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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

A N A C T

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

Introduced By: Representatives Slater, Solomon, McKiernan, Williams, and Blazejewski

Date Introduced: February 14, 2020

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 21-28.6-3, 21-28.6-4, 21-28.6-5 and 21-28.6-12 of the General Laws
2 in Chapter 21-28.6 entitled "The Edward O. Hawkins and Thomas C. Slater Medical Marijuana
3 Act" are hereby amended to read as follows:

4 **21-28.6-3. Definitions.**

5 For the purposes of this chapter:

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

12 (2) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana
13 sativa L. whether growing or not; the seeds thereof; the resin extracted from any part of the plant;
14 and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds,
15 or resin regardless of cannabinoid content or cannabinoid potency including "marijuana," and
16 "industrial hemp" or "industrial hemp products" which satisfy the requirements of chapter 26 of
17 title 2.

18 (3) "Cannabis testing laboratory" means a third-party analytical testing laboratory licensed

1 by the department of health, in coordination with the department of business regulation, to collect
2 and test samples of cannabis.

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

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

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

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

16 (7) "Debilitating medical condition" means: any serious health condition a reasonable
17 practitioner believes, based on their experience, knowledge, and reasonable judgment as a health
18 care provider, could be alleviated or treated through the use of medical marijuana.

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

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

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

29 (8) "Department of business regulation" means the office of cannabis regulation within the
30 Rhode Island department of business regulation or its successor agency.

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

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

1 (11) "Dried marijuana" means the dried leaves and flowers of the marijuana plant as
2 defined by regulations promulgated by the department of business regulation.

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

6 (13) "Equivalent amount" means the portion of usable marijuana, be it in extracted, edible,
7 concentrated, or any other form, found to be equal to a portion of dried marijuana, as defined by
8 regulations promulgated by the department of business regulation.

9 [\(14\) "Hardship registration" means a designation for patient cardholders who, based on](#)
10 [their financial circumstances, are eligible to receive discounts on medical marijuana and medical](#)
11 [marijuana products purchased at compassion centers.](#)

12 ~~(14)~~[\(15\)](#) "Immature marijuana plant" means a marijuana plant, rooted or unrooted, with no
13 observable flower or buds.

14 ~~(15)~~[\(16\)](#) "Licensed medical marijuana cultivator" means a person or entity, as identified in
15 § 43-3-6, who or that has been licensed by the department of business regulation to cultivate
16 medical marijuana pursuant to § 21-28.6-16.

17 ~~(16)~~[\(17\)](#) "Marijuana" has the meaning given that term in § 21-28-1.02.

18 ~~(17)~~[\(18\)](#) "Marijuana establishment licensee" means any person or entity licensed by the
19 department of business regulation under this chapter whose license permits it to engage in or
20 conduct activities in connection with the medical marijuana program. "Marijuana establishment
21 licensees" shall include compassion centers, medical marijuana cultivators, and cannabis testing
22 laboratories.

23 ~~(18)~~[\(19\)](#) "Mature marijuana plant" means a marijuana plant that has flowers or buds that
24 are readily observable by an unaided visual examination.

25 ~~(19)~~[\(20\)](#) "Medical marijuana emporium" means any establishment, facility or club,
26 whether operated for-profit or nonprofit, or any commercial unit, at which the sale, distribution,
27 transfer, or use of medical marijuana or medical marijuana products is proposed and/or occurs to,
28 by or among registered patients, registered caregivers, authorized purchaser cardholders or any
29 other person. This shall not include a compassion center regulated and licensed by the department
30 of business regulation pursuant to the terms of this chapter.

31 ~~(20)~~[\(21\)](#) "Medical marijuana" means marijuana and marijuana products that satisfy the
32 requirements of this chapter and have been given the designation of "medical marijuana" due to
33 dose, potency, form. Medical marijuana products are only available for use by patient cardholders,
34 and may only be sold to or possessed by patient cardholders, or their registered caregiver, or

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

3 ~~(21)~~(22) "Medical marijuana plant tag set" or "plant tag" means any tag, identifier,
4 registration, certificate, or inventory tracking system authorized or issued by the department or
5 which the department requires be used for the lawful possession and cultivation of medical
6 marijuana plants in accordance with this chapter.

7 ~~(22)~~(23) "Medical use" means the acquisition, possession, cultivation, manufacture, use,
8 delivery, transfer, or transportation of medical marijuana or paraphernalia relating to the
9 consumption of marijuana to alleviate a patient cardholder's debilitating medical condition or
10 symptoms associated with the medical condition in accordance with the provisions of this chapter.

11 ~~(23)~~(24) "Practitioner" means a person who is licensed with authority to prescribe drugs
12 pursuant to chapters 34, 37, and 54 of title 5 [or a nurse practitioner licensed to practice in Rhode](#)
13 [Island](#), who may provide a qualifying patient with a written certification in accordance with
14 regulations promulgated by the department of health.

15 ~~(24)~~(25) "Primary caregiver" means a natural person who is at least twenty-one (21) years
16 old who is registered under this chapter in order to, and who may assist one qualifying patient, but
17 no more than five (5) qualifying patients, with their medical use of marijuana, provided that a
18 qualified patient may also serve as his or her own primary caregiver subject to the registration and
19 requirements set forth in § 21-28.6-4.

20 ~~(25)~~(26) "Qualifying patient" means a person who has been certified by a practitioner as
21 having a debilitating medical condition and is a resident of Rhode Island.

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

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

30 ~~(28)~~(29) "Usable marijuana" means the leaves and flowers of the marijuana plant, and any
31 mixture or preparation thereof, but does not include the seeds, stalks, and roots of the plant.

32 ~~(29)~~(30) "Wet marijuana" means the harvested leaves and flowers of the marijuana plant
33 before they have reached a dry state, as defined by regulations promulgated by the department of
34 health and department of business regulation.

1 ~~(30)~~(31) "Written certification" means a statement signed by a practitioner, stating that, in
2 the practitioner's professional opinion, the potential benefits of the medical use of marijuana would
3 likely outweigh the health risks for the qualifying patient. A written certification shall be made only
4 in the course of a bona fide, practitioner-patient relationship after the practitioner has completed a
5 full assessment of the qualifying patient's medical history. The written certification shall specify
6 the qualifying patient's debilitating medical condition or conditions which may include the
7 qualifying patient's relevant medical records.

