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2025 -- S 0984

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

AN ACT

RELATING TO FOOD AND DRUGS -- THE RHODE ISLAND HEMP THC-INFUSED BEVERAGES ACT

Introduced By: Senators Britto, McKenney, Dimitri, Ciccone, Felag, Murray, Patalano, and Thompson Date Introduced: April 16, 2025

Referred To: Senate Judiciary

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	<u>CHAPTER 28.12</u>
4	THE RHODE ISLAND HEMP THC-INFUSED BEVERAGES ACT
5	<u>21-28.12-1. Short title.</u>
6	This chapter shall be known and may be cited as "The Rhode Island Hemp THC-Infused
7	Beverage Act".
8	<u>21-28.12-2. Definitions.</u>
9	As used in this chapter:
10	(1) "Business" means any individual or sole proprietorship, partnership, firm, corporation,
11	trust, limited liability company, limited liability partnership, joint stock company, joint venture,
12	association or other legal entity through which business for profit or not-for-profit is conducted;
13	(2) "Cannabis retailer" or "marijuana retailer" means an entity licensed pursuant to chapter
14	<u>28.11 of title 21;</u>
15	(3) "Department" means the department of business regulation division of commercial
16	licensing;
17	(4) "Hemp" or "industrial hemp" means the plant Cannabis sativa L. and any part of that
18	plant including the seeds thereof and all derivatives extracts cannabinoids isomers acids salts

1	and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of
2	not more than three-tenths percent (0.3%) on a dry weight or per volume basis regardless of
3	moisture content, and which satisfies the requirements of this chapter.
4	(5) "Hemp-derived THC" means THC solely derived from hemp and expressly excluding
5	THC derived from cannabis.
6	(6) "License endorsement" means an infused beverage endorsement issued by the
7	department to sell at retail or distribute at wholesale, as applicable, such endorsement being upon
8	the holder's applicable liquor license or license to sell cannabis or marijuana at retail.
9	(7) "Licensed liquor retailer" means the holder of a Class A retailer's liquor license in good
10	standing.
11	(8) "Licensed liquor wholesaler" means the holder of a Wholesale Class A or Wholesale
12	Class B liquor license in good standing.
13	(9) "Registered on-premise server" means the holder of a Class B liquor license in good
14	standing that has received a license endorsement from the department to serve THC-derived
15	beverages on the premises.
16	(10) "Registered retailer" means a licensed liquor retailer that has received a license
17	endorsement from the department to sell THC-derived beverages at retail.
18	(11) "THC-infused beverage" means a beverage that:
19	(i) Is not an alcoholic beverage, as defined in title 3;
20	(ii) Is intended for human consumption; and
21	(iii) Contains, or is advertised, labeled or offered for sale as containing, total hemp-derived
22	THC that is not greater than five milligrams (5 mg) per container subject to § 21-28.12-6.
23	21-28.12-3. Purposes Rules of construction.
24	(a) This chapter shall be liberally construed and applied to promote its underlying purposes
25	and policies.
26	(b) The underlying purposes and policies of this chapter are:
27	(1) To promote temperance and the reasonable control of the traffic in intoxicating THC-
28	infused beverages;
29	(2) To promote the compelling interest of the public for the safe and regulated sale of THC-
30	infused beverages including by prohibiting sale of THC-infused beverages to minors;
31	(3) To establish licensing and an endorsement process for wholesale and retail of THC-
32	infused beverages through already existing channels of licensed liquor retailers, cannabis retailers,
33	and licensed liquor wholesalers;
34	(4) To ensure that the State of Rhode Island has a dedicated revenue stream from the sale

1 of THC-infused beverages; and

- 2 (5) To provide safe dosage limits for THC-infused beverages.
- 3 (c) The effect of this chapter may not be varied by contract or agreement. Any contract or
- 4 agreement purporting to do so is void and unenforceable to that extent only.

