LC002522

2019 -- S 0830

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

AN ACT

RELATING TO FOOD AND DRUGS -- THE EDWARD O. HAWKINS AND THOMAS C. SLATER MEDICAL MARIJUANA ACT

Introduced By: Senators Ciccone, Lombardi, Ruggerio, and McCaffrey

Date Introduced: April 30, 2019

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 21-28.6-3, 21-28.6-12 and 21-28.6-16 of the General Laws in

2 Chapter 21-28.6 entitled "The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act"

3 are hereby amended to read as follows:

- 4 **21-28.6-3. Definitions.**
- 5 For the purposes of this chapter:

6 (1) "Acute pain" means the normal, predicted physiological response to a noxious

7 chemical, thermal, or mechanical stimulus and typically is associated with invasive procedures,

8 trauma, and disease. Acute pain generally is resulting from nociceptor activation due to damage

9 to tissues. Acute pain typically resolves once the tissue damage is repaired. The duration of acute

10 pain varies.

11 (1)(2) "Authorized purchaser" means a natural person who is at least twenty-one (21) 12 years old and who is registered with the department of health for the purposes of assisting a 13 qualifying patient in purchasing marijuana from a compassion center. An authorized purchaser 14 may assist no more than one patient, and is prohibited from consuming marijuana obtained for the 15 use of the qualifying patient. An authorized purchaser shall be registered with the department of 16 health and shall possesses a valid registry identification card.

17 (2)(3) "Cardholder" means a person who has been registered or licensed with the
 18 department of health or the department of business regulation pursuant to this chapter and

1 possesses a valid registry identification card or license.

2 (3)(4) "Commercial unit" means a building, office, suite, or room within a commercial or
3 industrial building for use by one business or person and is rented or owned by that business or
4 person.

5 (4)(5)(i) "Compassion center" means a not-for-profit corporation, subject to the 6 provisions of chapter 6 of title 7, and registered under § 21-28.6-12, that acquires, possesses, 7 cultivates, manufactures, delivers, transfers, transports, supplies, or dispenses marijuana, and/or 8 related supplies and educational materials, to patient cardholders and/or their registered caregiver 9 cardholder or authorized purchaser.

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

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

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

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

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

25 (6)(7) "Department of business regulation" means the Rhode Island department of
 26 business regulation or its successor agency.

27 (7)(8) "Department of health" means the Rhode Island department of health or its
 28 successor agency.

29 (8)(9) "Department of public safety" means the Rhode Island department of public safety
 30 or its successor agency.

31 (9)(10) "Dried, useable marijuana" means the dried leaves and flowers of the marijuana
 32 plant as defined by regulations promulgated by the department of health.

33 (10)(11) "Dwelling unit" means the room, or group of rooms, within a dwelling used or
 34 intended for use by one family or household, or by no more than three (3) unrelated individuals,

- 1 for living, sleeping, cooking, and eating.
- 2 (11)(12) "Equivalent amount" means the portion of usable marijuana, be it in extracted,
 3 edible, concentrated, or any other form, found to be equal to a portion of dried, usable marijuana,
 4 as defined by regulations promulgated by the department of health.
- 5 (12)(13) "Licensed cultivator" means a person, as identified in § 43-3-6, who has been 6 licensed by the department of business regulation to cultivate marijuana pursuant to § 21-28.6-16.
- 7 (14) "Limited compassion center" means a not-for-profit corporation, subject to the

8 provisions of chapter 6 of title 7, and registered pursuant to § 21-28.6-12, that acquires by

9 purchase, possesses, delivers, transfers, transports, supplies, or dispenses marijuana, and/or

- 10 related supplies and educational materials, to patient cardholders and/or their registered caregiver
- 11 cardholders or authorized purchaser.

12 (13)(15) "Marijuana" has the meaning given that term in § 21-28-1.02(30).

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

(15)(17) "Medical marijuana testing laboratory" means a third-party analytical testing
 laboratory licensed by the department of health to collect and test samples of medical marijuana
 pursuant to regulations promulgated by the department.

18 (16)(18) "Medical use" means the acquisition, possession, cultivation, manufacture, use, 19 delivery, transfer, or transportation of marijuana or paraphernalia relating to the consumption of 20 marijuana to alleviate a patient cardholder's debilitating medical condition or symptoms 21 associated with the medical condition.

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

(18)(20) "Primary caregiver" means a natural person who is at least twenty-one (21)
years old. A primary caregiver may assist no more than five (5) qualifying patients with their
medical use of marijuana.