8 **21-28.6-4. Protections for the medical use of marijuana.**

9 (a) A qualifying patient cardholder who has in his or her possession a registry identification
10 card shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or
11 privilege, including, but not limited to, civil penalty or disciplinary action by a business or
12 occupational or professional licensing board or bureau, solely for the medical use of medical
13 marijuana; provided that the qualifying patient cardholder possesses an amount of medical
14 marijuana that does not exceed twelve (12) mature marijuana plants and twelve (12) immature
15 marijuana plants ~~that are accompanied by valid medical marijuana plant tags~~, two and one-half
16 ounces (2.5 oz.) of dried medical marijuana, or its equivalent amount which satisfies the
17 requirements of this chapter, sixteen ounces (16 oz.) of dried medical marijuana if the marijuana
18 was cultivated by the patient cardholder or their designated caregiver and is stored securely within
19 the patient's residence, and an amount of wet medical marijuana to be set by regulations
20 promulgated by the department of business regulation. The plants shall be stored in an indoor
21 facility. Marijuana plants and the marijuana they produce shall only be grown, stored,
22 manufactured, and processed in accordance with regulations promulgated by the department of
23 business regulation;

24 (b) An authorized purchaser who has in his or her possession a registry identification card
25 shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege,
26 including, but not limited to, civil penalty or disciplinary action by a business or occupational or
27 professional licensing board or bureau, for the possession of medical marijuana; provided that the
28 authorized purchaser possesses an amount of medical marijuana that does not exceed two and one-
29 half (2.5) ounces of usable marijuana, or its equivalent amount, and this medical marijuana was
30 purchased legally from a compassion center for the use of their designated qualifying patient.

31 (c) A qualifying patient cardholder, who has in his or her possession a registry
32 identification card, shall not be subject to arrest, prosecution, or penalty in any manner, or denied
33 any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business
34 or occupational or professional licensing board or bureau, for selling, giving, or distributing, on or

1 before December 31, 2016, to a compassion center cardholder, medical marijuana of the type and
2 in an amount not to exceed that set forth in subsection (a) that he or she has cultivated or
3 manufactured pursuant to this chapter.

4 (d) No school or landlord may refuse to enroll, or lease to, or otherwise penalize, a person
5 solely for his or her status as a cardholder. Provided, however, due to the safety and welfare concern
6 for other tenants, the property, and the public, as a whole, a landlord may have the discretion not
7 to lease, or continue to lease, to a cardholder who cultivates, manufactures, processes, smokes, or
8 vaporizes medical marijuana in the leased premises.

9 (e) No employer may refuse to employ, or otherwise penalize, a person solely for his or
10 her status as a cardholder, except:

11 (1) To the extent employer action is taken with respect to such person's:

12 (i) Use or possession of marijuana or being under the influence of marijuana in any
13 workplace;

14 (ii) Undertaking a task under the influence of marijuana when doing so would constitute
15 negligence or professional malpractice or jeopardize workplace safety;

16 (iii) Operation, navigation, or actual physical control of any motor vehicle or other
17 transport vehicle, aircraft, motorboat, machinery or equipment, or firearms while under the
18 influence of marijuana; or

19 (iv) Violation of employment conditions pursuant to the terms of a collective bargaining
20 agreement; or

21 (2) Where the employer is a federal contractor or otherwise subject to federal law such that
22 failure of the employer to take such action against the employee would cause the employer to lose
23 a monetary or licensing related benefit.

24 (f) A primary caregiver cardholder, who has in his or her possession a registry identification
25 card, shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or
26 privilege, including, but not limited to, civil penalty or disciplinary action by a business or
27 occupational or professional licensing board or bureau, for assisting a patient cardholder, to whom
28 he or she is connected through the department of health or department of business regulation's
29 registration process, with the medical use of medical marijuana; provided, that the primary
30 caregiver cardholder possesses an amount of marijuana that does not exceed twelve (12) mature
31 marijuana plants that are accompanied by valid medical marijuana tags, two and one-half (2.5)
32 ounces of usable marijuana, or its equivalent amount, and an amount of wet marijuana set in
33 regulations promulgated by the departments of health and business regulation for each qualified
34 patient cardholder to whom he or she is connected through the department of health's registration

1 process.

2 (g) A qualifying patient cardholder shall be allowed to possess a reasonable amount of
3 unusable marijuana, including up to twelve (12) immature marijuana plants that are accompanied
4 by valid medical marijuana tags. A primary caregiver cardholder shall be allowed to possess a
5 reasonable amount of unusable marijuana, including up to twenty-four (24) immature marijuana
6 plants that are accompanied by valid medical marijuana tags and an amount of wet marijuana set
7 in regulations promulgated by the departments of health and business regulation.

8 (h) There shall exist a presumption that a cardholder is engaged in the medical use of
9 marijuana if the cardholder:

10 (1) Is in possession of a registry identification card; and

11 (2) Is in possession of an amount of marijuana that does not exceed the amount permitted
12 under this chapter. Such presumption may be rebutted by evidence that conduct related to marijuana
13 was not for the purpose of alleviating the qualifying patient's debilitating medical condition or
14 symptoms associated with the medical condition.

15 (i) A primary caregiver cardholder may receive reimbursement for costs associated with
16 assisting a qualifying patient cardholder's medical use of marijuana. A primary caregiver
17 cardholder may only receive reimbursement for the actual costs of goods, materials, services or
18 utilities for which they have incurred expenses. A primary caregiver may not receive
19 reimbursement or compensation for his or her time, knowledge, or expertise. Compensation shall
20 not constitute sale of controlled substances under state law. The department of business regulation
21 may promulgate regulations for the documentation and tracking of reimbursements and the transfer
22 of medical marijuana between primary caregivers and their registered patients.

23 (j) A primary caregiver cardholder, who has in his or her possession a registry identification
24 card, shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or
25 privilege, including, but not limited to, civil penalty or disciplinary action by a business or
26 occupational or professional licensing board or bureau, for selling, giving, or distributing, on or
27 before December 31, 2016, to a compassion center cardholder, marijuana, of the type, and in an
28 amount not to exceed that set forth in subsection (f), if:

29 (1) The primary caregiver cardholder cultivated the marijuana pursuant to this chapter, not
30 to exceed the limits of subsection (f); and

31 (2) Each qualifying patient cardholder the primary caregiver cardholder is connected with
32 through the department of health's registration process has been provided an adequate amount of
33 the marijuana to meet his or her medical needs, not to exceed the limits of subsection (a).

34 (k) A practitioner shall not be subject to arrest, prosecution, or penalty in any manner, or

1 denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by
2 the Rhode Island board of medical licensure and discipline, or an employer or occupational or
3 professional licensing board or bureau solely for providing written certifications in accordance with
4 this chapter and regulations promulgated by the department of health, or for otherwise stating that,
5 in the practitioner's professional opinion, the potential benefits of the medical marijuana would
6 likely outweigh the health risks for a patient.

7 (l) Any interest in, or right to, property that is possessed, owned, or used in connection with
8 the lawful medical use of marijuana, or acts incidental to such use, shall not be forfeited.