5 <u>21-28.12-4. Sale of THC-infused beverages -- Reporting -- Fees.</u>

6 (a) No THC-infused beverage shall be sold, offered for sale, distributed, or served in this

7 state unless the THC-infused beverage is sold or offered for sale on the premises of a registered

- 8 retailer or served on the premises of a registered on-premise server in each case with the applicable
- 9 license endorsement issued by the department.
- (b) Any licensed liquor retailer, licensed cannabis retailer, or licensed marijuana retailer
 shall be eligible to apply to the department for a license endorsement to sell THC-infused beverages
 in the state in order to become a registered retailer. The applicant shall submit to the department,
 in a form and manner prescribed by the department, an application and annual fee not less than two
 hundred fifty dollars (\$250) per annum for an infused beverage endorsement for sale at retail as a
 registered retailer.
- (c) Any licensed liquor wholesaler shall be eligible to apply to the department for a license
 endorsement to distribute THC-infused beverages in the state. The applicant shall submit to the
 department, in a form and manner prescribed by the department, an application and annual fee not
 less than one thousand five hundred dollars (\$1,500) per annum for an infused beverage
- 20 <u>endorsement for distribution at wholesale.</u>
- 21 (d) Any licensed on-premise server shall be eligible to apply to the department for a license 22 endorsement to serve THC-infused beverages in the state in order to become a registered on-23 premise server. THC-infused beverages sold by a licensed on-premise server shall be sold 24 exclusively for consumption on the premises of such licensed on-premise server. The applicant 25 shall submit to the department, in a form and manner prescribed by the department, an application and annual fee of not less than two hundred fifty dollars (\$250) per annum for an infused beverage 26 27 endorsement for serving as a registered on-premise server. The department shall promulgate rules 28 and regulations for minimum server training for THC-infused beverages consistent with the 29 minimum alcohol server training requirements as set forth in § 3-7-6.1. The department shall 30 require that all endorsements issued pursuant to this chapter meet such minimum server training
- 31 requirements with respect to safety, age verification, and limits on intoxication.
- 32 (e)(1) Not later than August 1, 2025, each business that owns and possesses any THC-
- 33 infused beverage in this state on said date shall take an inventory of all containers such business
- 34 <u>owns and possesses in this state on said date; and</u>

1	(2) Each business that is in possession of THC-infused beverages for sale, at retail or at
2	wholesale, shall submit to the department, excise taxes, litter taxes and sales taxes upon THC-
3	infused beverages, as applicable, consistent with the assessment, payment, and collection of such
4	taxes under the provisions of chapter 10 of title 3. The department shall create a new commodity
5	code for THC-infused beverages and payments shall be made with the same process, frequency,
6	and cadence as such taxes are paid for alcoholic beverages. Excise tax shall be based on gallonage
7	at a rate of three dollars and thirty cents (\$3.30) per gallon.
8	(f) If any business fails to submit the report and pay the taxes set forth herein on or before
9	August 1, 2025, the department shall:
10	(1) Make a good faith estimate, based on the information available to the department, of
11	the number of containers that such business owned, and were in such business's possession, in this
12	state on August 1, 2025; and
13	(2) Invoice such business for such taxes described in subsection (e)(2) of this section.
14	(g) All fees received by the department under this section shall be deposited in the general
15	fund of the state.
16	(h) If any business fails to submit the report and pay the fees required herein, the
17	department may revoke, place conditions upon or suspend any certificate, license, permit,
18	registration, endorsement or other credential the department has issued to or for such business.
19	21-28.12-5. Licensed retailers to purchase from licensed wholesalers only.
20	All holders of retail liquor licenses permitted to sell THC-infused beverages pursuant to
21	the provisions of this chapter, including licensed liquor retailers, and registered on-premise servers,
22	shall purchase THC-infused beverages only from the holder or holders of wholesale licenses
23	pursuant to the provisions of title 3.
24	21-28.12-6. Dosage limitations.
25	A THC-infused beverage may not contain more than five milligrams (5 mg) of
26	tetrahydrocannabinol (THC) per serving and a single beverage may contain no more than two (2)
27	servings per container of ten milligrams (10 mg). The department shall promulgate regulations
28	setting forth fines for violation of this section.
29	21-28.12-7. Sale to minors prohibited.
30	No product containing any cannabinoid or tetrahydrocannabinol extracted or otherwise
31	derived from hemp including, without limitation, THC-infused beverages may be sold to any
32	individual who is under twenty-one (21) years of age. Prior to initiating a sale or otherwise
33	providing an edible cannabinoid product to an individual, an employee of a registered retailer shall
34	
	verify that the individual is at least twenty-one (21) years of age in accordance with the process and

