

**230-RICR-80-5-1**

## **TITLE 230 – DEPARTMENT OF BUSINESS REGULATION**

### **CHAPTER 80 – MARIJUANA**

#### **SUBCHAPTER 5 – MEDICAL MARIJUANA**

PART 1 – Rules and Regulations Related to the Medical Marijuana Program  
Administered by the Department of Business Regulation

### **1.1 General Provisions**

#### **A. Definitions and References**

1. “Act” shall refer to Chapter 21-28.6 of the Rhode Island General Laws entitled “The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act,” as amended, including amendment by the 2016 Public Laws, Chapter 142 (Budget Article 14).
2. “DBR” shall refer to the Rhode Island Department of Business Regulation or its successor agency. R.I. Gen. Laws § 21-28.6-3(6).
3. “DOH” shall refer to the Rhode Island Department of Health or its successor agency. R.I. Gen. Laws § 21-28.6-3(7).
4. “RISP” shall refer to the Rhode Island Department of Public Safety, Division of State Police, or its successor agency. R.I. Gen. Laws § 21-28.6-3(8).
5. “DBR Regulations” shall refer to these Regulations, the Rules and Regulations Related to the Medical Marijuana Program Administered by the Department of Business Regulation, as the same may be amended from time to time.
6. “DOH Regulations” shall refer to the Rules and Regulations Related to the Medical Marijuana Program Administered by the Department of Health, 216-RICR-20-10-3, as the same may be amended from time to time, and the DOH Testing Regulations, when adopted.

7. “DOH Testing Regulations” shall refer to the testing requirements, standards, and procedures for conduct of testing through “approved third party testing providers” to be promulgated by DOH, as the same may be amended from time to time. The DOH Testing Regulations will apply to licensed cultivators, registered compassion centers, and approved third party testing providers performing independent testing on the medical marijuana and marijuana products of the compassion centers and licensed cultivators for tetrahydrocannabinol (THC) and cannabidiol (CBD) concentrations and traces of contaminants such as pesticides and for any other results mandated by DOH, and will obligate compassion centers and, if applicable, licensed cultivators to ensure testing compliance and “testing compliance tracking.” Specific authority for said regulations is found at R.I. Gen. Laws § 21-28.6-12(f)(10) and § 21-28.6-16(f). The DOH Testing Regulations may require compassion centers and/or licensed cultivators to pay the costs associated with testing their product.
8. “Marijuana and marijuana products” shall refer to marijuana, as defined in the Rhode Island Uniform Controlled Substances Act, R.I. Gen. Laws § 21-28-1.02(26), and is deemed to specifically include the following subcategories:
  - a. “Mature marijuana plant,” which shall refer to a marijuana plant that has flowers or buds that are readily observable by an unaided visual examination. R.I. Gen. Laws § 21-28.6-3(14).
  - b. “Seedling,” which shall refer to a marijuana plant with no observable flowers or buds. R.I. Gen. Laws § 21-28.6-3(20).
  - c. “Plant,” which shall refer collectively to both and/or independently to either “mature marijuana plants” and “seedlings,” as the context requires.
  - d. “Unusable marijuana,” which shall refer to marijuana seeds, stalks, seedlings, and unusable roots. R.I. Gen. Laws § 21-28.6-3(21).
  - e. “Usable marijuana,” which shall refer to the dried leaves and flowers of the marijuana plant, and any mixture or preparation thereof, but does not include the seeds, stalks, and roots of the plant. R.I. Gen. Laws § 21-28.6-3(22).

- f. “Dried usable marijuana,” which shall refer to the dried leaves and flowers of the marijuana plant after the wet harvested leaves and flowers of the marijuana plant have undergone the drying process. R.I. Gen. Laws § 21-28.6-3(9); DOH Regulations 216-RICR-20-10-3.3(A)(10).
  - g. “Wet marijuana,” which shall refer to the harvested leaves and flowers of the marijuana plant before they have reached a dry usable state. R.I. Gen. Laws § 21-28.6-3(23). Pursuant to DOH Regulations § 1.30, marijuana that has been dried to a usable state shall be assumed to have yielded twenty percent (20%) of the weight of the wet marijuana.
  - h. “Marijuana infused products,” which shall refer to product infused with medical marijuana or an extract of medical marijuana that is intended for use or consumption other than by smoking, including but not limited to ointments, oils tinctures, and edible products (hereinafter referred to as “infused edible product”). See DOH Regulations 216-RICR-20-10-3.3(A)(15).
  - i. “Concentrate,” synonymous with “extract,” is any type of marijuana product that is refined from usable plant material into a more purified form of usable marijuana including but not limited to hash, supercritical CO<sub>2</sub> oil, butane hash oil, shatter, budder, wax, tinctures, infused butter, infused oils, and rosin.
9. Tetrahydrocannabinol is abbreviated herein as “THC.”
10. Cannabidiol is abbreviated herein as “CBD.”
11. “Medical Marijuana Program Tracking System” shall refer to any system(s) designated by DBR and DOH designed and used to record and track all “seed to sale” activities and transactions with unique identifiers. The Medical Marijuana Program Tracking System may also be used for registration, licensing, and tagging applications, renewals, change of information, and communications, as well as to record and/or report any other additional information directed by DBR or DOH.
12. “Seed to sale” shall refer to all medical marijuana program regulated activities and transactions from point of origin to the point of sale. Seed to

sale activities and transactions include but are not limited to: all cultivation, harvest, processing, manufacturing, and packaging and labeling; all purchases, acquisitions or third party supply of marijuana; all sales and dispensing transactions, any other transfers of marijuana as permitted by the Act and any and all applicable regulations promulgated thereto; any instances of destruction of marijuana; and testing compliance tracking.

13. All other terms used herein shall have the same meanings as set forth in the Act, including particularly the definitions under R.I. Gen. Laws § 21-28.6-3, and as may be further defined within the DBR Regulations and the DOH Regulations.

#### B. Limitations on Scope of the Rhode Island Medical Marijuana Program

1. The scope of these DBR Regulations is limited to authorized activities under the Rhode Island Medical Marijuana Program and does not extend to any acquisition, possession, cultivation, manufacture, delivery, transfer, transportation, or sale for non-medical purposes. See R.I. Gen. Laws § 21-28.6-3(15)(defining “medical use”) and R.I. Gen. Laws § 21-28.6-2(5) (legislative findings making distinction between medical and non-medical use).
2. The protections and immunities for participation in the Rhode Island Medical Marijuana Program set forth in R.I. Gen. Laws §§ 21-28.6-4 (patient and caregivers), 21-28.6-12(h)(compassion centers), and 21-28.6-16(m)(cultivators) do not apply to any activities beyond the borders of the state of Rhode Island.