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

31 (20)(22) "Registry identification card" means a document issued by the department of 32 health that identifies a person as a registered qualifying patient, a registered primary caregiver, or 33 authorized purchaser, or a document issued by the department of business regulation that 34 identifies a person as a registered principal officer, board member, employee, volunteer, or agent 1 of a compassion center.

2 (21)(23) "Seedling" means a marijuana plant with no observable flowers or buds.

3 (22)(24) "Unusable marijuana" means marijuana seeds, stalks, seedlings, and unusable
4 roots.

5 (23)(25) "Usable marijuana" means the dried leaves and flowers of the marijuana plant, 6 and any mixture or preparation thereof, but does not include the seeds, stalks, and roots of the 7 plant.

8 (24)(26) "Wet marijuana" means the harvested leaves and flowers of the marijuana plant 9 before they have reached a dry useable state, as defined by regulations promulgated by the 10 departments of health and business regulation.

11 (25)(27) "Written certification" means the qualifying patient's medical records, and a 12 statement signed by a practitioner, stating that, in the practitioner's professional opinion, the 13 potential benefits of the medical use of marijuana would likely outweigh the health risks for the 14 qualifying patient. A written certification shall be made only in the course of a bona fide, 15 practitioner-patient relationship after the practitioner has completed a full assessment of the 16 qualifying patient's medical history. The written certification shall specify the qualifying patient's 17 debilitating medical condition or conditions.

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21-28.6-12. Compassion centers Compassion centers and limited compassion

19 <u>centers.</u>

20 (a)(1)(i) A compassion center registered under this section may acquire, possess, 21 cultivate, manufacture, deliver, transfer, transport, supply, or dispense marijuana, or related 22 supplies and educational materials, to registered qualifying patients and their registered primary 23 caregivers or authorized purchasers. Except as specifically provided to the contrary, all provisions 24 of chapter 28.6 of title 21 (the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act) 25 the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, §§ 21-28.6-1 - 21-28.6-26 11, apply to a compassion center unless they the provision(s) conflict with a provision contained 27 in § 21-28.6-12.

(ii) A compassion center registered under this section may only cultivate and manufacture
at the size and scope of any growing or manufacturing which was approved prior to July 1, 2019.
(2) A limited compassion center registered under this section may acquire by purchase
from licensed cultivators pursuant to § 21-28.6-16, possess, deliver, transfer, transport, supply, or
dispense marijuana, or related supplies and educational materials, to registered qualifying patients
and their registered primary caregivers or authorized purchasers. Except as specifically provided
to the contrary, all provisions of chapter 28.6 of title 21 (the Edward O. Hawkins and Thomas C.

1 Slater Medical Marijuana Act), including all application, registration, and/or renewal application 2 fees, apply to a limited compassion center unless the provision(s) conflict with a provision 3 contained in § 21-28.6-12. (b) Registration of compassion centers--authority of the departments of health and 4 5 business regulation: 6 (1) Not later than ninety (90) days after the effective date of this chapter, the department 7 of health shall promulgate regulations governing the manner in which it shall consider 8 applications for registration certificates for compassion centers, including regulations governing: 9 (i) The form and content of registration and renewal applications; 10 (ii) Minimum oversight requirements for compassion centers; (iii) Minimum record-keeping requirements for compassion centers; 11 12 (iv) Minimum security requirements for compassion centers; and 13 (v) Procedures for suspending, revoking, or terminating the registration of compassion 14 centers that violate the provisions of this section or the regulations promulgated pursuant to this 15 subsection. 16 (2) Within ninety (90) days of the effective date of this chapter, the department of health 17 shall begin accepting applications for the operation of a single compassion center. 18 (3) Within one hundred fifty (150) days of the effective date of this chapter, the 19 department of health shall provide for at least one public hearing on the granting of an application 20 to a single compassion center. 21 (4) Within one hundred ninety (190) days of the effective date of this chapter, the 22 department of health shall grant a single registration certificate to a single compassion center, 23 providing at least one applicant has applied who meets the requirements of this chapter. 24 (5) If at any time after fifteen (15) months after the effective date of this chapter, there is 25 no operational compassion center in Rhode Island, the department of health shall accept 26 applications, provide for input from the public, and issue a registration certificate for a 27 compassion center if a qualified applicant exists. 28 (6) Within two (2) years of the effective date of this chapter, the department of health 29 shall begin accepting applications to provide registration certificates for two (2) additional 30 compassion centers. The department shall solicit input from the public, and issue registration 31 certificates if qualified applicants exist. 32 (7)(i) Any time a compassion center registration certificate is revoked, is relinquished, or

expires on or before December 31, 2016, the department of health shall accept applications for anew compassion center.