1 proof of age set forth in § 3-8-6. A registered retailer may seize a form of identification listed set 2 forth in § 3-8-6 if the registered retailer has reasonable grounds to believe that the form of 3 identification has been altered or falsified or is being used to violate any law. A registered retailer 4 that seizes a form of identification as authorized under this section shall deliver it to a law 5 enforcement agency within twenty-four (24) hours of seizing it. 6 21-28.12-8. Labeling requirements. 7 (a) A product regulated under this section shall bear a label that contains, at a minimum: 8 (1) The name, location, contact phone number, and website of the manufacturer of the 9 product; 10 (2) The name and address of the independent, accredited laboratory used by the 11 manufacturer to test the product; 12 (3) The batch number; and 13 (4) An accurate statement of the amount or percentage of cannabinoids found in each unit 14 of the product meant to be consumed. 15 (b) The information in subsection (a) of this section may be provided on an outer package 16 if the immediate container that holds the product is too small to contain all of the information. 17 (c) The information required in subsection (a) of this section may be provided through the use of a scannable barcode or matrix barcode that links to a page on the manufacturer's website if 18 19 that page contains all of the information required by this section. 20 (d) The label shall also include a statement stating that the product does not claim to 21 diagnose, treat, cure, or prevent any disease and has not been evaluated or approved by the United 22 States Food and Drug Administration (FDA) unless the product has been so approved. 23 (e) The information required by this section shall be prominently and conspicuously placed 24 on the label or displayed on the website in terms that can be easily read and understood by the 25 consumer. 26 (f) The labeling shall not contain any claim that the product may be used or is effective for 27 the prevention, treatment, or cure of a disease or that it may be used to alter the structure or function 28 of human or animal bodies, unless the claim has been approved by the FDA. 29 21-28.12-9. Additional requirements. 30 (a) In addition to the testing and labeling requirements under § 21-28.12-8, THC-infused 31 beverages shall meet the requirements of this section. 32 (b) THC-infused beverages shall not: 33 (1) Bear the likeness or contain cartoon-like characteristics of a real or fictional person, 34 animal, or fruit that appeals to children;

1 (2) Be modeled after a brand of products primarily consumed by or marketed to children; 2 (3) Be made by applying an extracted or concentrated hemp-derived cannabinoid to a 3 commercially available candy or snack food item; 4 (4) Be substantively similar to a meat food product; poultry food product; or a dairy 5 product; (5) Contain an ingredient, other than a hemp-derived cannabinoid, that is not approved by 6 7 the FDA for use in food; 8 (6) Be packaged in a way that resembles the trademarked, characteristic, or product-9 specialized packaging of any commercially available food product; or 10 (7) Be packaged in a container that includes a statement, artwork, or design that could 11 reasonably mislead any person to believe that the package contains anything other than an edible 12 cannabinoid product. 13 (c) A label containing at least the following information shall be affixed to the packaging 14 or container of all edible cannabinoid products sold to consumers: 15 (1) The serving size; (2) The cannabinoid profile per serving and in total; 16 17 (3) A list of ingredients, including identification of any major food allergens declared by 18 name; and 19 (4) The following statement: "Keep this product out of reach of children." 20 (d) THC-infused beverages may contain delta-9 tetrahydrocannabinol that is extracted 21 from hemp plants or hemp plant parts. THC-infused beverages are prohibited from containing any 22 other artificially derived cannabinoid including, but not limited to, THC-P, THC-O, and HHC, 23 unless the department authorizes use of the artificially derived cannabinoid in THC-infused 24 beverages. THC-infused beverages products shall not contain synthetic cannabinoids. 25 21-28.12-10. Noncompliant products -- Enforcement. 26 (a) A product regulated under this title, including THC-infused beverages, shall be 27 considered a noncompliant product if the product is offered for sale in this state or if the product is 28 manufactured, imported, distributed, or stored with the intent to be offered for sale in this state in 29 violation of any provision of this chapter including, but not limited to, if: 30 (1) It consists, in whole or in part, of any filthy, putrid, or decomposed substance; 31 (2) It has been produced, prepared, packed, or held under unsanitary conditions where it 32 may have been rendered injurious to health, or where it may have been contaminated with filth; 33 (3) Its container is composed, in whole or in part, of any poisonous or deleterious substance 34 that may render the contents injurious to health;