#### C. DBR’s Role in Administration of the Rhode Island Medical Marijuana Program

1. DBR is responsible for the administrative functions required to implement the provisions of the Act and the DBR Regulations related to compassion centers, licensed cultivators, and cooperative cultivations, including but not limited to licensing, operational requirements, and enforcement. See R.I. Gen. Laws § 42-14-2(a)(4).
2. DBR and DOH have jointly determined that DBR will primarily administer all aspects of the medical marijuana plant tag program to fulfill the state obligation to monitor and verify compliance with the statutory requirements that patient cardholders electing to grow and primary caregiver

cardholders do not exceed plant limits, properly tag all permitted plants, and do not grow at more than one location. See R.I. Gen. Laws § 21-28.6-15 and § 21-28.6-4; DOH Regulations 216-RICR-20-10-3.6.3(B)(1).

D. DBR General Rulemaking Authority

R.I. Gen. Laws § 42-14-17 provides that DBR may promulgate such rules and regulations as are necessary and proper to carry out the duties assigned to it by any provision of law.

E. Procedural Rules

Enforcement hearings shall be handled in accordance with Department of Business Regulation Central Management Regulation 2 entitled Rules of Procedure for Administrative Hearings and the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1 *et seq.*

F. Acceptance of Electronic Records and Signatures

In accordance with the Uniform Electronic Transactions Act (UETA), R.I. Gen. Laws § 42-127.1-1 *et seq.*, DBR may determine whether, and the extent to which, it will accept electronic records, documents, notifications, and signatures from other persons or entities where the Act or DBR administered regulations refer to written records, documents, notifications, and signatures.

## **1.2 Compassion Center Registration Application and Licensing Provisions**

A. Authority

R.I. Gen. Laws § 21-28.6-12(b)(1)(i) authorizes DBR to promulgate regulations regarding the form and content of registration and renewal applications for compassion centers.

B. Compassion Center Application and Registration Timeline

1. Applications for compassion centers may only be submitted to DBR for consideration during an open application period announced by DBR. Open application periods will only be announced upon revocation, relinquishment, or expiration of an existing compassion center, as

provided in R.I. Gen. Laws §§ 21-28.6-12(b)(7)(ii), 21-28.6-12(b)(8), and 21-28.6-12(d)(3).

2. Upon notification of an approval of an application from DBR, the approved applicant must take reasonable and documented efforts to complete the prerequisites for issuance of the registration which steps are detailed in § 1.2(E) of this Part. If such efforts take longer than nine (9) months, the approved applicant must show good cause to DBR why additional time should be granted and the application approval should not be rescinded.
3. Once the registration has been issued by DBR, the compassion center must take reasonable and documented efforts to launch compassion center activities, which for purposes of this paragraph shall mean actual medical marijuana cultivation, processing, packaging, manufacturing, authorized sales and/or other medical marijuana activities requiring a compassion center pursuant to the Act. If such efforts take longer than one (1) year, the compassion center must show good cause to DBR why the license should not be revoked for non-use.

#### C. Application for Compassion Center Registration

1. DBR will evaluate applicants based upon the information provided by applicants on the application forms/submissions and otherwise obtained during the application process.
2. Each application for a compassion center shall be on such forms and through such submission mechanisms as designated by DBR and shall include:
  - a. A non-refundable application fee set by R.I. Gen. Laws § 21-28.6-12(c)(1)(i) (\$250).
  - b. The applicant's legal and any d/b/a name(s), certificate of incorporation under R.I. Gen. Laws § 7-6-36 or certificate of authority under § 7-6-70, articles of incorporation and bylaws, and, if applicable, documentation of recognition as a tax-exempt organization by the US Internal Revenue Service.
  - c. A business plan, including scope of activities, budget and resource narratives, and timeline for initiating operations.

d. The proposed physical location of the compassion center (by plat and lot number, mailing address, etc.), if a precise location has been determined. This may also include one additional location to be used for the secure cultivation of medical marijuana. If a precise physical location has not been determined, a description of the general location(s) where it may be sited, if approved, and the expected schedule for purchasing or leasing said location(s). Regarding the proposed physical location(s), the applicant shall submit:

- (1) Evidence of compliance or preliminary determination of compatibility of the location(s) with the local zoning laws.
- (2) Evidence that the physical locations are not located within one thousand feet (1,000') of the property line of a preexisting public or private school in compliance with R.I. Gen. Laws § 21-28.6-12(f)(2). For the purposes of this paragraph, "private school" shall be deemed to refer to any nonpublic institution of elementary or secondary (K-12th Grade) education, accredited or recognized as a private school by the department of elementary and secondary education or the school committee of the city or town having jurisdiction over private schools. For purposes of this paragraph, the 1000 foot distance shall be measured from the secured compassion center premises, which shall include allotted outdoor areas (such as parking and loading areas), to the property line of the school, which shall include the school building, land, and appurtenances.
- (3) A draft diagram of the proposed facilities, including where within the facility the medical marijuana will be cultivated, stored, processed, packaged, manufactured and dispensed, and where security alarms and cameras and surveillance recording storage will be located, and showing the location of the facility relative to streets and other public areas.
- (4) A description of objective parameters (such as distances from streets and public areas) and/or proposed measures (such as black-out window shades) that ensure that

marijuana at the premises shall not be visible from the street or other public areas.

- (5) Evidence of either ownership of property or agreement by owner of property to allow the operation of a compassion center on the property, including the cultivation and/or sale of medical marijuana, if property has already been purchased or leased at the time of the application.
- e. The legal name, current address, and date of birth of each principal officer, director or member of the compassion center.
- f. A list of all persons or entities (legal names and current addresses) having direct or indirect authority over the management or policies of the compassion center.
- g. If a compassion center will have a management agreement in place, it shall also include a copy of the management agreement or management agreement proposal and a list of persons who have any ownership interest or operational control over the management company.
- h. A list of all persons or business entities (legal names and current addresses) having any ownership interest in the applicant entity, whether direct or indirect.
- i. If the compassion center premises and/or other operational assets will be owned or leased by a person or entity other than the applicant, the legal name and current address of such person or entity and a list of all persons or entities (legal names and current addresses) having any ownership interest in such entity, whether direct or indirect.
- j. The legal names and current addresses of all creditors holding a security interest in the premises and/or other assets to be used in the compassion center operations, if any.
- k. Tax Affidavit in accordance with R.I. Gen. Laws § 5-76-1 et seq.

- I. Other written materials which will allow DBR to determine the compassion center's ability to comply with the review criteria contained in R.I. Gen. Laws § 21-28.6-12(c)(3).
    - m. All other information required by DBR as described in the application form.
  3. Only applications which DBR has determined to be complete (i.e., adequately address all application requirements above) shall be eligible for review. An applicant who submits an incomplete application shall receive written notification from DBR regarding the specific deficiencies and shall be allowed to resubmit additional material to address these deficiencies within a reasonable timeframe.

D. Compassion Center Application Review Criteria

DBR shall utilize the criteria specified in R.I. Gen. Laws § 21-28.6-12(c)(3) of the Act to review applications for a registration certificate to operate a compassion center.