9 (m) No person shall be subject to arrest or prosecution for constructive possession,
10 conspiracy, aiding and abetting, being an accessory, or any other offense, for simply being in the
11 presence or vicinity of the medical use of marijuana as permitted under this chapter, or for assisting
12 a qualifying patient cardholder with using or administering marijuana.

13 (n) A practitioner, licensed with authority to prescribe drugs pursuant to chapters 34, 37,
14 and 54 of title 5, or pharmacist, licensed under chapter 19.1 of title 5, or certified school nurse
15 teacher, shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or
16 privilege, including, but not limited to, civil penalty or disciplinary action by an employer or
17 occupational or professional licensing board or bureau solely for: (1) Discussing the benefits or
18 health risks of medical marijuana or its interaction with other substances with a patient; or

19 (2) Administering a non-smokable and non-vaporized form of medical marijuana in a
20 school setting to a qualified patient registered in accordance with this chapter.

21 (o) A qualifying patient or primary caregiver registry identification card, or its equivalent,
22 issued under the laws of another state, U.S. territory, or the District of Columbia, to permit the
23 medical use of marijuana by a patient with a debilitating medical condition, or to permit a person
24 to assist with the medical use of marijuana by a patient with a debilitating medical condition, shall
25 have the same force and effect as a registry identification card.

26 (p) Notwithstanding the provisions of subsection (f), no primary caregiver cardholder shall
27 possess an amount of marijuana in excess of twenty-four (24) mature marijuana plants that are
28 accompanied by valid medical marijuana tags and five (5) ounces of usable marijuana, or its
29 equivalent, and an amount of wet medical marijuana set in regulations promulgated by the
30 departments of health and business regulation for patient cardholders to whom he or she is
31 connected through the department of health and/or department of business regulation registration
32 process.

33 (q) A qualifying patient or primary caregiver cardholder may give marijuana to another
34 qualifying patient or primary caregiver cardholder to whom they are not connected by the

1 department's registration process, provided that no consideration is paid for the marijuana, and that
2 the recipient does not exceed the limits specified in this section.

3 (r) Qualifying patient cardholders and primary caregiver cardholders electing to grow
4 marijuana shall only grow at one premises, and this premises shall be registered with the department
5 of business regulation. Except for licensed compassion centers, and licensed cooperative
6 cultivations, and licensed cultivators, no more than twenty-four (24) mature marijuana plants that
7 are accompanied by valid medical marijuana tags shall be grown or otherwise located at any one
8 dwelling unit or commercial unit. The number of qualifying patients or primary caregivers residing,
9 owning, renting, growing, or otherwise operating at a dwelling or commercial unit does not affect
10 this limit. The department of business regulation shall promulgate regulations to enforce this
11 provision.

12 (s) For the purposes of medical care, including organ transplants, a patient cardholder's
13 authorized use of marijuana shall be considered the equivalent of the authorized use of any other
14 medication used at the direction of a physician, and shall not constitute the use of an illicit
15 substance.

16 (t) Notwithstanding any other provisions of the general laws, the manufacture of marijuana
17 using a solvent extraction process that includes the use of a compressed, flammable gas as a solvent
18 by a patient cardholder or primary caregiver cardholder shall not be subject to the protections of
19 this chapter.

20 (u) Notwithstanding any provisions to the contrary, nothing in this chapter or the general
21 laws shall restrict or otherwise affect the manufacturing, distribution, transportation, sale,
22 prescribing, and dispensing of a product that has been approved for marketing as a prescription
23 medication by the U.S. Food and Drug Administration and legally prescribed, nor shall hemp, in
24 accordance with chapter 26 of title 2, be defined as marijuana or marihuana pursuant to this chapter,
25 chapter 28 of this title or elsewhere in the general laws.

26 (v) No state department, agency, court or official in any capacity, shall render policies,
27 punishments, or decisions in a manner that regards a registered patient cardholder, or the lawful
28 use of medical marijuana pursuant to this chapter, differently than a similarly situated person
29 lawfully using a prescribed medication.

30 **21-28.6-5. Departments of health and business regulation to issue regulations.**

31 (a) Not later than ninety (90) days after the effective date of this chapter, the department of
32 health shall promulgate regulations governing the manner in which it shall consider petitions from
33 the public to add debilitating medical conditions to those included in this chapter. In considering
34 such petitions, the department of health shall include public notice of, and an opportunity to

1 comment in a public hearing, upon such petitions. The department of health shall, after hearing,
2 approve or deny such petitions within one hundred eighty (180) days of submission. The approval
3 or denial of such a petition shall be considered a final department of health action, subject to judicial
4 review. Jurisdiction and venue for judicial review are vested in the superior court. The denial of a
5 petition shall not disqualify qualifying patients with that condition, if they have a debilitating
6 medical condition as defined in § 21-28.6-3. The denial of a petition shall not prevent a person with
7 the denied condition from raising an affirmative defense.

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

16 (c) Not later than October 1, 2019, the department of business regulation shall promulgate
17 regulations not inconsistent with law, to carry into effect the provisions of this section, governing
18 the manner in which it shall consider applications for, and renewals of, registry identification cards
19 for primary caregivers. The department of business regulation's regulations shall establish
20 application and renewal fees. The department of business regulation may vary the application and
21 renewal fees along a sliding scale that accounts for a qualifying patient's or caregiver's income. The
22 department of business regulation may accept donations from private sources in order to reduce the
23 application and renewal fees.

24 (d) Not later than October 1, 2020, the department of health shall promulgate regulations
25 not inconsistent with law to designate qualifying patients as eligible for a hardship registration if,
26 when submitting applications for, and renewal of, registry identification cards, provide proof that
27 they receive supplemental security income, Social Security disability income, and/or Medicaid
28 benefits. The department of health may develop other criteria for hardship designation eligibility
29 based on a qualifying patient's income and other financial circumstances. Upon issuance of registry
30 identification cards, and renewals of, the department of health shall imprint a symbol indicating a
31 qualifying patient's hardship registration either on the registry identification card or another official
32 document provided by the department. A qualifying patient's hardship registration shall remain in
33 effect as long as the patient's registration card remains valid.

34 **21-28.6-12. Compassion centers.**

1 (a) A compassion center licensed under this section may acquire, possess, cultivate,
2 manufacture, deliver, transfer, transport, supply, or dispense medical marijuana, or related supplies
3 and educational materials, to registered qualifying patients and their registered primary caregivers
4 or authorized purchasers, or out-of-state patient cardholders or other marijuana establishment
5 licensees. Except as specifically provided to the contrary, all provisions of this chapter (the Edward
6 O. Hawkins and Thomas C. Slater medical marijuana act), apply to a compassion center unless the
7 provision(s) conflict with a provision contained in this section.

