#). Each employee who sells or will sell tobacco products, including electronic nicotine-
32 delivery system products, [or kratom and kratom products, as applicable](#) shall sign an
33 acknowledgement form attesting that the provisions of this section were reviewed with him or her.
34 Each form shall be maintained by the retailer for as long as the employee is so employed and for

1 no less than one year after termination of employment. The measures to prevent the sale of tobacco
2 products, including electronic nicotine-delivery system products, to underage individuals shall be
3 defined by the department of behavioral healthcare, developmental disabilities and hospitals in
4 rules and regulations. The measures to prevent the sale of kratom and kratom products to underage
5 individuals shall be defined by the department of health in rules and regulations.

6 SECTION 4. Chapter 11-9 of the General Laws entitled "Children" is hereby amended by
7 adding thereto the following sections:

8 **11-9-13.21. Signs concerning sales of kratom and kratom products to individuals**
9 **under the age of twenty-one (21).**

10 (a) The department of health shall provide to retail kratom and kratom products dealers
11 signs concerning the prohibition of sales to individuals under twenty-one (21) years of age. This
12 sign, or an exact duplicate of it made privately, shall be displayed in all locations where kratom or
13 kratom products are sold.

14 (b) Signs provided by the department of health or an exact duplicate of it made privately,
15 shall:

16 (1) Contain in red bold lettering a minimum of three-eighths inch (3/8") high on a white
17 background the following wording in both English and Spanish:

18 THE SALE OF KRATOM PRODUCTS,
19 TO INDIVIDUALS UNDER THE AGE OF 21
20 IS AGAINST RHODE ISLAND LAW
21 (R.I. Gen. Laws Chapter 21-28.12)
22 PHOTO ID FOR PROOF OF AGE IS
23 REQUIRED FOR PURCHASE.

24 Each red letter shall feature a visible black border.

25 (2) Contain the phone number at the department of health, where violations of chapter 1 of
26 title 23 can be reported, in addition to any other information required by the department of health.

27 (3) Be displayed prominently for public view wherever kratom or kratom products are sold
28 including at each cash register, or any other place from which kratom or kratom products are sold.
29 The signs shall be available electronically in both English and Spanish online on the department of
30 health's website.

31 **11-9-13.22. Prohibition on the distribution of free kratom or kratom products.**

32 The distribution and/or redemption of free kratom or kratom products or coupons or
33 vouchers redeemable for free or discounted kratom or kratom products, to any individual under
34 twenty-one (21) years of age shall be prohibited. Further, the distribution and/or redemption of free

1 kratom or kratom products or coupons or vouchers redeemable for free or discounted kratom or
2 kratom products shall be prohibited, regardless of the age of the individual to whom the products,
3 coupons, or vouchers are distributed, within five hundred feet (500') of any school. The attorney
4 general, the department of health, or any local or State of Rhode Island police department, or their
5 officers or agents, shall bring an action for any violation of this section. Every separate, free or
6 discounted kratom or kratom product or coupon or voucher redeemable for a free or discounted
7 kratom or kratom product in violation of this section shall constitute a separate offense subject to a
8 fine of five hundred dollars (\$500). The penalty shall be assessed against the person or individual
9 responsible for initiating the Rhode Island distribution of the free or discounted kratom or kratom
10 products or coupons or vouchers redeemable for free or discounted kratom or kratom products
11 and/or against the person or individual responsible for the redemption of such coupons or vouchers.

12 **11-9-13.23. Prohibition on the delivery sale of kratom products.**

13 Kratom and kratom products shall only be sold at retail at the fixed location for which a
14 person holds a kratom retailer license issued by the department of health. Delivery of kratom and
15 kratom products to retail purchasers is prohibited.

16 **11-9-13.24. Compliance inspections for the underage sale of kratom and/or kratom**
17 **products.**

18 The department of health and the department behavioral healthcare, developmental
19 disabilities and hospitals shall have the authority to:

- 20 (1) Investigate with other state and local officials any violations of this chapter.
21 (2) Utilize unannounced statewide compliance checks of kratom product sales. BHDDH
22 nor any person who has not yet attained twenty one (21) years of age shall not be liable for any
23 criminal or civil statute that prohibits the sale of kratom or kratom products to an underaged person
24 by virtue of conducting a compliance check pursuant to this chapter. Nothing herein shall prevent
25 a law enforcement agency from assisting BHDDH with a compliance check in which an underaged
26 buyer is involved.

27 (i) In fulfilling the requirement of unannounced statewide compliance checks, the
28 department of health or the department of behavioral healthcare, developmental disabilities and
29 hospitals shall maintain and shall provide to the department of revenue division of taxation records
30 of the unannounced compliance checks. The records shall be subject to public disclosure after
31 completion of the investigation consistent with § 38-2-2(4)(D) and (P).