E. Prerequisites to Issuance of Compassion Center Registration and Commencement of Operations

1. If an applicant seeking to operate a compassion center is notified that its application has been approved by DBR, it shall complete the below steps before a registration certificate authorizing operation of a compassion center will be issued.
2. Annual Compassion Center Registration Fee: The annual registration fee set by R.I. Gen. Laws § 21-28.6-12(c)(5)(i)(\$5000) must be paid.
3. Final Information and Documentation to be Supplied: The applicant must provide any updates to previously submitted application information and the following additional items to DBR:
  - a. A sufficient description of the final physical location of the compassion center (by plat and lot number, mailing address, etc.). This shall include any additional address to be used for the secure cultivation of medical marijuana (if applicable).

- b. Evidence of complete compliance of the facility with the local zoning laws in the form of a letter from an authorized zoning official of the municipality and certification by an authorized officer of the applicant as to compliance with any other applicable local ordinances.
  - c. Unless already provided at time of initial application, evidence that all of the physical addresses to be utilized as a compassion center or for the secure cultivation of medical marijuana are not located within one thousand feet (1,000') of the property line of a preexisting public or private school. See § 1.2(C)(2)(d)(2) of this Part.
  - d. A current Certificate of Occupancy (or equivalent document) to demonstrate compliance with the relevant provisions of Chapters 28.1 and 27.3 of Title 23 of the R.I. General Laws [Fire Safety Code and State Building Code, respectively] for each physical address to be utilized as a compassion center or for the secure cultivation of medical marijuana.
  - e. Evidence of either ownership of property or agreement by owner of property to allow the operation of a compassion center on the property, including the cultivation and/or sale of medical marijuana.
  - f. A final diagram of the proposed facilities, including where within the facilities the medical marijuana will be cultivated, stored, processed, packaged, manufactured and dispensed, and where security alarms and cameras and surveillance recording storage will be located, and showing the location of the facilities relative to streets and other public areas.
  - g. The name, address and date of birth of any person who will be an agent, employee or volunteer of the compassion center at its inception.
  - h. Evidence of completion of divestiture plan pursuant to § 1.2(E)(6) (e) of this Part.
4. In accordance with R.I. Gen. Laws § 21-28.6-12(f)(5), request that RISP visit the compassion center to inspect the facility security and make any

recommendations regarding the security of the facility and its personnel within ten (10) business days prior to the initial opening of the compassion center and any alternative cultivation site.

5. DBR Pre-Registration Inspection

Before a compassion center registration will be issued, a DBR inspection is required. Approved applicants should contact DBR to coordinate said inspection. Nothing in this paragraph should be construed as limiting inspections at an earlier time in addition to the final pre-registration inspection.

6. Divestiture of Prohibited Material Financial Interest and Control

- a. A compassion center and “key persons” thereof may not have any “material financial interest or control” in another compassion center, a cultivator, or a licensed cooperative cultivation or vice versa. See R.I. Gen. Laws § 21-28.6-12(c)(1)(iii)(limiting a compassion center to one additional location to cultivate its marijuana); R.I. Gen. Laws § 21-28.6-12(b)(1)(ii)(DBR minimum oversight over compassion centers); R.I. Gen. Laws § 21-28.6-16(i)(cultivator to be licensed at one location only); R.I. Gen. Laws § 21-28.6-16(b)(2)(DBR minimum oversight over cultivators); R.I. Gen. Laws § 21-28.6-3(4)(i) and R.I. Gen. Laws § 21-28.6-3(12)(separately defining “compassion center” and “licensed cultivator,” respectively); R.I. Gen. Laws § 21-28.6-14(a)(10)(DBR authority to regulate operations of licensed cooperative cultivations); R.I. Gen. Laws § 21-28.6-4(q)(qualifying patient and primary caregiver cardholders may only grow at one location).
- b. R.I. Gen. Laws § 21-28.6-12(f)(10) authorizes regulations regarding testing of medical marijuana and marijuana product cultivated and/or manufactured by compassion centers, which will include ensuring the independence of third party testing providers. Accordingly, a compassion center may not have any material financial interest or control in a Rhode Island DOH-approved third party testing provider and vice versa.

- c. “Material financial interest or control” shall mean: i) any ownership interest, regardless of the size of the holding, and including any ownership interest through a subsidiary or affiliate; ii) trusteeship, mortgage, guarantor, endorser or surety relationship, or loan relationship, except that loan relationship for the purposes of this definition shall exclude accounts payable and accounts receivable on account of a medical marijuana purchase order; iii) any other beneficial financial interest such that the holder bears the risk of loss (other than as an insurer) or has an opportunity to gain profit from the operation or sale of the regulated medical marijuana business; iv) operational control, including but not limited to interlocking directors or officers or through a management agreement.
- d. “Key persons” shall mean officers, directors, and any persons with managing or operational control.
- e. Therefore, if a compassion center application is approved and any prohibited material financial interest or control has been identified by DBR or is otherwise known to the compassion center applicant, such interest or control must be divested prior to issuance of the compassion center registration certificate. The plan of divestiture shall be filed with DBR.
- f. The duty to divest prohibited material financial interests and control is a continuing obligation of registration.

## 7. Registry Identification Card Requirements

Before commencement of operations, all principal officers, board members, employees, agents, and volunteers of the compassion center must apply for a registry identification card and submit to a national criminal background check as provided in § 1.3 of this Part. Such individuals may be hired, appointed, or retained prior to receiving a registry identification card, but may not begin engagement in medical marijuana cultivation, storage, processing, packaging, manufacturing, transport, dispensing or other medical marijuana activities requiring registration pursuant to the Act until receipt of the card.

F. DBR Post-Registration Inspection of Operations and Inventory

After the compassion center registration is issued, the compassion center shall notify DBR when it obtains inventory and commences operations. DBR may conduct a post-licensure inspection upon this commencement of operations, including but not limited to inspection for compliance of medical marijuana and marijuana product inventory with the tagging and tracking requirements set forth in § 1.4(E) of this Part. Nothing in this paragraph shall be construed to limit DBR's general inspection powers as delineated in § 1.4(K) of this Part.

G. Changes in Location, Floor Plan, Ownership and Control of Compassion Center; Continuing Duty to Update Application Information; Discontinuation of or Failure to Launch Compassion Center Activities

1. A registration certificate authorizing operation of a compassion center shall not be assigned or otherwise transferred to other persons or locations.
2. A compassion center shall provide DBR with a written notice of any change described below at least sixty (60) calendar days prior to the proposed effective date of the change:
  - a. A change in ownership of the compassion center.
  - b. Change in the membership of a board of directors or board of trustees.
  - c. Change in corporate officer.
  - d. Merger, dissolution, or entity conversion.
  - e. Entering into a management agreement, changing management companies, and/or material changes to an existing management agreement.
  - f. Changes in the approved premises location for cultivation and/or sale of medical marijuana.
  - g. Change to approved premises floor plan.
  - h. Proposed premises expansion.