1	(4) It contains any food additives, color additives, or excipients that have been found by
2	the FDA to be unsafe for human or animal consumption;
3	(5) It contains an amount or percentage of nonintoxicating cannabinoids that is different
4	than the amount or percentage stated on the label;
5	(6) It contains an amount of tetrahydrocannabinol that exceeds the limits established in §
6	<u>21-28.12-6; or</u>
7	(7) It contains more than trace amounts of mold, residual solvents, pesticides, fertilizers,
8	or heavy metals.
9	(b) A product subject to the provisions of this chapter shall be considered a noncompliant
10	product if the product's labeling is false or misleading in any manner or in violation of the
11	requirements of this chapter.
12	(c) The department may assume that any product subject to the provisions of this chapter
13	that is present in the state, other than a product lawfully possessed for personal use, has been
14	manufactured, imported, distributed, or stored with the intent to be offered for sale in this state if a
15	product of the same type and brand was sold in the state on or after the effective date of this chapter,
16	or if the product is in the possession of a person who has sold any product in violation of the
17	provisions of this chapter.
18	(d) The department may enforce the provisions of this chapter, including enforcement
19	against a manufacturer or distributor of a product subject to the provisions of this chapter.
20	(e) The department may perform inspections and take other enforcement actions on behalf
21	of the office.
22	21-28.12-11. Existing franchise laws.
23	(a) Nothing in this chapter shall be deemed to repeal or amend any existing beer or wine
24	franchise laws including, without limitation, chapter 13 of title 3. This section is intended to provide
25	additional franchise regulation for hemp beverages, and to leave in effect and unchanged any local
26	or state franchise laws relating to beer or wine franchises existing on the effective date of this
27	chapter.
28	(b) The provisions set forth in §§ 3-13-3 and 3-13-5 shall apply to all sales of THC-infused
29	beverages set forth herein including, without limitation prior notification of cancellation of an
30	agreement and prohibited supplier conduct, and such provisions shall be incorporated herein as if
31	appearing in this chapter.
32	21-28.12-12. Exclusive jurisdiction.
33	Notwithstanding any agreements between retailers, wholesalers, or any other department
34	licensee to the contrary, the courts in Rhode Island shall have the exclusive jurisdiction over any

34 licensee to the contrary, the courts in Rhode Island shall have the exclusive jurisdiction over any

1 <u>disputes arising out of or relating to this chapter.</u>

2 <u>21-28.12-13. Severability.</u>

- 3 If a part of this chapter is held unconstitutional or invalid, all valid parts that are severable
- 4 from the invalid or unconstitutional part remain in effect. If a part of this chapter is held
- 5 <u>unconstitutional or invalid in one or more of its applications, the part remains in effect in all</u>
- 6 constitutional and valid applications that are severable from the invalid applications. This
- 7 severability clause shall be applicable to each provision of this chapter, regardless of whether or
- 8 <u>not any particular provision references this section.</u>
- 9
- SECTION 2. This act shall take effect upon passage.

LC002704

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO FOOD AND DRUGS -- THE RHODE ISLAND HEMP THC-INFUSED BEVERAGES ACT

1 This act would authorize the sale of THC-infused beverages to be regulated by the DBR

2 division of commercial licensing. This act would also establish licensing and an endorsement

- 3 process for wholesale and retail THC-infused beverages.
- 4 This act would take effect upon passage.

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