8 (b) License of compassion centers -- authority of the departments of health and business
9 regulation:

10 (1) Not later than ninety (90) days after the effective date of this chapter, the department
11 of health shall promulgate regulations governing the manner in which it shall consider applications
12 for licenses for compassion centers, including regulations governing:

13 (i) The form and content of license and renewal applications;

14 (ii) Minimum oversight requirements for compassion centers;

15 (iii) Minimum record-keeping requirements for compassion centers;

16 (iv) Minimum security requirements for compassion centers; and

17 (v) Procedures for suspending, revoking, or terminating the license of compassion centers
18 that violate the provisions of this section or the regulations promulgated pursuant to this subsection.

19 (2) Within ninety (90) days of the effective date of this chapter, the department of health
20 shall begin accepting applications for the operation of a single compassion center.

21 (3) Within one hundred fifty (150) days of the effective date of this chapter, the department
22 of health shall provide for at least one public hearing on the granting of an application to a single
23 compassion center.

24 (4) Within one hundred ninety (190) days of the effective date of this chapter, the
25 department of health shall grant a single license to a single compassion center, providing at least
26 one applicant has applied who meets the requirements of this chapter.

27 (5) If at any time after fifteen (15) months after the effective date of this chapter, there is
28 no operational compassion center in Rhode Island, the department of health shall accept
29 applications, provide for input from the public, and issue a license for a compassion center if a
30 qualified applicant exists.

31 (6) Within two (2) years of the effective date of this chapter, the department of health shall
32 begin accepting applications to provide licenses for two (2) additional compassion centers. The
33 department shall solicit input from the public, and issue licenses if qualified applicants exist.

34 (7)(i) Any time a compassion center license is revoked, is relinquished, or expires on or

1 before December 31, 2016, the department of health shall accept applications for a new compassion
2 center.

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

6 (8)(i) If at any time after three (3) years after the effective date of this chapter and on or
7 before December 31, 2016, fewer than three (3) compassion centers are holding valid licenses in
8 Rhode Island, the department of health shall accept applications for a new compassion center. If at
9 any time on or after January 1, 2017, fewer than three (3) compassion centers are holding valid
10 licenses in Rhode Island, the department of business regulation shall accept applications for a new
11 compassion center. ~~There shall be nine (9)~~ Any number of compassion centers ~~that~~ may hold valid
12 licenses at one time. ~~If at any time on or after July 1, 2019, fewer than nine (9) compassion centers~~
13 ~~are holding valid licenses in Rhode Island, the~~ The department of business regulation shall accept
14 applications for new compassion centers and shall continue the process until ~~nine (9) licenses have~~
15 one license has been issued by the department of business regulation for every one thousand (1000)
16 registered patient cardholders.

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

23 (10) A licensed cultivator may apply for, and be issued, an available compassion center
24 license, provided that the licensed cultivation premises is disclosed on the compassion center
25 application as the permitted second location for growing medical marijuana in accordance with
26 subsection (c)(i) of this section. If a licensed cultivator is issued an available compassion center
27 license, their cultivation facility license will merge with and into their compassion center license in
28 accordance with regulations promulgated by the department of business regulation. Once merged,
29 the cultivation of medical marijuana may then be conducted under the compassion center license
30 in accordance with this section and the cultivation license will be considered null and void and of
31 no further force or effect.

32 (c) Compassion center and agent applications and license:

33 (1) Each application for a compassion center shall be submitted in accordance with
34 regulations promulgated by the department of business regulation and shall include, but not be

1 limited to:

2 (i) A non-refundable application fee paid to the department in the amount of ten thousand
3 dollars (\$10,000);

4 (ii) The proposed legal name and proposed articles of incorporation of the compassion
5 center;

6 (iii) The proposed physical address of the compassion center, if a precise address has been
7 determined, or, if not, the general location where it would be located. This may include a second
8 location for the cultivation of medical marijuana;

9 (iv) A description of the enclosed, locked facility that would be used in the cultivation of
10 medical marijuana;

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

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

18 (vii) Proposed procedures to ensure accurate record keeping.

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

23 (ii) For applications submitted on or after January 1, 2017, any time one or more
24 compassion center license applications are being considered, the department of business regulation
25 shall also allow for comment by the public and shall solicit input from registered qualifying
26 patients, registered primary caregivers, and the towns or cities where the applicants would be
27 located.

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

31 (i) Convenience to patients from areas throughout the state of Rhode Island;

32 (ii) The applicant's ability to provide a steady supply to the registered qualifying patients
33 in the state;

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

1 (iv) The interests of qualifying patients regarding which applicant be granted a license;

2 (v) The interests of the city or town where the dispensary would be located taking into
3 consideration need and population;

4 (vi) Nothing herein shall prohibit more than one compassion center being geographically
5 located in any city or town;

6 (vii) The sufficiency of the applicant's plans for record keeping and security, which records
7 shall be considered confidential healthcare information under Rhode Island law and are intended
8 to be deemed protected healthcare information for purposes of the Federal Health Insurance
9 Portability and Accountability Act of 1996, as amended; and

10 (viii) The sufficiency of the applicant's plans for safety and security, including proposed
11 location, security devices employed, and staffing.

12 (4) A compassion center approved by the department of health on or before December 31,
13 2016, shall submit the following to the department before it may begin operations:

14 (i) A fee paid to the department in the amount of five thousand dollars (\$5,000);

15 (ii) The legal name and articles of incorporation of the compassion center;

16 (iii) The physical address of the compassion center; this may include a second address for
17 the secure cultivation of marijuana;

18 (iv) The name, address, and date of birth of each principal officer and board member of the
19 compassion center; and

20 (v) The name, address, and date of birth of any person who will be an agent of, employee,
21 or volunteer of the compassion center at its inception.

22 (5)(i) A compassion center approved or renewed by the department of business regulation
23 on or after January 1, 2017, but before July 1, 2019, shall submit materials pursuant to regulations
24 promulgated by the department of business regulation before it may begin operations:

25 (A) A fee paid to the department in the amount of five thousand dollars (\$5,000);

26 (B) The legal name and articles of incorporation of the compassion center;

27 (C) The physical address of the compassion center; this may include a second address for
28 the secure cultivation of medical marijuana;

29 (D) The name, address, and date of birth of each principal officer and board member of the
30 compassion center;

31 (E) The name, address, and date of birth of any person who will be an agent, employee, or
32 volunteer of the compassion center at its inception.