1 (ii) Any time a compassion center registration certificate is revoked, is relinquished, or 2 expires on or after January 1, 2017, the department of business regulation shall accept 3 applications for a new compassion center.

4 (8) If at any time after three (3) years after the effective date of this chapter and on or before December 31, 2016, fewer than three (3) compassion centers are holding valid registration 5 certificates in Rhode Island, the department of health shall accept applications for a new 6 7 compassion center. If at any time on or after January 1, 2017, fewer than three (3) compassion 8 centers are holding valid registration certificates in Rhode Island, the department of business 9 regulation shall accept applications for a new compassion center. No more than three (3) 10 compassion centers and three (3) limited compassion centers may hold valid registration 11 certificates at one time. If at any time on or after January 1, 2020, fewer than three (3) 12 compassion centers and three (3) limited compassion centers are holding valid registration 13 certificates in Rhode Island, the department of business regulation shall accept applications for a 14 new compassion center.

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

21 (10) License applications for limited compassion center licenses shall be provided 22 effective July 1, 2019, and three (3) applications for limited compassion center licenses shall be 23 selected for approval by the department of business regulation no later than January 1, 2020, and 24 shall remain in full force and effect, notwithstanding any provisions of this chapter to the contrary, and shall be subject to state law adopted herein and rules and regulations adopted by the 25 26 departments of health and business regulation. 27 (c) Compassion center and agent applications and registration: 28 (1) Each application for a compassion center shall include: 29 (i) A non-refundable application fee paid to the department in the amount of two hundred 30 fifty dollars (\$250) ten thousand dollars (\$10,000);

31 (ii) The proposed legal name and proposed articles of incorporation of the compassion32 center;

(iii) The proposed physical address of the compassion center, if a precise address has
 been determined, or, if not, the general location where it would be located. This may include a

1 second location for the cultivation of medical marijuana;

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

4 (v) The name, address, and date of birth of each principal officer and board member of 5 the compassion center;

6 (vi) Proposed security and safety measures that shall include at least one security alarm 7 system for each location, planned measures to deter and prevent the unauthorized entrance into 8 areas containing marijuana and the theft of marijuana, as well as a draft, employee-instruction 9 manual including security policies, safety and security procedures, personal safety, and crime-10 prevention techniques; and

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

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

16 (ii) For applications submitted on or after January 1, 2017, any time one or more 17 compassion center registration applications are being considered, the department of business 18 regulation shall also allow for comment by the public and shall solicit input from registered 19 qualifying patients, registered primary caregivers; and the towns or cities where the applicants 20 would be located.

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

(i) Convenience to patients from throughout the state of Rhode Island to the compassioncenters if the applicant were approved;

(ii) The applicant's ability to provide a steady supply to the registered qualifying patientsin the state;

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

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

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

32 (vi) The sufficiency of the applicant's plans for record keeping and security, which 33 records shall be considered confidential health-care information under Rhode Island law and are 34 intended to be deemed protected health-care information for purposes of the Federal Health

1 Insurance Portability and Accountability Act of 1996, as amended; and 2 (vii) The sufficiency of the applicant's plans for safety and security, including proposed 3 location, security devices employed, and staffing; 4 (4) A compassion center approved by the department of health on or before December 5 31, 2016, shall submit the following to the department before it may begin operations: 6 (i) A fee paid to the department in the amount of five thousand dollars (\$5,000); 7 (ii) The legal name and articles of incorporation of the compassion center; 8 (iii) The physical address of the compassion center; this may include a second address for 9 the secure cultivation of marijuana; 10 (iv) The name, address, and date of birth of each principal officer and board member of 11 the compassion center; and 12 (v) The name, address, and date of birth of any person who will be an agent of, employee, 13 or volunteer of the compassion center at its inception. 14 (5) A compassion center approved by the department of business regulation on or after 15 January 1, 2017, shall submit the following to the department before it may begin operations: 16 (i) A fee paid to the department in the amount of five thousand dollars (\$5,000) fifty 17 thousand dollars (\$50,000); 18 (ii) The legal name and articles of incorporation of the compassion center; 19 (iii) The physical address of the compassion center; this may include a second address for 20 the secure cultivation of marijuana; 21 (iv) The name, address, and date of birth of each principal officer and board member of 22 the compassion center; 23 (v) The name, address, and date of birth of any person who will be an agent of, employee, 24 or volunteer of the compassion center at its inception. 25 (6) Except as provided in subdivision (7), the department of health or the department of 26 business regulation shall issue each principal officer, board member, agent, volunteer, and 27 employee of a compassion center a registry identification card or renewal card after receipt of the 28 person's name, address, date of birth; a fee in an amount established by the department of health 29 or the department business regulation; and notification to the department of health or the 30 department of business regulation by the department of public safety division of state police that 31 the registry identification card applicant has not been convicted of a felony drug offense or has 32 not entered a plea of nolo contendere for a felony drug offense and received a sentence of probation. Each card shall specify that the cardholder is a principal officer, board member, agent, 33 34 volunteer, or employee of a compassion center and shall contain the following:

(i) The name, address, and date of birth of the principal officer, board member, agent,
 volunteer, or employee;

3 (ii) The legal name of the compassion center to which the principal officer, board
4 member, agent, volunteer, or employee is affiliated;

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

- (iv) The date of issuance and expiration date of the registry identification card; and
- 7 (v) A photograph, if the department of health or the department of business regulation
 8 decides to require one.

9 (7) Except as provided in this subsection, neither the department of health nor the 10 department of business regulation shall issue a registry identification card to any principal officer, 11 board member, agent, volunteer, or employee of a compassion center who has been convicted of a 12 felony drug offense or has entered a plea of nolo contendere for a felony drug offense and 13 received a sentence of probation. If a registry identification card is denied, the compassion center 14 will be notified in writing of the purpose for denying the registry identification card. A registry 15 identification card may be granted if the offense was for conduct that occurred prior to the 16 enactment of the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act or that was 17 prosecuted by an authority other than the state of Rhode Island and for which the Edward O. 18 Hawkins and Thomas C. Slater Medical Marijuana Act would otherwise have prevented a 19 conviction.

20 (i) All registry identification card applicants shall apply to the department of public safety 21 division of state police for a national criminal identification records check that shall include 22 fingerprints submitted to the federal bureau of investigation. Upon the discovery of a felony drug 23 offense conviction or a plea of nolo contendere for a felony drug offense with a sentence of 24 probation, and in accordance with the rules promulgated by the department of health and the 25 department of business regulation, the department of public safety division of state police shall 26 inform the applicant, in writing, of the nature of the felony and the department of public safety 27 division of state police shall notify the department of health or the department of business 28 regulation, in writing, without disclosing the nature of the felony, that a felony drug offense 29 conviction or a plea of nolo contendere for a felony drug offense with probation has been found.

30 (ii) In those situations in which no felony drug offense conviction or plea of nolo 31 contendere for a felony drug offense with probation has been found, the department of public 32 safety division of state police shall inform the applicant and the department of health or the 33 department of business regulation, in writing, of this fact.

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(iii) All registry identification card applicants shall be responsible for any expense

1 associated with the criminal background check with fingerprints.

2 (8) A registry identification card of a principal officer, board member, agent, volunteer, 3 or employee shall expire one year after its issuance, or upon the expiration of the registered 4 organization's registration certificate, or upon the termination of the principal officer, board 5 member, agent, volunteer or employee's relationship with the compassion center, whichever 6 occurs first.

7 (9) A compassion center cardholder shall notify and request approval from the 8 department of business regulation of any change in his or her name or address within ten (10) 9 days of such change. A compassion center cardholder who fails to notify the department of 10 business regulation of any of these changes is responsible for a civil infraction, punishable by a 11 fine of no more than one hundred fifty dollars (\$150).

12 (10) When a compassion center cardholder notifies the department of health or the 13 department of business regulation of any changes listed in this subsection, the department shall 14 issue the cardholder a new registry identification card within ten (10) days of receiving the 15 updated information and a ten-dollar (\$10.00) fee.

16 (11) If a compassion center cardholder loses his or her registry identification card, he or 17 she shall notify the department of health or the department of business regulation and submit a 18 ten-dollar (\$10.00) fee within ten (10) days of losing the card. Within five (5) days, the 19 department shall issue a new registry identification card with new random identification number.