3. Unless the compassion center provides timely notification of the above changes and receives prior DBR approval or waiver of the requirement of prior notice and approval (for example a non-material change in ownership or emergency situation as determined by DBR), the registration certificate shall be void and returned to DBR.
4. As to any proposed change of ownership or to a management agreement that will effect a change of majority control and/or decision-making authority with respect to the operation of the compassion center or as to any proposed change in an approved premises location for the cultivation and/or sale of medical marijuana, DBR may require the compassion center to follow the process for a new application, which may include a new application fee and/or hearing.
5. For updates in information other than the categories requiring sixty (60) calendar days prior notice, the compassion center has a continuing obligation to update, amend and/or correct any information requested and/or submitted in the application process within ten (10) business days after any change in the information submitted and/or any material change in circumstances related to the application. This includes timely notification and divestiture if a prohibited interest as delineated in § 1.2(E) (6) of this Part is acquired by operation of law.
6. If the compassion center proposes to alter the final floor plan previously submitted and approved, the compassion center must first submit a renovation plan for DBR approval 60 (sixty) calendar days prior to commencement of construction. The renovation plan must specifically address quality control procedures for the protection of medical marijuana and medical marijuana products from any contamination during the construction process and further address any other criteria DBR requires.
7. In addition to the requirements of paragraph 6 above, any expansion of the approved premises further requires explanation by the compassion center that the request to expand is justified by the projected needs of qualifying patients. See R.I. Gen. Laws § 21-28.6-12(i)(1).
8. The registration certificate shall be void and returned to DBR if the compassion center discontinues its operation, unless the discontinuance is on a temporary basis approved by DBR. Once a registration certificate

is issued, the compassion center must take reasonable and documented efforts to launch compassion center activities. If such efforts take longer than one (1) year, the compassion center must show good cause to DBR why the registration certificate should not be revoked.

#### H. Annual Renewal

1. Compassion center registrations shall be issued for one year terms.
2. Annual renewals shall be submitted on such forms and include such information as prescribed by DBR.
3. Pursuant to R.I. Gen. Laws § 21-28.6-12(d)(2), DBR's review of compassion center renewal applications shall include consideration of whether the compassion center is adequately providing patients with access to medical marijuana at reasonable rates.
4. An annual inspection shall be part of the annual renewal process.

### **1.3 Compassion Center Cardholder Registry Identification Card Provisions**

#### A. Compassion Center Cardholder Definitions

1. Pursuant to R.I. Gen. Laws § 21-28.6-3(4)(ii), "compassion center cardholder" includes all principal officers, board members, employees, agents, and volunteers associated with the compassion center.
2. "Agent" of a compassion center shall include, but not be limited to, "testing agents."
3. "Testing agent" shall mean an employee of an approved third party testing provider who performs independent testing of medical marijuana and/or marijuana products of the compassion center in accordance with the DOH Testing Regulations, once adopted.

#### B. Registry Identification Card Requirement, Eligibility, Annual Fee and Application

1. Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(6), all principal officers, board members, employees, agents, and volunteers of a compassion center must apply for compassion center registry identification cards.

2. Each compassion center shall maintain a current list of all compassion center cardholders associated with that compassion center.
3. Compassion center cardholders shall be at least twenty-one (21) years old.
4. Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(6), DBR hereby sets the non-returnable, non-refundable annual fee for a compassion center registry identification card, including each initial application and subsequent annual renewal, at one hundred dollars (\$100.00).
5. Applications pursuant to this section shall be on such forms and through such submission mechanisms as directed by DBR.
6. Eligibility for the compassion center “volunteer” designation shall be limited to persons whose volunteer activities and use of compassion center resources is strictly limited to participation in educational programming conducted for compassion center cardholders and registered qualifying patients, primary caregivers, and authorized purchasers. Volunteers shall not be permitted to be otherwise involved in the growth, cultivation, weighing, packaging or labeling, manufacturing, processing, dispensing or sale of medical marijuana.

C. Criminal Background Checks

1. Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(7), all compassion center cardholders will be subject to a national criminal background check as part of their application for a compassion center registry identification card (hereinafter also referred to in this section as “applicants”).
2. Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(7), DBR shall deny an application for registration if the background check reveals the applicant has been convicted of a felony drug offense or has entered a plea of nolo contendere for a felony drug offense and received a sentence of probation, unless the applicant successfully petitions for an exception pursuant to § 1.3(C)(8) of this Part.
3. Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(7)(i), applicants shall apply to RISP for a national criminal identification records check that shall include fingerprints submitted to the Federal Bureau of Investigation.

4. Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(7)(i), upon the discovery of a felony drug offense conviction or a plea of nolo contendere for a felony drug offense with a sentence of probation, RISP shall inform the applicant, in writing, of the nature of the felony.
5. Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(7)(i), upon discovery of disqualifying information, RISP shall notify DBR, in writing, without disclosing the nature of the felony, that a felony drug offense conviction or a plea of nolo contendere for a felony drug offense with probation has been found.
6. Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(7)(ii), in those situations in which no felony drug offense conviction or plea of nolo contendere for a felony drug offense with probation has been found, RISP shall inform the applicant and DBR, in writing, of this fact.
7. Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(7)(iii), applicants shall be responsible for any expense associated with the national criminal background check with fingerprints.
8. R.I. Gen. Laws § 21-28.6-12(c)(7) provides DBR with discretion to grant a compassion center registry identification card if the disqualifying offense was for conduct that occurred prior to the enactment of the Act or that was prosecuted by an authority other than the state of Rhode Island and for which the Act would otherwise have prevented a conviction. To seek relief from criminal background disqualification pursuant to R.I. Gen. Laws § 21-28.6-12(c)(7), the applicant must make the request for relief to the DBR in writing, setting forth in detail why the Act would have prevented a conviction, including all applicable court records and legal documents. The DBR may conduct a hearing on the issue and, if so, the applicant shall bear the burden of proof to show why the relief should be granted.
9. R.I. Gen. Laws § 21-28.6-12(c)(7) provides that the compassion center will be notified in writing of the purpose for denying a compassion center cardholder application. DBR shall limit its disclosure of the purpose to a statement of the fact that disqualifying information was found, without revealing to the compassion center any further detail of the offense.

10. DBR will not require a person subject to a national criminal background check under this subsection to undergo such a check more than once every two (2) years, unless a more frequent time frame is mandated and/or agreed to as part of a license disciplinary action.

D. Issuance of the Compassion Center Registry Identification Card

1. Once the application is approved by DBR, the principal officer, board member, agent, volunteer or employee of the compassion center is responsible for getting a registry identification card from DOH.
2. Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(6), the registry identification card shall contain:
  - a. The name, address and date of birth of the person.
  - b. The legal name of the compassion center that the individual is affiliated with.
  - c. The category of the person's affiliation: principal officer, board member, employee, agent, or volunteer.
  - d. The date of issuance and expiration date of the registry identification card.
  - e. A random registry identification number.
  - f. A photograph.

E. Expiration and Renewal of Compassion Center Registry Identification Cards

Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(8), compassion center registry identification cards shall expire one year after issuance. Renewal applications shall be on such forms and through such submission mechanisms as directed by DBR.

F. Change in Name or Address; Lost/Stolen Cards

1. In accordance with R.I. Gen. Laws § 21-28.6-12(c)(9), a compassion center cardholder shall notify DBR of any change in his or her name or address within ten (10) business days of such change. A compassion

center cardholder who fails to notify DBR of any of these changes may be subject to a fine up to one hundred fifty dollars (\$150).