33 (ii) A compassion center approved or renewed by the department of business regulation on
34 or after July 1, 2019, shall submit materials pursuant to regulations promulgated by the department

1 of business regulation before it may begin operations, which shall include but not be limited to:

2 (A) A fee paid to the department in the amount of ~~five hundred thousand dollars (\$500,000)~~
3 five thousand dollars (\$5,000);

4 (B) The legal name and articles of incorporation of the compassion center;

5 (C) The physical address of the compassion center; this may include a second address for
6 the secure cultivation of medical marijuana;

7 (D) The name, address, and date of birth of each principal officer and board member of the
8 compassion center, and any person who has a direct or indirect ownership interest in any marijuana
9 establishment licensee, which ownership interest shall include, but not be limited to, any interests
10 arising pursuant to the use of shared management companies, management agreements or other
11 agreements that afford third-party management or operational control, or other familial or business
12 relationships between compassion center or cultivator owners, members, officers, directors,
13 managers, investors, agents, or key persons that effect dual license interests as determined by the
14 department of business regulation;

15 (E) The name, address, and date of birth of any person who will be an agent, employee, or
16 volunteer of the compassion center at its inception.

17 (6) Except as provided in subsection (c)(7) of this section, the department of health or the
18 department of business regulation shall issue each principal officer, board member, agent,
19 volunteer, and employee of a compassion center a registry identification card or renewal card after
20 receipt of the person's name, address, date of birth; a fee in an amount established by the department
21 of health or the department of business regulation; ~~and, except in the case of an employee,~~
22 ~~notification to the department of health or the department of business regulation by the department~~
23 ~~of public safety division of state police, attorney general's office, or local law enforcement that the~~
24 ~~registry identification card applicant has not been convicted of a felony drug offense or has not~~
25 ~~entered a plea of nolo contendere for a felony drug offense and received a sentence of probation.~~

26 Each card shall specify that the cardholder is a principal officer, board member, agent, volunteer,
27 or employee of a compassion center and shall contain the following:

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

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

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

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

34 (v) A photograph, if the department of health or the department of business regulation

1 decides to require one.

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

12 ~~(i) All registry identification card applicants shall apply to the department of public safety~~
13 ~~division of state police, the attorney general's office, or local law enforcement for a national~~
14 ~~criminal identification records check that shall include fingerprints submitted to the federal bureau~~
15 ~~of investigation. Upon the discovery of a felony drug offense conviction or a plea of nolo~~
16 ~~contendere for a felony drug offense with a sentence of probation, and in accordance with the rules~~
17 ~~promulgated by the department of health and the department of business regulation, the department~~
18 ~~of public safety division of state police, the attorney general's office, or local law enforcement shall~~
19 ~~inform the applicant, in writing, of the nature of the felony and the department of public safety~~
20 ~~division of state police shall notify the department of health or the department of business~~
21 ~~regulation, in writing, without disclosing the nature of the felony, that a felony drug offense~~
22 ~~conviction or a plea of nolo contendere for a felony drug offense with probation has been found.~~

23 ~~(ii) In those situations in which no felony drug offense conviction or plea of nolo~~
24 ~~contendere for a felony drug offense with probation has been found, the department of public safety~~
25 ~~division of state police, the attorney general's office, or local law enforcement shall inform the~~
26 ~~applicant and the department of health or the department of business regulation, in writing, of this~~
27 ~~fact.~~

28 ~~(iii) All registry identification card applicants, except for employees with no ownership,~~
29 ~~equity, financial interest, or managing control of a marijuana establishment license, shall be~~
30 ~~responsible for any expense associated with the criminal background check with fingerprints.~~

31 (8) A registry identification card of a principal officer, board member, agent, volunteer,
32 employee, or any other designation required by the department of business regulation shall expire
33 one year after its issuance, or upon the expiration of the licensed organization's license, or upon the
34 termination of the principal officer, board member, agent, volunteer, or employee's relationship

1 with the compassion center, whichever occurs first.

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

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

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

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

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

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

26 (d) Expiration or termination of compassion center:

27 (1) On or before December 31, 2016, a compassion center's license shall expire two (2)
28 years after its license is issued. On or after January 1, 2017, a compassion center's license shall
29 expire one year after its license is issued. The compassion center may submit a renewal application
30 beginning sixty (60) days prior to the expiration of its license.

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

34 (i) The compassion center submits the materials required under subsections (c)(4) and

1 (c)(5) of this section, including a five-hundred-thousand-dollar (\$500,000) fee;

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

4 (iii) The department of business regulation finds that the compassion center is adequately
5 providing patients with access to medical marijuana at reasonable rates.

6 (3) If the department of health or the department of business regulation determines that any
7 of the conditions listed in subsections (d)(2)(i) -- (iii) of this section have not been met, the
8 department may begin an open application process for the operation of a compassion center. In
9 granting a new license, the department of health or the department of business regulation shall
10 consider factors listed in subsection (c)(3) of this section.

11 (4) The department of business regulation shall issue a compassion center one or more
12 thirty-day (30) temporary licenses after that compassion center's license would otherwise expire if
13 the following conditions are all satisfied:

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

16 (ii) The compassion center requested a temporary license; and

17 (iii) The compassion center has not had its license suspended or revoked due to violations
18 of this chapter or regulations issued pursuant to this chapter.

19 (5) A compassion center's license shall be denied, suspended, or subject to revocation if
20 the compassion center:

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

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

23 (iii) Is in violation of other departmental regulations;

24 (iv) Employs or enters into a business relationship with a medical practitioner who provides
25 written certification of a qualifying patient's medical condition; or

26 (v) If any compassion center owner, member, officer, director, manager, investor, agent,
27 or key person as defined in regulations promulgated by the department of business regulation, has
28 any interest, direct or indirect, in another compassion center or another licensed cultivator, except
29 as permitted in subsection (b)(10) of this section. Prohibited interests shall also include interests
30 arising pursuant to the use of shared management companies, management agreements, or other
31 agreements that afford third-party management or operational control, or other familial or business
32 relationships between compassion center or cultivator owners, members, officers, directors,
33 managers, investors, agents, or key persons that effect dual license interests as determined by the
34 department of business regulation.

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

6 (f) Compassion center requirements:

7 (1) A compassion center shall be operated on a not-for-profit basis for the mutual benefit
8 of its patients. A compassion center need not be recognized as a tax-exempt organization by the
9 Internal Revenue Service. A compassion center shall be subject to regulations promulgated by the
10 department of business regulation for general operations and record keeping, which shall include,
11 but not be limited to:

12 (i) Minimum security and surveillance requirements;

13 (ii) Minimum requirements for workplace safety and sanitation;

14 (iii) Minimum requirements for product safety and testing;

15 (iv) Minimum requirements for inventory tracking and monitoring;

16 (v) Minimum requirements for the secure transport and transfer of medical marijuana;

17 (vi) Minimum requirements to address odor mitigation;

18 (vii) Minimum requirements for product packaging and labeling;

19 (viii) Minimum requirements and prohibitions for advertising;

20 (ix) Minimum requirements for the testing and destruction of marijuana. Wherever
21 destruction of medical marijuana and medical marijuana product is required to bring a person or
22 entity into compliance with any provision of this chapter, any rule or regulation promulgated
23 thereunder, or any administrative order issued in accordance therewith, the director of the
24 department of business regulation may designate his or her employees or agents to facilitate the
25 destruction;

26 (x) A requirement that if a compassion center violates this chapter, or any regulation
27 thereunder, and the department of business regulation determines that violation does not pose an
28 immediate threat to public health or public safety, the compassion center shall pay to the department
29 of business regulation a fine of no less than five-hundred dollars (\$500); and

30 (xi) A requirement that if a compassion center violates this chapter, or any regulation
31 promulgated hereunder, and the department of business regulation determines that the violation
32 poses an immediate threat to public health or public safety, the compassion center shall pay to the
33 department of business regulation a fine of no less than two thousand dollars (\$2,000) and the
34 department shall be entitled to pursue any other enforcement action provided for under this chapter

1 and the regulations.