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

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

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

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(d) Expiration or termination of compassion center:

(1) On or before December 31, 2016, a compassion center's registration shall expire two
(2) years after its registration certificate is issued. On or after January 1, 2017, a compassion
center's registration shall expire one year after its registration certificate is issued. The

1 compassion center may submit a renewal application beginning sixty (60) days prior to the 2 expiration of its registration certificate;

3 (2) The department of health or the department of business regulation shall grant a compassion center's renewal application within thirty (30) days of its submission if the following 4 conditions are all satisfied: 5

6 (i) The compassion center submits the materials required under subdivisions (c)(4) and 7 (c)(5), including a two hundred fifty thousand dollar (\$250,000) fee;

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(ii) The compassion center's registration has never been suspended for violations of this 9 chapter or regulations issued pursuant to this chapter; and

10 (iii) The department of health and the department of business regulation find that the 11 compassion center is adequately providing patients with access to medical marijuana at 12 reasonable rates;

13 (3) If the department of health or the department of business regulation determines that 14 any of the conditions listed in paragraphs (d)(2)(i) -- (iii) have not been met, the department shall 15 begin an open application process for the operation of a compassion center. In granting a new 16 registration certificate, the department of health or the department of business regulation shall 17 consider factors listed in subdivision (c)(3);

18 (4) The department of health or the department of business regulation shall issue a 19 compassion center one or more thirty-day (30) temporary registration certificates after that 20 compassion center's registration would otherwise expire if the following conditions are all 21 satisfied:

22 (i) The compassion center previously applied for a renewal, but the department had not 23 yet come to a decision;

24 (ii) The compassion center requested a temporary registration certificate; and

25 (iii) The compassion center has not had its registration certificate revoked due to 26 violations of this chapter or regulations issued pursuant to this chapter.

27 (5) A compassion center's registry identification card shall be subject to revocation if the 28 compassion center:

29 (i) Possesses an amount of marijuana exceeding the limits established by this chapter;

30 (ii) Is in violation of the laws of this state;

31 (iii) Is in violation of other departmental regulations; or

32 (iv) Employs or enters into a business relationship with a medical practitioner who 33 provides written certification of a qualifying patient's medical condition.

34 (e) Inspection. Compassion centers are subject to reasonable inspection by the department of health, division of facilities regulation and the department of business regulation. During an inspection, the departments may review the compassion center's confidential records, including its dispensing records, which shall track transactions according to qualifying patients' registry identification numbers to protect their confidentiality.

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(f) Compassion center requirements:

6 (1) A compassion center shall be operated on a not-for-profit basis for the mutual benefit 7 of its patients. A compassion center need not be recognized as a tax-exempt organization by the 8 Internal Revenue Service;

9 (2) A compassion center may not be located within one thousand feet (1,000') of the 10 property line of a preexisting public or private school;

(3) On or before December 31, 2016, a compassion center shall notify the department of health within ten (10) days of when a principal officer, board member, agent, volunteer, or employee ceases to work at the compassion center. On or after January 1, 2017, a compassion center shall notify the department of business regulation within ten (10) days of when a principal officer, board member, agent, volunteer, or employee ceases to work at the compassion center. His or her card shall be deemed null and void and the person shall be liable for any penalties that may apply to any nonmedical possession or use of marijuana by the person;

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

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

(5) A compassion center shall implement appropriate security measures to deter and prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana and shall insure that each location has an operational security alarm system. Each compassion center shall request that the department of public safety division of state police visit the compassion center to inspect the security of the facility and make any recommendations regarding the security of the facility and its personnel within ten (10) days prior to the initial opening of each compassion center. Said recommendations shall not be binding upon any compassion center, nor 1 shall the lack of implementation of said recommendations delay or prevent the opening or 2 operation of any center. If the department of public safety division of state police does not inspect 3 the compassion center within the ten-day (10) period, there shall be no delay in the compassion 4 center's opening.

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

7 (7)(i) A compassion center is prohibited from acquiring, possessing, cultivating, 8 manufacturing, delivering, transferring, transporting, supplying, or dispensing marijuana for any 9 purpose except to assist registered qualifying patients with the medical use of marijuana directly 10 or through the qualifying patient's primary caregiver or authorized purchaser.

(ii) A limited compassion center is prohibited from acquiring by purchase, possessing,
 delivering, transferring, transporting, supplying, or dispensing marijuana for any purpose except
 to assist registered qualifying patients with the medical use of marijuana directly or through the
 qualifying patient's primary caregiver or authorized purchaser.

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

17 (9) Each time a new, registered, qualifying patient visits a compassion center, it shall 18 provide the patient with a frequently asked questions sheet, designed by the department, that 19 explains the limitations on the right to use medical marijuana under state law.