2. In accordance with R.I. Gen. Laws § 21-28.6-12(c)(10), changes in name and/or address require the compassion center cardholder to remit a ten dollar (\$10.00) fee to DBR. Upon receipt of the notice and fee, DBR will prompt DOH to issue an updated registry identification card. The compassion center cardholder shall be responsible for getting the updated registry identification card from DOH.
3. In accordance with R.I. Gen. Laws § 21-28.6-12(c)(11), if a compassion center cardholder loses his or her registry identification card (which would particularly include a card suspected to be stolen), he or she shall notify DBR and submit a ten dollar (\$10.00) fee within ten (10) business days of losing the registry identification card. Upon receipt of the notice and fee, DBR will prompt DOH to issue a replacement registry identification card. The compassion center cardholder shall be responsible for getting the replacement registry identification card from DOH.

#### G. Duty to Notify DBR of Disqualifying Criminal Information

Pursuant to R.I. Gen. Laws § 21-28.6-12(c)(13), a compassion center cardholder shall notify DBR of any disqualifying criminal convictions as defined in § 21-4 28.6-12(c)(7). Such notification must be made in writing within ten (10) business days.

#### H. Termination of Compassion Center Registry Identification Card

1. Pursuant to R.I. Gen. Laws § 21-28.6-12(i), a person found to have dispensed marijuana to a non-cardholder or in excess of the statutory limits is not eligible to be a compassion center cardholder, and such person's registry identification card shall be immediately revoked.
2. If a compassion center cardholder violates any other provisions of the Act, DBR Regulations, or DOH Regulations, his or her registry identification card may be suspended/revoked as determined by DBR pursuant to R.I. Gen. Laws § 21-28.6-12(c)(14).
3. Pursuant to R.I. Gen. Laws § 21-28.6-12(f)(3), when a compassion center cardholder ceases work with a compassion center, whether voluntarily or

involuntarily or upon the compassion center closing, his or her registry identification card shall be null and void. See also R.I. Gen. Laws § 21-28.6-12(c)(8). In that situation, the compassion center and/or the compassion center cardholder shall notify DBR and the registry identification card shall be returned to DBR within ten (10) business days. No hearing shall be necessary to render the card null and void in this situation. In addition to being null and void, a penalty of up to one hundred and fifty dollars (\$150) may be assessed for failure to return the card within the ten (10) day period.

## **1.4 Compassion Center Operational Provisions**

### **A. State Medical Marijuana Program Tracking System**

Upon direction by the DBR and in accordance with R.I. Gen. Laws § 21-28.6-12(g)(3), each compassion center shall be required to utilize the state approved Medical Marijuana Program Tracking System to document and monitor compliance with the Act, the DBR Regulations, and the DOH Regulations, including but not limited to seed to sale and point of sale tracking, dispensing limits and the patient information privacy protections, inventory supply tracking, adherence to restrictions on third party supply and sources of marijuana and marijuana products and transfers thereof off the registered premises, and all testing compliance tracking. Compassion centers may be required to pay costs associated with use of the Medical Marijuana Program Tracking System which may be assessed on an annual, monthly, per use, or per volume basis and payable to the state or to its approved vendor.

### **B. Permitted and Prohibited Sources of Marijuana; Contract Requirement**

1. A compassion center can only legally purchase or otherwise receive marijuana from a Rhode Island licensed cultivator as authorized by R.I. Gen. Laws § 21-28.6-16(e), which has a “formal agreement” requirement.
2. “Formal agreement” requirements shall be as follows: A written executed contract or purchase order shall be required for all sales from a licensed cultivator to a compassion center and shall contain the following minimum terms: a) date of execution/placement of the contract/purchase order, b) description and amount of product to be sold; c) the total and per unit price of the product to be sold; d) the specific date or date range not spanning

more than thirty (30) calendar days for fulfillment of the order and delivery or pickup; e) the payment due date, as specifically agreed between the parties, but if no date is specifically agreed to, payment shall be made within sixty (60) calendar days of delivery or pickup. Contracts/purchase orders pursuant to this paragraph may not be modified but may be cancelled or voided by the creation of a new replacement contract/purchase order.

3. In accordance with R.I. Gen. Laws § 21-28.6-4(c) and (i), a compassion center cannot purchase or otherwise receive marijuana from any qualifying patient cardholder or primary caregiver after December 31, 2016. This prohibition extends to purchases and transfers from cooperative cultivations.

#### C. Permitted and Prohibited Sales and Transfers

1. Sales to qualifying patients, directly or through their caregivers or authorized purchasers, are only permitted if those qualifying patients, caregivers, or authorized purchasers are registered with DOH. For such sales, a compassion center shall be strictly bound by the dispensing limits of R.I. Gen. Laws § 21-28.6-12(g). Sales for delivery to a qualifying patient cardholder's residence are deemed permitted provided that such sales comply with § 1.4(J)(3)(e) of this Part.
2. A compassion center is permitted to transfer or transport medical marijuana and marijuana products to a Rhode Island licensed cultivator only if the transfer/transport is pursuant to a written contract or purchase order for the cultivator to process the medical marijuana into a product to be furnished back to the compassion center.
3. Any transfer to or from a third party testing provider shall be in accordance with the DOH Testing Regulations, once adopted.
4. Unless specifically permitted by this section, no other compassion center sales or transfers of marijuana or marijuana products are permitted.

#### D. Inventory Limit

Pursuant to R.I. Gen. Laws § 21-28.6-12(i)(1), a compassion center must limit its inventory of seedlings, plants, and usable marijuana to reflect the projected needs of qualifying patients.

E. Medical Marijuana and Marijuana Product Tagging for Compassion Centers

1. The compassion center shall properly use tags with unique identifiers through the Medical Marijuana Program Tracking System, or if prior to the implementation of the Marijuana Program Tracking System, DBR will advise the compassion center of acceptable alternative inventory tagging and tracking systems and protocols. In such a case, any references to the Medical Marijuana Program Tracking System in this section shall be deemed to include the acceptable alternatives.
2. Compassion centers must ensure that medical marijuana is marked with Medical Marijuana Program Tracking System unique identifier tags through each stage of production the compassion center is undertaking, from seed propagation through packaging, as may be applicable.
3. Medical Marijuana Program Tracking System unique identifier tags shall contain the following information and/or technical functions:
  - a. DBR registration number.
  - b. Unique identifier(s) (such as barcodes and/or numerical/alphabetical codes) that track marijuana product through each stage of production.
  - c. Registered premises location.
  - d. Any other information or technical functions DBR deems appropriate (such as radio frequency identification).
4. Medical Marijuana Program Tracking System unique identifier tags shall not be altered or duplicated.
5. Unique identifier tags shall be placed in a manner so as to clearly display their association with a particular plant, plant material, or product, such as affixed to the plant itself, on the growing receptacle, or in the growing medium, by labeling drying racks and other receptacles that wet marijuana dries on, by affixing the tag to the stalk for drying on the stalk, on a label

affixed to a storage/transport package and/or retail-ready package, and other reasonable means.