32 (3) In coordination with other state and local departments and agencies, seek enforcement
33 of the penalties as specified in this chapter.

34 (4) The department of health may promulgate rules and regulations necessary to fulfill the

1 intent of §§ 11-9-13.21 through 11-9-13.24.

2 SECTION 5. Title 44 of the General Laws entitled "TAXATION" is hereby amended by
3 adding thereto the following chapter:

4 CHAPTER 20.3

5 KRATOM AND KRATOM PRODUCTS TAX

6 **44-20.3-1. Definitions.**

7 Whenever used in this chapter, unless the context requires otherwise:

8 (1) "Administrator" means the tax administrator.

9 (2) "Dealer" means a "retailer" as defined in this chapter.

10 (3) "Distributor" means any person:

11 (i) Whether located within or outside of this state, other than a retailer, who sells or
12 distributes kratom or kratom products within or into this state; and

13 (ii) Engaged in this state in the business of manufacturing kratom products or any person
14 engaged in the business of selling kratom or kratom products to retailers, or to other persons, for
15 the purpose of resale only; provided that, seventy-five percent (75%) of all kratom or kratom
16 products sold by that person in this state are sold to retailers or other persons for resale and selling
17 kratom or kratom products directly to at least twenty (20) retailers or other persons for resale; or

18 (iii) Maintaining one or more regular places of business in this state for that purpose;
19 provided that, seventy-five percent (75%) of the sold kratom or kratom products are purchased
20 directly from the manufacturer and selling kratom or kratom products directly to at least twenty
21 (20) retailers or other persons for resale.

22 (4) "Importer" means any person who imports into the United States, either directly or
23 indirectly, kratom or a kratom product for sale or distribution.

24 (5) "Kratom" means any part of the leaf of the plant mitragyna speciosa.

25 (6) "Kratom product" means a product that contains any part or extract of the leaf of the
26 plant mitragyna speciosa or an extract thereof including concentrated forms of kratom and products
27 composed of kratom and other ingredients.

28 (7) "Licensed" when used with reference to a manufacturer, importer, distributor, or
29 retailer, means only those persons who hold a valid and current license issued under § 44-20.3-2
30 for the type of business being engaged in. When the term "licensed" is used before a list of entities,
31 such as "licensed manufacturer, importer, wholesale retailer, or retailer," such term shall be deemed
32 to apply to each entity in such list.

33 (8) "Manufacturer" means any person who manufactures, fabricates, assembles, processes,
34 or labels a kratom product.

1 (9) “Person” means any individual, including an employee or agent, firm, fiduciary,
2 partnership, corporation, trust, or association, however formed.

3 (10) “Place of business” means any location where kratom or kratom products are sold,
4 stored, or kept including, but not limited to, any storage room, attic, basement, garage or other
5 facility immediately adjacent to the location. It also includes any receptacle, hide, vessel, vehicle,
6 airplane, or train.

7 (11) “Retailer” means any person whether located within or outside of this state, who sells
8 or distributes kratom products to a consumer in this state.

9 (12) “Sale” or “sell” means gifts, exchanges, or barter of kratom or kratom products. The
10 act of holding, storing, or keeping kratom or kratom products at a place of business for any purpose
11 shall be presumed to be holding the kratom or kratom products for sale. Furthermore, any sale of
12 kratom or kratom products by the servants, employees, or agents of the licensed retailer during
13 business hours at the place of business shall be presumed to be a sale by the licensee.

14 **44-20.3-2. Tax imposed on kratom and kratom products sold.**

15 (a) A tax is imposed on all kratom and kratom products sold, or held for sale in the state
16 by any person, the payment of the tax to be accomplished according to a mechanism established by
17 the tax administrator. The tax imposed by this section shall be at the rate of fifteen percent (15%)
18 of the wholesale cost for all kratom and kratom products, whether or not sold at wholesale, and if
19 not sold, then at the same rate upon the use by the wholesaler.

20 (b) All kratom and kratom products sold at wholesale in Rhode Island must be sold by a
21 Rhode Island licensed distributor, manufacturer, or importer, and purchasers of kratom and kratom
22 products, licensed by chapter 28.12 of title 21, from an unlicensed distributor, manufacturer, or
23 importer are prohibited. Any kratom and kratom products purchased and/or obtained from an
24 unlicensed person shall be subject to the terms of this chapter and shall be taxed pursuant to this
25 section.

26 (c) The proceeds collected are paid into the general fund.