(10) Effective July 1, 2016, each compassion center shall be subject to any regulations
promulgated by the department of health that specify how usable marijuana must be tested for
items included but not limited to cannabinoid profile and contaminants.

(11) Effective January 1, 2017, each compassion center shall be subject to any product
labeling requirements promulgated by the department of business regulation.

(12) Each compassion center shall develop, implement, and maintain on the premises
 employee, volunteer, and agent policies and procedures to address the following requirements:

(i) A job description or employment contract developed for all employees and agents, and
a volunteer agreement for all volunteers, that includes duties, authority, responsibilities,
qualifications, and supervision; and

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

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

(14) Each compassion center shall develop, implement, and maintain on the premises an
 on-site training curriculum, or enter into contractual relationships with outside resources capable

- 1 of meeting employee training needs, that includes, but is not limited to, the following topics:
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(i) Professional conduct, ethics, and patient confidentiality; and

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

4 (15) Each compassion center entity shall provide each employee, agent, and volunteer, at
5 the time of his or her initial appointment, training in the following:

- 6
- (i) The proper use of security measures and controls that have been adopted; and

7 (ii) Specific procedural instructions on how to respond to an emergency, including

8 robbery or violent accident.

9 (16) All compassion centers shall prepare training documentation for each employee and 10 volunteer and have employees and volunteers sign a statement indicating the date, time, and place 11 the employee and volunteer received said training and topics discussed, to include name and title 12 of presenters. The compassion center shall maintain documentation of an employee's and a 13 volunteer's training for a period of at least six (6) months after termination of an employee's 14 employment or the volunteer's volunteering.

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(g) Maximum amount of usable marijuana to be dispensed:

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

20 (2) A compassion center or principal officer, board member, agent, volunteer, or 21 employee of a compassion center may not dispense an amount of usable marijuana, or its 22 equivalent, seedlings, or mature marijuana plants, to a qualifying patient, a qualifying patient's 23 primary caregiver, or a qualifying patient's authorized purchaser that the compassion center, 24 principal officer, board member, agent, volunteer, or employee knows would cause the recipient 25 to possess more marijuana than is permitted under the Edward O. Hawkins and Thomas C. Slater 26 Medical Marijuana Act.

27 (3) Compassion centers shall utilize a database administered by the departments of health 28 and business regulation. The database shall contain all compassion centers' transactions according 29 to qualifying patients', authorized purchasers', and primary caregivers' registry identification 30 numbers to protect the confidentiality of patient personal and medical information. Compassion 31 centers will not have access to any applications or supporting information submitted by 32 qualifying patients, authorized purchasers or primary caregivers. Before dispensing marijuana to 33 any patient or authorized purchaser, the compassion center must utilize the database to ensure that 34 a qualifying patient is not dispensed more than two and one half ounces (2.5 oz.) of usable

1 marijuana or its equivalent directly or through the qualifying patient's primary caregiver or 2 authorized purchaser during a fifteen-day (15) period.

3 (h) Immunity:

4 (1) No registered compassion center shall be subject to prosecution; search, except by the departments pursuant to subsection (e); seizure; or penalty in any manner, or denied any right or 5 privilege, including, but not limited to, civil penalty or disciplinary action by a business, 6 7 occupational, or professional licensing board or entity, solely for acting in accordance with this 8 section to assist registered qualifying patients.

9 (2) No registered compassion center shall be subject to prosecution, seizure, or penalty in 10 any manner, or denied any right or privilege, including, but not limited to, civil penalty or 11 disciplinary action, by a business, occupational, or professional licensing board or entity, for 12 selling, giving, or distributing marijuana in whatever form, and within the limits established by, 13 the department of health or the department of business regulation to another registered 14 compassion center.

15 (3) No principal officers, board members, agents, volunteers, or employees of a registered 16 compassion center shall be subject to arrest, prosecution, search, seizure, or penalty in any 17 manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary 18 action by a business, occupational, or professional licensing board or entity, solely for working 19 for or with a compassion center to engage in acts permitted by this section.

20 (4) No state employee shall be subject to arrest, prosecution or penalty in any manner, or 21 denied any right or privilege, including, but not limited to, civil penalty, disciplinary action, 22 termination, or loss of employee or pension benefits, for any and all conduct that occurs within 23 the scope of his or her employment regarding the administration, execution and/or enforcement of 24 this act, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this section.