6. The unique identifier tags may not be transferred or assigned except when affixed to marijuana plants, wet marijuana, or usable marijuana which is being sold/transferred/transported in accordance with § 1.4(B), (C), and (J)(3) of this Part.
7. Return of unique identifier tags by the compassion center upon revocation or abandonment of the license shall be specifically governed by DBR order or agreement which may include coordinated efforts with law enforcement. Disposal of unique identifier tags by the compassion center as may be required by DBR, such as in the regular course of tagging if different stages will require different tag forms or such as recall of tags due to new technology, shall be handled in accordance with further instructions provided by DBR.

F. Inventory Control

1. Upon direction by DBR, each compassion center shall utilize the state approved Medical Marijuana Program Tracking System for all inventory tracking from seed to sale as further defined herein.
2. If the compassion center is notified by DBR that the Medical Marijuana Program Tracking System is not available, the compassion center will be provided with direction as to alternative inventory control measures, which may include but are not necessarily limited to the compassion center being directed to:
  - a. Conduct an initial comprehensive inventory of all medical marijuana, including usable marijuana available for dispensing, marijuana plants and seedlings, unusable marijuana, and wet marijuana, at each authorized location on the date the compassion center first dispenses medical marijuana or as of another date certain set by DBR.
  - b. Conduct subsequent comprehensive inventories at intervals not to exceed twenty-four (24) months from the date of the previous comprehensive inventory.

- c. Conduct a monthly inventory review of stored, usable marijuana, seedlings, plants, and wet marijuana.
3. Upon request, DBR may require a compassion center to conduct and provide the results of alternative inventory control measures outlined above, regardless of the availability and use of the Medical Marijuana Program Tracking System.

#### G. Minimum Security Requirements

##### 1. Authority

R.I. Gen. Laws § 21-28.6-12(b)(1)(iv) authorizes DBR to promulgate regulations regarding the minimum security requirements for compassion centers.

##### 2. General Security Requirements

- a. Each compassion center shall implement appropriate security and safety measures to deter and prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana.
- b. Use or carry of firearms on the premises and/or perimeter of the compassion center is a prohibited form of security, except by security guards licensed by the Office of the Rhode Island Attorney General pursuant to R.I. Gen. Laws § 5-5.1-13 and who are under written contract to provide security services to the compassion center and by law enforcement personnel during duty.
- c. The outside perimeter of the compassion center retail premises shall be well-lighted at all times. For any alternative cultivation only site, the premises may be equipped with motion activated lighting acceptable to DBR.
- d. Except for persons whose visit falls within § 1.4(G)(2)(e) of this Part below, any person who does not have a valid compassion center registry identification card who enters any area where marijuana and marijuana products are grown, cultivated, stored, weighed, packaged, processed, manufactured or sold shall be considered a "visitor" and must be escorted at all times by a compassion center

registry identification card holder. The compassion must maintain a visitor log for any such activity as detailed in § 1.4(G)(6)(d) of this Part.

- e. Registered qualifying patients, primary caregivers, and authorized purchasers are only permitted within point of sale areas. In such areas, the compassion center shall ensure that all marijuana and marijuana products are kept behind the sales counter or other partition and make reasonable efforts to limit the number of registered qualifying patients, primary caregivers, and authorized purchasers present in relation to the number of compassion center cardholders to assure adequate monitoring and control of point of sale area activities.
- f. Each compassion center shall ensure that the storage of marijuana and any marijuana products is in a locked area, meaning that at all points of ingress and egress, the compassion center shall ensure the use of a working commercial-grade door lock.

### 3. Security Alarm Requirements

- a. Each compassion center shall have a fully operational security alarm system at each authorized physical address that will provide suitable protection against theft and diversion, including alarms at all outside perimeter entry points and outside perimeter windows.
- b. A fully operational security alarm system may include a combination of hard-wired systems and systems interconnected with a radio frequency method such as cellular or private radio signals that emit or transmit a remote or local audible, visual, or electronic signal; motion detectors, pressure switches, duress alarms (a silent system signal generated by the entry of a designated code into the arming station to indicate that the user is disarming under duress); panic alarms (an audible system signal to indicate an emergency situation); and hold-up alarms (a silent system signal to indicate that a robbery is in progress).
- c. A fully operational security alarm system shall at a minimum provide for immediate automatic or electronic notification to alert

municipal and/or state law enforcement agencies or public safety personnel to an unauthorized breach or attempted unauthorized breach of security at the compassion center or any other authorized physical address and to any loss-of-electrical support backup system to the security alarm system.

- d. Each compassion center shall establish a protocol for the testing and maintenance of the security alarm system, which shall at a minimum provide for a maintenance inspection/test of the alarm system for each authorized location at intervals not to exceed thirty (30) calendar days from the previous inspection/test and prompt completion of all necessary repairs to ensure the proper operation of the alarm system.
- e. If the compassion center suffers a failure of the security alarm system, due to loss of electrical support, mechanical function, or otherwise, that is expected to exceed an eight (8) hour period, in addition to the notice requirements provided in § 1.4(G)(3)(c) and (G)(7) of this Part, the compassion center must also close the authorized physical address(es) impacted by the failure/malfunction until the security alarm system has been restored to full operation, or, if approved by DBR, provide alternative security.

#### 4. Video Surveillance Requirements

Each compassion center must have a fully operational video surveillance and camera recording system with appropriate protocols, which shall, at a minimum, comply with the below requirements:

- a. Video surveillance equipment shall, at a minimum, consist of digital or network video recorders, video monitors, and digital archiving devices capable of playback quality sufficient to identify and monitor all individuals (including sufficient clarity of facial features) and activities in the monitored areas.
- b. The recording system must record in digital format.
- c. The date and time must be embedded on the recording without significantly obscuring the picture. Time is to be measured in Eastern Standard Time.

- d. All video surveillance systems must be equipped with a failure notification system that provides prompt notification of any surveillance interruption and/or the complete failure of the surveillance system. Said notification must be routed to compassion center personnel specifically designated by management and to DBR.
- e. All video surveillance equipment shall have sufficient battery backup to support a minimum of four (4) hours of recording in the event of a power outage.
- f. Video recordings must be archived in a format and maintained in a manner that ensures authentication of the recording as legitimately-captured video and guarantees that no alteration of the recorded image has taken place.
- g. Remote access to a continuous live feed video on a real time basis must be available at all times to compassion center personnel specifically designated by management and to DBR. Additionally, all video surveillance records and recordings must be made available upon request to DBR. DBR employees and representatives will hold video surveillance records and recordings of point-of-sale areas confidential except for authorized release in accordance with applicable law.
- h. The system must include a color printer or similar equipment capable of printing still photos of a quality sufficient to identify individuals and activities in the monitored areas.
- i. Camera coverage is required for all areas where marijuana and marijuana products are grown, cultivated, stored, weighed, packaged, processed, manufactured or sold, including all areas of ingress and egress thereto, point-of-sale areas, security rooms (as defined below), all points of ingress and egress to the exterior of the compassion center, and any computer or other digital access points.
- j. Camera views of required coverage areas shall be continuously recorded twenty (24) hours a day, (7) seven days per week.