27 (d) Any tax imposed under the provisions of this chapter, together with all fees or charges,
28 also become, from the time they are due and payable, a debt to the State of Rhode Island from the
29 person liable for the payment of the tax, fees, or charges.

30 **44-20.3-3. Interest and Penalties.**

31 (a) Failure to pay the kratom and kratom products tax to the state, or any amount of tax
32 required to be paid to the state, shall result in interest at the annual rate provided by § 44-1-7 from
33 the date on which the tax or amount of the tax required to be collected became due and payable to
34 the state until date of payment.

1 **(b) Failure to file tax returns or to pay tax. In the case of failure:**

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

8 **(2) To pay. The amount shown as tax on the return on or before the prescribed date for**
9 **payment of the tax unless it is shown that the failure is due to reasonable cause and not due to**
10 **willful neglect, there shall be added to the amount shown as tax on the return ten percent (10%) of**
11 **the amount of the tax.**

12 **(c) Negligence. If any part of a deficiency is due to negligence or intentional disregard of**
13 **the Rhode Island general laws or rules or regulations under this chapter (but without intent to**
14 **defraud), five percent (5%) of that part of the deficiency shall be added to the tax.**

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

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

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

28 **(g) Whoever fails to pay any tax imposed by this chapter at the time prescribed by law or**
29 **regulations, shall, in addition to any other penalty provided in this chapter, be liable for a penalty**
30 **of one thousand dollars (\$1,000) or not more than five (5) times the tax due but unpaid, whichever**
31 **is greater.**

32 **44-20.3-4. Records — Investigation and inspection of books, premises, and stock.**

33 **(a) Each manufacturer, importer, distributor, and dealer shall maintain copies of invoices**
34 **or equivalent documentation for, or itemized for, each of its facilities for each transaction involving**

1 the sale, purchase, transfer, consignment, or receipt of kratom and kratom products. The invoices
2 or documentation shall show the name and address of the other party and the quantity and type of
3 kratom and kratom products involved in the transaction. All records and invoices required under
4 this section must be safely preserved for three (3) years in a manner to insure permanency and
5 accessibility for inspection by the administrator or his or her authorized agents.

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

12 (c) The administrator or his or her authorized agents may examine the books, papers,
13 reports, and records of any manufacturer, importer, distributor, or dealer in this state for the purpose
14 of determining whether taxes imposed by this chapter have been fully paid, and may investigate
15 the stock of kratom and kratom products in or upon any premises for the purpose of determining
16 whether the provisions of this chapter are being obeyed. The administrator in their sole discretion
17 may share the records and reports required by such sections with law enforcement officials of the
18 federal government, the state, other states, and the department of health.

19 **44-20.3-5. Inspections.**

20 (a) The administrator or the administrator's duly authorized agent shall have authority to
21 enter and inspect, without a warrant during normal business hours, and with a warrant during
22 nonbusiness hours, the facilities and records of any manufacturer, importer, distributor, or dealer.

23 (b) In any case where the administrator or the administrator's duly authorized agent, or any
24 police officer of this state, has knowledge or reasonable grounds to believe that any vehicle is
25 transporting kratom 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 kratom
27 products.

28 **44-20.3-6. Reports and records of carriers, bailees and warehouse persons.**

29 The tax administrator may, in his or her discretion, require reports from any common or
30 contract carrier who transports kratom or kratom products to any point or points within the state,
31 and from any bonded warehouseperson or bailee who has in his or her possession any kratom or
32 kratom products, these reports to contain any information concerning shipments of kratom or
33 kratom products that the tax administrator determines. All common and contract carriers, bailees,
34 and warehousepersons shall permit the examination by the tax administrator or his or her authorized

1 agent of any records relating to the shipment or receipt of kratom or kratom products.

2 **44-20.3-7. Violations as to reports and records.**

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

13 **44-20.3-8. Declarations under penalty of perjury.**

14 The oath or affirmation required by the provisions of this chapter as to any report or written
15 statement is not required if the report or statement to be sworn to contains or is verified by a written
16 declaration that it is made under the penalties of perjury; and if any report or statement is willfully
17 false, any person who signs and issues any statement containing or verified by this declaration is
18 guilty of perjury.

19 **44-20.3-9. Importation of kratom or kratom products with intent to evade tax.**

20 Any person, firm, corporation, club, or association of persons who or that orders any
21 kratom products for another; or pools orders for kratom or kratom products from any persons; or
22 conspires with others for pooling orders; or receives in this state any shipment of contraband kratom
23 products on which the tax imposed by this chapter has not been paid, for the purpose and intention
24 of violating the provisions of this chapter or to avoid payment of the tax imposed in this chapter, is
25 guilty of a felony and shall be fined one hundred thousand dollars (\$100,000) or five (5) times the
26 retail value of the kratom products involved, whichever is greater, or imprisoned not more than
27 fifteen (15) years, or both.