25 (i) Prohibitions:

26

(1) A compassion center under § 21-28.6-12(a)(1) must limit its inventory of seedlings, 27 plants, and usable marijuana to reflect the projected needs of qualifying patients;

28

(2) A compassion center may not dispense, deliver, or otherwise transfer marijuana to a 29 person other than a patient cardholder or to such patient's primary caregiver or authorized 30 purchaser;

31 (3) A person found to have violated paragraph (2) of this subsection may not be an 32 employee, agent, volunteer, principal officer, or board member of any compassion center;

(4) An employee, agent, volunteer, principal officer or board member of any compassion 33 34 center found in violation of paragraph (2) shall have his or her registry identification revoked 1 immediately; and

2 (5) No person who has been convicted of a felony drug offense or has entered a plea of 3 nolo contendere for a felony drug offense with a sentence of probation may be the principal 4 officer, board member, agent, volunteer, or employee of a compassion center unless the 5 department has determined that the person's conviction was for the medical use of marijuana or assisting with the medical use of marijuana in accordance with the terms and conditions of this 6 7 chapter. A person who is employed by or is an agent, volunteer, principal officer, or board 8 member of a compassion center in violation of this section is guilty of a civil violation punishable 9 by a fine of up to one thousand dollars (\$1,000). A subsequent violation of this section is a 10 misdemeanor.

11

(j) Legislative oversight committee:

(1) The general assembly shall appoint a nine-member (9) oversight committee comprised of: one member of the house of representatives; one member of the senate; one physician to be selected from a list provided by the Rhode Island medical society; one nurse to be selected from a list provided by the Rhode Island state nurses association; two (2) registered qualifying patients; one registered primary caregiver; one patient advocate to be selected from a list provided by the Rhode Island patient advocacy coalition; and the superintendent of the department of public safety, or his/her designee.

(2) The oversight committee shall meet at least six (6) times per year for the purpose ofevaluating and making recommendations to the general assembly regarding:

- 21 (i) Patients' access to medical marijuana;
- 22 (ii) Efficacy of compassion centers;
- 23 (iii) Physician participation in the Medical Marijuana Program;
- 24 (iv) The definition of qualifying medical condition; and
- 25 (v) Research studies regarding health effects of medical marijuana for patients.
- 26 (3) On or before January 1 of every even numbered year, the oversight committee shall
- 27 report to the general assembly on its findings.
- 28

21-28.6-16. Licensed cultivators.

(a) A licensed cultivator licensed under this section may acquire, possess, cultivate,
deliver, or transfer marijuana to licensed compassion centers. A licensed cultivator shall not be a
primary caregiver cardholder and shall not hold a cooperative cultivation license. Except as
specifically provided to the contrary, all provisions of <u>chapter 28.6 of title 21 (the Edward O.</u>
<u>Hawkins and Thomas C. Slater Medical Marijuana Act</u>) the Edward O. Hawkins and Thomas C.
<u>Slater Medical Marijuana Act</u>, <u>§§ 21 28.6 1 21 28.6 15</u>, apply to a licensed cultivator unless

- 1 they conflict with a provision contained in § 21-28.6-16.
- 2 (b) Licensing of cultivators -- Department of business regulation authority. The 3 department of business regulation shall promulgate regulations governing the manner in which it 4 shall consider applications for the licensing of cultivators, including regulations governing:
- 5 (1) The form and content of licensing and renewal applications;
- 6 (2) Minimum oversight requirements for licensed cultivators;
- 7 (3) Minimum record-keeping requirements for cultivators;
- 8

(4) Minimum security requirements for cultivators; and

9 (5) Procedures for suspending, revoking, or terminating the license of cultivators that 10 violate the provisions of this section or the regulations promulgated pursuant to this subsection.

(c) A licensed cultivator license issued by the department of business regulation shall expire one year after it was issued and the licensed cultivator may apply for renewal with the department in accordance with its regulations pertaining to licensed cultivators.

(d) The department of business regulation shall promulgate regulations that govern how many marijuana plants, how many marijuana seedlings, how much wet marijuana, and how much usable marijuana a licensed cultivator may possess. Every marijuana plant possessed by a licensed cultivator must be accompanied by valid medical marijuana tag issued by the department of business regulation pursuant to § 21-28.6-15. Each cultivator must purchase at least one medical marijuana tag in order to remain a licensed cultivator.

