



DEPARTMENT OF BUSINESS REGULATION

Memorandum Summarizing Content of Regulation Hearing R.I. Gen. Laws §§ 42-35-2.3(b)(5) and 42-35-2.8(e)

To: Elizabeth M. Tanner, Esq., Director
From: Sam Kovach-Orr, Esq., OCR Legal Counsel
Amy Stewart, Esq. Deputy Chief of Legal Services/Rules Coordinator
CC: Matthew Santacroce, Chief, Office of Cannabis Regulation
Pamela Toro, Esq., Associate Director (Chief of Legal)
Date: March 28, 2022
Regulation: 230-RICR-80-05-4 – Minimum Requirements for Departmental Approval of Volatile Solvent-Based Hydrocarbon Extraction Operations

On March 7, 2022, DBR posted with the Secretary of State (SOS) and sent notice to all licensees and interested parties that it was proposing an adoption of 230-RICR-80-05-4, Minimum Requirements for Departmental Approval of Volatile Solvent-Based Hydrocarbon Extraction Operations, and that a hearing would be held on that proposal on March 28, 2022, at 1:00 p.m. via Zoom webinar. A total of 8 people attended the hearing, including 4 DBR staff members and 4 members of the public.

Sam Kovach-Orr served as Hearing Officer and Amy Stewart ran the Zoom meeting. Other DBR staff in attendance were Matthew Santacroce, OCR Chief, and Sara Tindall-Woodman, Deputy Chief of Legal Services.

Attendees were advised to notify staff if they wanted to speak by either using the “Raise your hand” feature or by typing into the Chat. Two individuals indicated that they wanted to speak. The following includes the name, affiliation and comments/concerns of the two individuals who asked to speak:

Chris Reilly, Thomas C. Slater Compassion Center, Inc. (Providence)

(The Slater Center also submitted written comments through the SOS online database.)

- The Slater Center is “pleased to support the proposed rule.”
- The Slater Center’s interest in hydrocarbon extraction began in February 2019 but the testing regulations surrounding residual solvents had not been developed and the testing facilities were not yet operational at that time.
 - At that time the Slater Center had discussions and obtained preliminary approvals from the State Fire Marshal and the Department of Environmental Management for a specific proposal for a closed-system butane extraction unit.
- Slater looks forward to expanding their extraction capabilities in accordance with the proposed regulation for the following reasons:

- Solvents like butane are significantly more efficient and produce higher extraction yields in roughly half the amount of time compared to extraction processes which utilize other substances like CO₂; and
- The Slater Center will be able to produce a wider range of products for patients which maintain the plant matter's natural terpene profile.

Shaun Aponik, Thomas C. Slater Compassion Center, Inc. (Providence)

- Director of Laboratory Operations at the Slater Center since 2013.
- The Slater Center processes over 75 pounds of medical cannabis flower and over 3,000 grams of oil daily which is used to create an extensive product line for their patients.
- The Slater Center's patients are appreciative of the Slater Center's laboratory/extraction efforts because of the wide range of products they can produce that do not entail combustion/burning of cannabis flower (e.g., pills, edibles, topicals, tinctures, and vaporizers).
 - The Slater Center is also able to produce products for child patients who suffer from conditions like epilepsy and who have found relief through the Slater Center's high-CBD concentrated products.
- Currently the Slater Center is limited to CO₂ extraction which is inferior to hydrocarbon extraction methods for the following reasons:
 - CO₂ extraction is less efficient; and
 - CO₂ extraction causes a large loss of terpenes.
 - Terpenes are an important component to medical marijuana and its "entourage effect" on the consumer by contributing to anxiety relief, stress relief/relaxation, and anti-inflammatory effects.
- The Slater Center will be able to produce a wider variety of products for its patients including a number of products with purity and concentration levels that are unachievable through less efficient extraction processes like CO₂.
- "I want to affirm that hydrocarbon extraction is extremely safe when done properly under thoughtful regulations like the ones proposed today."
 - "I'd like to thank the Office of Cannabis Regulation for developing this new rule on hydrocarbon extraction and we look forward to working with you on our plans into the future."