28 **44-20.3-10. Witnesses before tax administrator.**

29 (a) The tax administrator and any agent of the tax administrator authorized to conduct any
30 inquiry, investigation, or hearing under this chapter has power to administer oaths and take
31 testimony under oath relative to the matter of inquiry or investigation. At any hearing ordered by
32 the tax administrator, the tax administrator or his or her agent may subpoena witnesses and require
33 the production of books, papers, and documents pertinent to the inquiry. No witness under subpoena
34 authorized to be issued by the provisions of this chapter is excused from testifying or from

1 producing books or papers on the ground that the testimony or the production of the books or other
2 documentary evidence would tend to incriminate the witness, but the testimony or the evidence of
3 the books or papers so produced shall not be used in any criminal proceedings against the witness.

4 (b) If any person disobeys this process or, having appeared in obedience to it, refuses to
5 answer any pertinent question put to the person by the tax administrator or his or her authorized
6 agent or to produce any books and papers pursuant to the process, the tax administrator or the agent
7 may apply to the sixth division of the district court, stating the disobedience to process or refusal
8 to answer, and the court shall cite the person to appear before the court to answer that question or
9 to produce those books and papers, and, upon his or her refusal so to do, shall commit the person
10 to the adult correctional institutions, for a period not to exceed sixty (60) days. Notwithstanding
11 the serving of the term of this commitment by any person, the tax administrator may proceed in all
12 respects with this inquiry and examination as if the witness had not previously been called upon to
13 testify.

14 (c) Officers who serve subpoenas issued by the tax administrator or under the tax
15 administrator's authority and witnesses subpoenaed by the tax administrator under this section shall
16 receive fees and compensation at the same rates as officers and witnesses in the district courts of
17 the state, to be paid from the proper appropriation for the administration of this chapter.

18 (d) A party aggrieved by an order of the court may appeal the order to the supreme court
19 in accordance with the procedures contained in the rules of appellate procedure of the supreme
20 court.

21 **44-20.3-11. Hearings by tax administrator.**

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

34 **44-20.3-12. Appeal to district court.**

1 Any person aggrieved by any decision of the tax administrator under the provisions of this
2 chapter may appeal the decision within thirty (30) days thereafter to the sixth division of the district
3 court. The appellant shall at the time of taking an appeal file with the court a bond of recognizance
4 to the state, with surety to prosecute the appeal to effect and to comply with the orders and decrees
5 of the court in the premises. These appeals are preferred cases, to be heard, unless cause appears to
6 the contrary, in priority to other cases. The court may grant relief as may be equitable. If the court
7 determines that the appeal was taken without probable cause, the court may tax double or triple
8 costs, as the case demands; and, upon all those appeals, which may be denied, costs may be taxed
9 against the appellant at the discretion of the court. In no case shall costs be taxed against the state,
10 its officers, or agents. A party aggrieved by a final order of the court may seek review of the order
11 in the supreme court by writ of certiorari in accordance with the procedures contained in § 42-35-
12 16.

13 **44-20.3-13. Claim for refund.**

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

21 **44-20.3-14. Administration — Forms — Rules and regulations.**

22 The tax administrator is authorized to promulgate rules and regulations to carry out the
23 provisions, policies, and purposes of this chapter. The provisions of this chapter shall be liberally
24 construed to foster the enforcement of and compliance with all provisions herein related to taxation.
25 Notwithstanding any other provision of law, the tax administrator may make available to an
26 authorized agent of the department of health and the attorney general any information that the
27 administrator may consider proper contained in tax reports or returns or any audit or the report of
28 any investigation made with respect to them, filed pursuant to the tax laws of this state, to whom
29 disclosure is necessary for the purpose of ensuring compliance with state law and regulations.

30 **44-20.3-15. Severability.**

31 The provisions of this chapter are declared to be severable; and in case any part, section,
32 or provision of this chapter is held void by any court of competent jurisdiction, the remaining parts,
33 sections, and provisions of the chapter are not impaired or affected.

34 SECTION 6. This act shall take effect on April 1, 2026.

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LC001746/SUB A
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO FOOD AND DRUGS -- THE RHODE ISLAND KRATOM ACT

1 This act would authorize and regulate the distribution of the product known as "kratom",
2 and would ban the adulteration of kratom with a dangerous non-kratom substance as to render the
3 product injurious to a consumer. The act would require that any kratom product contain adequate
4 labeling directions necessary for safe and effective use by consumers.

5 This act would take effect on April 1, 2026.

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LC001746/SUB A
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