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

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

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

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

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

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

33 (7) A compassion center is prohibited from acquiring, possessing, cultivating,
34 manufacturing, delivering, transferring, transporting, supplying, or dispensing marijuana for any

1 purpose except to assist patient cardholders with the medical use of marijuana directly or through
2 the qualifying patient's primary caregiver or authorized purchaser.

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

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

8 (10) Effective July 1, 2017, each compassion center shall be subject to any regulations
9 promulgated by the departments of health and business regulation that specify how marijuana must
10 be tested for items, included but not limited to, cannabinoid profile and contaminants.

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

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

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

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

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

21 (14) Each compassion center shall develop, implement, and maintain on the premises an
22 on-site training curriculum, or enter into contractual relationships with outside resources capable
23 of meeting employee training needs, that includes, but is not limited to, the following topics:

24 (i) Professional conduct, ethics, and patient confidentiality; and

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

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

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

29 (ii) Specific procedural instructions on how to respond to an emergency, including robbery
30 or violent accident.

31 (16) All compassion centers shall prepare training documentation for each employee and
32 volunteer and have employees and volunteers sign a statement indicating the date, time, and place
33 the employee and volunteer received the training and topics discussed, to include name and title of
34 presenters. The compassion center shall maintain documentation of an employee's and a volunteer's

1 training for a period of at least six (6) months after termination of an employee's employment or
2 the volunteer's volunteering.

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

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

8 (2) A compassion center or principal officer, board member, agent, volunteer, or employee
9 of a compassion center may not dispense an amount of usable marijuana, or its equivalent, to a
10 patient cardholder, qualifying patient, a qualifying patient's primary caregiver, or a qualifying
11 patient's authorized purchaser that the compassion center, principal officer, board member, agent,
12 volunteer, or employee knows would cause the recipient to possess more marijuana than is
13 permitted under the Edward O. Hawkins and Thomas C. Slater medical marijuana act.

14 (3) Compassion centers shall utilize a database administered by the departments of health
15 and business regulation. The database shall contain all compassion centers' transactions according
16 to qualifying patients', authorized purchasers', and primary caregivers' registry identification
17 numbers to protect the confidentiality of patient personal and medical information. Compassion
18 centers will not have access to any applications or supporting information submitted by qualifying
19 patients, authorized purchasers or primary caregivers. Before dispensing marijuana to any patient
20 or authorized purchaser, the compassion center must utilize the database to ensure that a qualifying
21 patient is not dispensed more than two and one-half ounces (2.5 oz.) of usable marijuana or its
22 equivalent directly or through the qualifying patient's primary caregiver or authorized purchaser
23 during a fifteen-day (15) period.

24 (h) Immunity:

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

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

1 center.

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

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

12 (i) Prohibitions:

13 (1) A compassion center must limit its inventory of seedlings, plants, and marijuana to
14 reflect the projected needs of qualifying patients;

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

18 (3) A compassion center may not procure, purchase, transfer, or sell marijuana to or from
19 any entity other than a marijuana establishment licensee in accordance with the provisions of this
20 chapter;

21 (4) A person found to have violated subsection (h)(2) or (h)(3) of this section may not be
22 an employee, agent, volunteer, principal officer, or board member of any compassion center;

23 (5) An employee, agent, volunteer, principal officer or board member of any compassion
24 center found in violation of subsection (h)(2) or (h)(3) of this section shall have his or her registry
25 identification revoked immediately; ~~and.~~

26 ~~(6) No person who has been convicted of a felony drug offense or has entered a plea of~~
27 ~~nolo contendere for a felony drug offense with a sentence of probation may be the principal officer,~~
28 ~~board member, or agent of a compassion center unless the department has determined that the~~
29 ~~person's conviction was for the medical use of marijuana or assisting with the medical use of~~
30 ~~marijuana in accordance with the terms and conditions of this chapter. A person who is employed~~
31 ~~by or is an agent, volunteer, principal officer, or board member of a compassion center in violation~~
32 ~~of this section is guilty of a civil violation punishable by a fine of up to one thousand dollars~~
33 ~~(\$1,000). A subsequent violation of this section is a misdemeanor.~~

34 (j) Legislative oversight committee:

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

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

- 10 (i) Patients' access to medical marijuana;
- 11 (ii) Efficacy of compassion centers;
- 12 (iii) Physician participation in the Medical Marijuana Program;
- 13 (iv) The definition of qualifying medical condition; and
- 14 (v) Research studies regarding health effects of medical marijuana for patients.

15 (3) On or before January 1 of every even numbered year, the oversight committee shall
16 report to the general assembly on its findings.

17 (k) License required. No person or entity shall engage in activities described in this section
18 without a compassion center license issued by the department of business regulation.

19 SECTION 2. Section 21-28.6-15 of the General Laws in Chapter 21-28.6 entitled "The
20 Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act" is hereby repealed.

21 ~~**21-28.6-15. Medical marijuana plant tags.**~~

22 ~~(a) Effective January 1, 2017, the department of business regulation shall make medical~~
23 ~~marijuana tag sets available for purchase. Effective April 1, 2017, every marijuana plant, either~~
24 ~~mature or immature, grown by a registered patient or primary caregiver, must be accompanied by~~
25 ~~a physical medical marijuana tag purchased through the department of business regulation and~~
26 ~~issued by the department of business regulation to qualifying patients and primary caregivers.~~

27 ~~(1) The department of business regulation shall charge an annual fee for each medical~~
28 ~~marijuana tag set that shall include one tag for a mature medical marijuana plant and one tag for an~~
29 ~~immature plant. If the required fee has not been paid, those medical marijuana tags shall be~~
30 ~~considered expired and invalid. The fee established by the department of business regulation shall~~
31 ~~be in accordance with the following requirements:~~

32 ~~(i) For patient cardholders authorized to grow medical marijuana by the department of~~
33 ~~business regulation, the fee per tag set shall not exceed twenty five dollars (\$25);~~

34 ~~(ii) For primary caregivers, the fee per tag set shall not exceed twenty five dollars (\$25);~~