- k. All surveillance recordings must be kept for a minimum of sixty (60) calendar days.
- l. Surveillance recording equipment and all video surveillance records and recordings must be housed in a designated, locked and secured room or other enclosure with access limited to compassion center personnel specifically authorized by management (the “security room”). The compassion center must keep on site a current list of all authorized employees and service personnel who have access to the security room and a video surveillance equipment maintenance activity log.
- m. If the compassion center suffers a failure of the video surveillance system, due to loss of electrical support, mechanical function, or otherwise, that is expected to exceed an eight (8) hour period, in addition to the notice requirements provided in § 1.4(G)(7) of this Part, the compassion center must also close the authorized physical address(es) impacted by the failure/malfunction until the video surveillance system has been restored to full operation, or, if approved by DBR, provide alternative premises monitoring.

5. Emergency Plan

The compassion center shall develop and maintain an emergency plan with procedures to be followed to prevent and, if not prevented, to adequately address and mitigate consequences of theft or burglary or attempts thereof, fire, natural disasters, and other emergencies, including cybersecurity and data breach procedures to prevent a compromise of the integrity of the Medical Marijuana Program Tracking System. The plan shall include training for employees on crime prevention and personal safety techniques.

6. Security-Related Record-Keeping

The compassion center shall maintain the following documentation on-site and with digital back-up for a period of at least twenty-four (24) months after the event:

- a. Inventory records including, at a minimum, the date the inventory was conducted, a summary of the inventory findings and the name, signature and title of the individual who conducted the inventory.
- b. All records of maintenance, inspections, and tests of the security alarm and video surveillance systems and of servicing, modifications, or upgrades performed on said systems. These records shall include, at a minimum, the date of the action, a summary of the action(s) performed and the purpose therefor, and the name, signature and title of the individual who performed the action(s).
- c. Emergency notification reports as required by § 1.4(G)(7) of this Part.
- d. Visitor logs which shall include the name of each visitor, the date and time of the beginning and end of the visit, the reason for the visit (i.e. maintenance, authorized pickup, etc.), the name of the escorting compassion center registry identification cardholder.

7. Emergency Notifications and Reports

- a. Compassion centers shall provide notification of emergency events to DBR and municipal and/or state law enforcement as outlined below.
- b. Immediately upon discovery of the event, the compassion center shall provide telephone notification to the appropriate municipal and/or state law enforcement authorities regarding any of the following “emergency events”:
  - (1) Theft or burglary or an attempt thereof.
  - (2) Any fire.
  - (3) A natural disaster that results in the destruction of or damage to medical marijuana or marijuana products.
  - (4) A failure of the security alarm system or video surveillance system, due to loss of electrical support, mechanical

function, or otherwise, that is expected to exceed an eight (8) hour period.

- (5) A security alarm activation.
  - (6) Any other event which requires response by law enforcement or public safety personnel.
- c. The compassion center shall provide e-mail notification to DBR immediately upon discovery of any data breach or cybersecurity threat to the Medical Marijuana Program Tracking System, and within twenty-four (24) hours of discovery of any other emergency event as defined above. A follow-up telephone notification to DBR shall be provided no later than the next business day.
  - d. The compassion center shall submit a follow-up written report to DBR within five (5) business days for each emergency event. The written report shall include, at a minimum, a description of the event(s), identification of known or suspected cause(s) for the event(s), any corrective action(s) taken to prevent a recurrence, and the name, title, and signature of the individual preparing the report.
  - e. Any notification and report of an emergency event required to be made to DBR pursuant to these DBR Regulations shall be made using the mailing address, telephone number, and/or e-mail address provided by DBR to approved licensees.
  - f. Upon written direction to the compassion center, DBR may require that the written and telephone notifications and reporting must be replaced or supplemented by notifications and reporting through the Medical Marijuana Program Tracking System or any other electronic system or means DBR mandates the compassion center to utilize.

## H. Record-Keeping and Reporting

### 1. Authority

R.I. Gen. Laws § 21-28.6-12(b)(1)(iii) authorizes DBR to promulgate regulations regarding the minimum record-keeping requirements for compassion centers.

2. Operations Manual

Each compassion center shall develop, implement, and maintain on the premises an operations manual which addresses, at a minimum, the following subject areas and requirements:

- a. Procedures for the organization, administration, command, and control of the compassion center (including but not limited to organizational chart, chain of command protocols, etc.).
- b. Procedures for safely dispensing medical marijuana only to registered qualifying patients, registered primary caregivers, and authorized purchasers, including procedures for verifying authenticity of registry identification cards and other forms of identification.
- c. Procedures to ensure accurate record-keeping, including protocols to ensure that all acquisitions, dispensing, and sales of marijuana are logged into the Medical Marijuana Program Tracking System on a real time basis and that all dispensing and sales transactions to registered qualifying patients, primary caregivers, and authorized purchases adhere to the limits for usable marijuana prescribed by statute and the marijuana product equivalency limits set by the DOH regulations, and procedures on proper training and use of the Medical Marijuana Program Tracking System and any other tracking system used by the compassion center.
- d. Records retention policies.
- e. Ethics and compliance policies.
- f. Alcohol and drug free work place policy.
- g. If applicable, medical marijuana manufacturing protocols, safety measures, and training information.
- h. Odor control and mitigation plan.

- i. A description of the compassion center's outreach activities to registered qualifying patients, registered primary caregivers, and authorized purchasers.
- j. Customer service protocols.

### 3. Personnel Records

Each compassion center shall maintain a personnel record for each employee, agent or volunteer for a period of at least six (6) months after termination of the individual's affiliation with the compassion center. Said personnel record shall contain the following minimum documentation and information:

- a. An application for employment or to volunteer or offers to provide services as an agent.
- b. An employment or engagement description detailing duties, responsibilities, authority, qualifications and supervision.
- c. If applicable, a copy of any employment or engagement contract or, for volunteers, volunteer agreement.
- d. A record of any disciplinary action taken.
- e. Documentation of all required training, which shall include a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters.

### 4. Additional Records to be Maintained

In addition to all other specific record-keeping requirements of the Act, the DBR Regulations, and the DOH Regulations, the compassion center shall maintain the following records for a minimum of five (5) years:

- a. All contracts and purchase orders with licensed cultivators, including documentation of any cancelled contracts or purchased orders and any contracts and purchase orders voided by replacement contracts.

- b. Invoices and any supporting documentation of all marijuana purchases, acquisitions, transfers, and payments.
- c. Contracts pertaining to the security alarm and security camera systems.
- d. Contracts with vendors, including any approved third party testing providers.
- e. All records normally retained for tax purposes.

5. Storage of Records

Records pertaining to transactions occurring within the last six (6) months shall be stored on the registered premises. Records dating further back may be stored off the premises with DBR's approval.