20 (e) Cultivators shall only sell marijuana to compassion centers. All marijuana possessed 21 by a cultivator in excess of the possession limit established pursuant to subsection (d) shall be 22 under formal agreement to be purchased by a compassion center. If such excess marijuana is not 23 under formal agreement to be purchased, the cultivator will have a period of time, specified in 24 regulations promulgated by the department of business regulation, to sell or destroy that excess 25 marijuana. The department may suspend and/or revoke the cultivator's license and the license of 26 any officer, director, employee, or agent of such cultivator and/or impose an administrative 27 penalty in accordance with such regulations promulgated by the department for any violation of 28 this section or the regulations. In addition, any violation of this section or the regulations 29 promulgated pursuant to this subsection and subsection (d) shall cause a licensed cultivator to 30 lose the protections described in subsection (m) and may subject the licensed cultivator to arrest 31 and prosecution under Chapter 28 of title 21 (the Rhode Island Controlled Substances Act).

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

(g) Cultivators shall be subject to any product labeling requirements promulgated by the
 department of business regulation and the department of health.

3 (h) Notwithstanding any other provisions of the general laws, the manufacture of 4 marijuana using a solvent extraction process that includes the use of a compressed, flammable gas 5 as a solvent by a licensed cultivator shall not be subject to the protections of this chapter.

6 (i) Cultivators shall only be licensed to grow marijuana at a single location, registered 7 with the department of business regulation and the department of public safety. The department 8 of business regulation may promulgate regulations governing where cultivators are allowed to 9 grow. Cultivators must abide by all local ordinances, including zoning ordinances.

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

13 (k) The cultivator applicant shall apply to the bureau of criminal identification of the 14 department of attorney general, department of public safety division of state police, or local 15 police department for a national criminal records check that shall include fingerprints submitted 16 to the Federal Bureau of Investigation. Upon the discovery of any disqualifying information as 17 defined in subdivision (k)(2), and in accordance with the rules promulgated by the director of the 18 department of business regulation, the bureau of criminal identification of the department of 19 attorney general, department of public safety division of state police, or the local police 20 department shall inform the applicant, in writing, of the nature of the disqualifying information; 21 and, without disclosing the nature of the disqualifying information, shall notify the department of 22 business regulation, in writing, that disqualifying information has been discovered.

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

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

31 (3) The cultivator applicant shall be responsible for any expense associated with the32 national criminal records check.

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

34

(1) A licensed cultivator shall notify and request approval from the department of

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

5 (2) When a licensed cultivator notifies the department of business regulation of any 6 changes listed in this subsection, the department of business regulation shall issue the cultivator a 7 new license after the department approves the changes and receives from the licensee payment of 8 a fee specified in regulation.

9 (3) If a licensed cultivator loses his or her license, he or she shall notify the department of 10 business regulation and submit a fee specified in regulation within ten (10) days of losing the 11 license. The department of business regulation shall issue a new license with a new random 12 identification number.

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

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

19 (m) Immunity:

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

25 (2) No licensed cultivator shall be subject to prosecution, seizure, or penalty in any 26 manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary 27 action by a business, occupational, or professional licensing board or entity, for selling, giving, or 28 distributing marijuana in whatever form and within the limits established by the department of 29 business regulation to a registered compassion center.

30 (3) No principal officers, board members, agents, volunteers, or employees of a licensed 31 cultivator shall be subject to arrest, prosecution, search, seizure, or penalty in any manner, or 32 denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a 33 business, occupational, or professional licensing board or entity, solely for working for or with a 34 licensed cultivator to engage in acts permitted by this section. (4) No state employee shall be subject to arrest, prosecution, or penalty in any manner, or
 denied any right or privilege, including, but not limited to, civil penalty, disciplinary action,
 termination, or loss of employee or pension benefits, for any and all conduct that occurs within
 the scope of his or her employment regarding the administration, execution, and/or enforcement
 of this act, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this section.
 SECTION 2. This act shall take effect upon passage.

LC002522

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

$A\ N\quad A\ C\ T$

RELATING TO FOOD AND DRUGS -- THE EDWARD O. HAWKINS AND THOMAS C. SLATER MEDICAL MARIJUANA ACT

1 This act would provide for the establishment of "limited compassion centers", which 2 shall be identical to compassion centers except limited compassion centers shall not grow, 3 cultivate or manufacture marijuana but may acquire marijuana by purchase and provide marijuana 4 to registered qualifying patients and their registered primary caregivers or authorized purchasers. 5 This act would take effect upon passage.

LC002522