1 ~~(iii) For patients who qualify for reduced registration due to income or disability status,~~
2 ~~there shall be no fee per tag set;~~

3 ~~(iv) For caregivers who provide care for a patient cardholder who qualifies for reduced~~
4 ~~registration due to income or disability status, there shall be no fee per tag set for the qualifying~~
5 ~~patient; and~~

6 ~~(v) For licensed medical marijuana cultivators, the fee per tag set shall be established in~~
7 ~~regulations promulgated by the department of business regulation.~~

8 ~~(2) Effective January 1, 2017, the department of business regulation shall verify with the~~
9 ~~department of health that all medical marijuana tag purchases are made by qualifying patient~~
10 ~~cardholders or primary caregiver cardholders. The department of health shall provide this~~
11 ~~verification according to qualifying patients' and primary caregivers' registry identification~~
12 ~~numbers and without providing access to any applications or supporting information submitted by~~
13 ~~qualifying patients to protect patient confidentiality.~~

14 ~~(3) Effective January 1, 2019, and thereafter, the department of business regulation shall~~
15 ~~verify with the department of health that all medical marijuana tag purchases are made by registered~~
16 ~~patient cardholders, who have notified the department of health of their election to grow medical~~
17 ~~marijuana, or primary caregiver cardholders. The department of health shall provide this~~
18 ~~verification according to qualifying patients' and primary caregivers' registry identification~~
19 ~~numbers and without providing access to any applications or supporting information submitted by~~
20 ~~qualifying patients to protect patient confidentiality.~~

21 ~~(4) The department of business regulation shall maintain information pertaining to medical~~
22 ~~marijuana tags.~~

23 ~~(5) All primary caregivers shall purchase at least one medical marijuana tag set for each~~
24 ~~patient under their care and all patients growing medical marijuana for themselves shall purchase~~
25 ~~at least one medical marijuana tag set.~~

26 ~~(6) All licensed medical marijuana cultivators shall purchase at least one medical marijuana~~
27 ~~tag set or utilize a seed to sale tracking system.~~

28 ~~(7) The department of business regulation shall promulgate regulations to establish a~~
29 ~~process by which medical marijuana tags may be returned. The department of business regulation~~
30 ~~may choose to reimburse a portion or the entire amount of any fees paid for medical marijuana tags~~
31 ~~that are subsequently returned.~~

32 ~~(b) Enforcement:~~

33 ~~(1) If a patient cardholder, primary caregiver cardholder, licensed compassion center, or~~
34 ~~licensed medical marijuana cultivator violates any provision of this chapter or the regulations~~

1 ~~promulgated hereunder as determined by the departments of business regulation or health, his or~~
2 ~~her medical marijuana tags may be revoked. In addition, the department that issued the cardholder's~~
3 ~~registration or the license may revoke the cardholder's registration or license.~~

4 ~~(2) The department of business regulation may revoke and not reissue, pursuant to~~
5 ~~regulations, medical marijuana tags to any cardholder or licensee who is convicted of; placed on~~
6 ~~probation; whose case is filed pursuant to § 12-10-12 where the defendant pleads nolo contendere;~~
7 ~~or whose case is deferred pursuant to § 12-19-19 where the defendant pleads nolo contendere for~~
8 ~~any felony offense under chapter 28 of this title ("Rhode Island controlled substances act") or a~~
9 ~~similar offense from any other jurisdiction.~~

10 ~~(3) If a patient cardholder, primary caregiver cardholder, licensed cooperative cultivation,~~
11 ~~compassion center, licensed medical marijuana cultivator, or any other person or entity is found to~~
12 ~~have marijuana plants, or marijuana material without valid medical marijuana tags sets or which~~
13 ~~are not tracked in accordance with regulation, the department of business regulation shall impose~~
14 ~~an administrative penalty in accordance with regulations promulgated by the department on the~~
15 ~~patient cardholder, primary caregiver cardholder, licensed cooperative cultivation, compassion~~
16 ~~center, licensed medical marijuana cultivator, or other person or entity for each untagged marijuana~~
17 ~~plant or unit of untracked marijuana material.~~

18 ~~(4) [Deleted by P.L. 2019, ch. 88, art. 15, § 5].~~

19 SECTION 3. Chapter 44-67 of the General Laws entitled "The Compassion Center
20 Surcharge Act" is hereby repealed in its entirety.

21 ~~CHAPTER 44-67~~

22 ~~The Compassion Center Surcharge Act~~

23 ~~**44-67-1. Short title.**~~

24 ~~This chapter shall be known as "The Compassion Center Surcharge Act."~~

25 ~~**44-67-2. Definitions.**~~

26 ~~For purposes of this chapter:~~

27 ~~(1) "Administrator" means the tax administrator within the department of revenue.~~

28 ~~(2) "Compassion center" means a not for profit entity registered under § 21-28.6-12 that~~
29 ~~acquires, possesses, cultivates, manufactures, delivers, transfers, transports, supplies or dispenses~~
30 ~~marijuana, or related supplies and educational materials, to registered qualifying patients and their~~
31 ~~registered primary caregivers who have designated it as one of their primary caregivers.~~

32 ~~(3) "Net patient revenue" means the gross amount received on a cash basis by a compassion~~
33 ~~center net of returns and allowances.~~

34 ~~(4) "Practitioner" means a person who is licensed with authority to prescribe drugs pursuant~~

1 ~~to chapter 37 of title 5 or a physician licensed with authority to prescribe drugs in Massachusetts~~
2 ~~or Connecticut.~~

3 ~~(5) "Primary caregiver" means either a natural person who is at least twenty one (21) years~~
4 ~~old or a compassion center. Unless the primary caregiver is a compassion center, a natural primary~~
5 ~~caregiver may assist no more than five (5) qualifying patients with their medical use of marijuana.~~

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

8 ~~(7) "Surcharge" means the assessment that is imposed upon net patient revenue pursuant~~
9 ~~to this chapter.~~

10 ~~(8) Any term not defined in this chapter shall have the same meaning as used in chapter~~
11 ~~28.6 of title 21.~~

12 **44-67-3. Imposition of surcharge --- Compassion centers.**

13 ~~A surcharge at a rate of four percent (4.0%) shall be imposed upon the net patient revenue~~
14 ~~received each month by every compassion center. Every compassion center shall pay the monthly~~
15 ~~surcharge to the tax administrator no later than the twentieth (20th) day of the month following the~~
16 ~~month that the net patient revenue was received. This surcharge shall be in addition to any other~~
17 ~~authorized fees that have been assessed upon a compassion center.~~

18 **44-67-4. Returns.**

19 ~~(a) Every compassion center shall, on or before the twentieth (20th) day of the month~~
20 ~~following the month that the net patient revenue was received, make a return to the tax~~
21 ~~administrator.~~

22 ~~(b) Compassion centers shall file their returns on a form as prescribed by the tax~~
23 ~~administrator containing data for the computation of net patient revenue and the surcharge. If a~~
24 ~~return shows an overpayment of a surcharge, the tax administrator shall refund or credit the~~
25 ~~overpayment to the compassion center.~~

26 ~~(c) The tax administrator, for good cause shown, may extend the time within which a~~
27 ~~compassion center is required to file a return. If the return is filed during the period of extension,~~
28 ~~no penalty or late filing charge may be imposed for failure to file the return at the time required by~~
29 ~~this chapter, but the compassion center shall be liable for any interest as prescribed in this chapter.~~
30 ~~Failure to file the return during the period for the extension shall make the extension null and void~~
31 ~~and an appropriate penalty or late filing charge shall be imposed.~~

32 **44-67-5. Setoff for delinquent payment of surcharge.**

33 ~~If a compassion center fails to pay a surcharge, penalty or late filing charge within thirty~~
34 ~~(30) days of its due date, the tax administrator may request any agency of state government to setoff~~

1 ~~the amount of the delinquency against any payment due the compassion center from the agency~~
2 ~~and to remit to the tax administrator the amount of the surcharge, penalty and/or late filing charge~~
3 ~~from any such payment owed the compassion center. Upon receipt of a request for setoff from the~~
4 ~~tax administrator, any agency of state government is authorized and empowered to setoff the~~
5 ~~amount of any delinquency against any payment due the compassion center. The amount of setoff~~
6 ~~shall be credited against the surcharge, penalty and/or late filing charge due from the compassion~~
7 ~~center.~~

8 ~~**44-67-6. Surcharge on available information -- Interest on delinquencies -- Penalties**~~

9 ~~**--Collection powers.**~~

10 ~~If any compassion center fails, within the time required by this chapter, to file a return, or~~
11 ~~files an insufficient or incorrect return, or does not pay the surcharge imposed by this chapter when~~
12 ~~it is due, the tax administrator shall make an assessment based upon available information, which~~
13 ~~assessment shall be payable upon demand and shall bear interest from the date when the surcharge~~
14 ~~should have been paid at the annual rate set forth in § 44-1-7. If any part of the surcharge is caused~~
15 ~~by the negligence or intentional disregard of the provisions of this chapter, a penalty of ten percent~~
16 ~~(10%) of the amount of the determination shall be added to the surcharge. The tax administrator~~
17 ~~shall collect the surcharge with interest, penalty and/or late filing charge in the same manner and~~
18 ~~with the same powers as prescribed for collection of taxes in this title.~~

19 ~~**44-67-7. Claims for refund -- Hearing upon denial.**~~

20 ~~(a) A claim for refund of an overpayment of a surcharge may be filed by a compassion~~
21 ~~center with the tax administrator at any time within two (2) years after the surcharge has been paid.~~
22 ~~If the tax administrator determines that a surcharge has been overpaid, the tax administrator shall~~
23 ~~make a refund with interest from the date of overpayment at the rate provided in § 44-1-7.1.~~

24 ~~(b) Any compassion center aggrieved by an action of the tax administrator in determining~~
25 ~~the amount of any surcharge or penalty imposed under the provisions of this chapter may, within~~
26 ~~thirty (30) days after the notice of the action was mailed, apply to the tax administrator, for a hearing~~
27 ~~relative to the surcharge or penalty. The tax administrator shall fix a time and place for the hearing~~
28 ~~and shall so notify the compassion center.~~

29 ~~**44-67-8. Hearing by tax administrator on application.**~~

30 ~~Following the hearing, if the tax administrator upholds the amount of the surcharge~~
31 ~~assessed, the amount owed shall be assessed together with any penalty and/or interest thereon.~~

32 ~~**44-67-9. Appeals.**~~

33 ~~Appeals from administrative orders or decisions made pursuant to any provisions of this~~
34 ~~chapter shall be to the sixth (6th) division district court pursuant to chapter 8 of title 8. The~~

1 ~~compassion center's right to appeal under this section shall be conditional upon prepayment of all~~
2 ~~surcharges, interest, and penalties, unless the compassion center moves for and is granted an~~
3 ~~exemption from the prepayment requirement, pursuant to § 8-8-26. Following the appeal, if the~~
4 ~~court determines that the compassion center is entitled to a refund, the compassion center shall be~~
5 ~~paid interest on the refund at the rate provided in § 44-1-7.1.~~

6 ~~**44-67-10. Compassion center records.**~~

7 ~~Every compassion center shall:~~

8 ~~(1) Keep records as may be necessary to determine the amount of its liability under this~~
9 ~~chapter;~~

10 ~~(2) Preserve those records for the period of three (3) years following the date of filing of~~
11 ~~any return required by this chapter, or until any litigation or prosecution under this chapter has been~~
12 ~~completed; and~~

13 ~~(3) Make those records available for inspection upon demand by the tax administrator or~~
14 ~~his/her authorized agents at reasonable times during regular business hours.~~

15 ~~**44-67-11. Method of payment and deposit of surcharge.**~~

16 ~~(a) Payments required by this chapter shall be made by electronic transfer of monies to the~~
17 ~~general treasurer for deposit in the general fund.~~

18 ~~(b) The general treasurer is authorized to establish necessary accounts and to take all steps~~
19 ~~necessary to facilitate the electronic transfer of monies. Upon request of the tax administrator the~~
20 ~~general treasurer shall provide the tax administrator a record of any such monies transferred and~~
21 ~~deposited.~~

22 ~~**44-67-12. Rules and regulations.**~~

23 ~~The tax administrator is authorized to promulgate rules and regulations to carry out the~~
24 ~~provisions, policies, and purposes of this chapter including, but not limited to, emergency rules and~~
25 ~~regulations pursuant to subsection 42-35-3(b).~~

26 ~~**44-67-13. Severability.**~~

27 ~~If any provision of this chapter or the application of this chapter to any person or~~
28 ~~circumstances is held invalid, that invalidity shall not affect other provisions or applications of the~~
29 ~~chapter that can be given effect without the invalid provision or application, and to this end the~~
30 ~~provisions of this chapter are declared to be severable.~~

31 SECTION 4. This act shall take effect upon passage.

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LC004504
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

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

1 This act would direct the department of health to create a hardship designation for patients
2 receiving SSI, SSDI or Medicaid, would task the department of business regulation to establish a
3 discount medicine program, eliminates the plant tagging system to tax plants, removes the
4 numerical limit on the number of compassion center licenses, changes the definition of debilitating
5 medical condition, adds nurse practitioners to the definition of practitioner, reduces the compassion
6 center license to five thousand dollars (\$5000), removes ownership discrimination based on
7 criminal convictions and allows patients who cultivate their own marijuana to possess up to sixteen
8 ounces (16 oz.).

9 This act would take effect upon passage.

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LC004504
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