6. Responsibility for Loss of Records and Data

The compassion center shall exercise due diligence and reasonable care in preserving and maintaining all required records to guard against loss of records and data, including cybersecurity of electronically-maintained records.

I. Product Packaging and Labeling Requirements

1. Authority and Applicability

- a. These product packaging and labeling requirements for compassion centers are promulgated pursuant to R.I. Gen. Laws § 21-28.6-12(f)(11). These requirements were developed jointly with DOH.
- b. Compassion centers shall have ninety (90) calendar days from the effective date of these regulations to comply with these requirements.
- c. Any container or packaging containing usable marijuana or marijuana product, including both retail-retail ready packaging and product otherwise packaged for the purpose of storage and/or authorized transport, must:

- (1) Protect the product from contamination.
- (2) Not impart any toxic or deleterious substance to the usable marijuana or marijuana product.
- (3) Contain the Inventory tracking ID number assigned by the Medical Marijuana Program Tracking System or, if prior to the Medical Marijuana Program Tracking System's implementation, an inventory tracking ID number generated from an alternative inventory tracking system approved by DBR.
- (4) Be labeled with the quantity of the product.

- d. The remainder of these product packaging and labeling requirements only apply to retail-ready product packaging and labeling.
- e. Compliance with these product packaging and labeling requirements shall include the requirement that retail-ready product complies with the DOH Testing Regulation, once adopted.
- f. While a compassion center is permitted to purchase medical marijuana and medical marijuana products from a Rhode Island licensed cultivator pursuant to a written contract/purchase order, including final products that have already been packaged, labeled, and/or tested, the compassion center is responsible for ensuring the integrity of the product, compliance of the packaging and labeling, including particularly that the products have the correct composition and profiles that are advertised/indicated in the label.

2. Packaging and labeling shall not:

- a. Make any false or misleading statements including particularly any statements regarding health or physical benefits to the consumer and the composition and profiles that are advertised/indicated in the label.

- b. Resemble the trademarked, characteristic or product-specialized packaging of any commercially available snack, baked good, or beverage.
    - c. Contain any statement, artwork, or design that could reasonably mislead any reasonably prudent person to believe that the package contains anything other than medical marijuana or marijuana product.
    - d. Contain any seal, flag, crest, coat of arms, or other insignia that could reasonably mislead any reasonably prudent person to believe that the product has been endorsed or manufactured by the State of Rhode Island or any agency thereof or municipality within.
3. Packaging for medical marijuana and marijuana products sold at retail shall be opaque, light-resistant, and tamper-evident.
4. Packaging and labeling shall not be designed such that it would be attractive to children. This requires the packing and labeling be in black and white only, have no animal characters, and does not contain the word "candy."
5. Medical marijuana and marijuana products sold at retail must be packaged in manner that is "child-resistant," which for purposes of these Regulations shall mean that the packaging is designed and constructed to be significantly difficult for children under five years of age to open. Approved methods include but are not limited to:
  - a. Solid or liquid marijuana products may be packaged in plastic four mil or greater in thickness and be heat sealed with no easy-open tab, dimple, corner, or flap.
  - b. Liquid marijuana products may also be packaged in a bottle and sealed using a metal crown cork style bottle cap or other similar sealing method pre-approved by DBR.
6. For solid edible marijuana products with more than one serving size in the outer package, each serving must be packaged individually and placed in a child-resistant outer package.

7. For liquid edible marijuana products with more than one serving in the package, a measuring cap or dropper must be included in the package with the product.
8. All medical marijuana and marijuana products when sold at retail must include a label affixed to the package containing the following information, prominently displayed and in a clear and legible English language font:
  - a. The business or trade name of the selling compassion center.
  - b. Inventory tracking ID number assigned by the Medical Marijuana Program Tracking System or, if prior to the Medical Marijuana Program Tracking System's implementation, an inventory tracking ID number generated from an alternative inventory tracking system approved by DBR.
  - c. Date of final packaging, and, if applicable, the recommended expiration or "use by" date.
  - d. Total weight in ounces and grams or volume as appropriate. Weight and volume must be determined using accurately calibrated equipment which equipment must also comply with any other applicable state laws.
  - e. Total estimated amount of THC and total estimated amount of CBD.
  - f. For edible marijuana products, a list of all ingredients used.
  - g. A statement that discloses all pesticides applied to the marijuana plants and growing medium during production and processing.
  - h. If solvents were used, statement that discloses the type of extraction method, including any solvents, gases, or other chemicals or compounds used to produce or that are added to the extract.
  - i. Any applicable instructions for use and safe storage.
9. All medical marijuana and marijuana products when sold at retail must include a label affixed to the package containing the following warnings,

prominently displayed and in a clear and legible English language font. For products other than edibles and topical applications, these warnings may be on an insert provided with the packaging.

- a. “Warning: Marijuana has intoxicating effects and may be habit forming and addictive. The intoxicating effects of marijuana may be delayed by up to two hours.”
  - b. “Warning: Do not operate a vehicle or machinery under its influence.”
  - c. “Warning: There may be health risks associated with consumption of marijuana.”
  - d. “Warning: For use only by adults twenty-one and older. Keep out of reach of children.”
  - e. “Warning: Marijuana should not be used by women that are pregnant or breast feeding.”
  - f. “Warning: Do not take this product across state lines.”
  - g. “Warning: For medical use by a registered patient only. Not for resale.”
  - h. “Warning: This product is not certified to be free of contaminants.”
  - i. For product to be smoked, “Warning: Smoking is hazardous to your health.”
  - j. If applicable, a warning regarding use or contact with any nuts or other known allergens as defined in the federal Food Allergen Labeling and Consumer Protection Act of 2004, as administered by the federal Food and Drug Administration.
10. Notwithstanding any of the product labeling requirements set forth in § 1.4(H) of this Part, application may be made to DBR for approval to affix a two inch (2”) by two inch (2”) logo or graphic, which may be colored, for the purpose of identifying the compassion center selling and/or the cultivator producing the product.

## J. Other Compassion Center Operation Requirements

### 1. Authority

R.I. Gen. Laws § 21-28.6-12(b)(1)(ii) authorizes DBR to promulgate regulations regarding the minimum oversight requirements for compassion centers. The requirements set forth in this section are promulgated in accordance with that statutory duty of general regulatory supervision over the compassion centers.

### 2. Use on Premises Prohibited

Compassion centers shall not permit the use of marijuana or marijuana products on the premises of the compassion center, including any parking areas that are designated for compassion center clients or otherwise within the control of the compassion center.

### 3. Transportation of Medical Marijuana to and from a Compassion Center; Home Delivery Transportation

a. “Authorized transports” of marijuana and marijuana products to and from compassion centers are limited to approved patient home delivery plans under § 1.4(J)(3)(e) of this Part and transports to and from licensed cultivators for transactions authorized under § 1.4(C)(2) of this Part.

b. “Registered/licensed facility” shall refer to either a registered compassion center or licensed cultivator that is party to an “authorized transport,” as the context requires.

c. “Authorized transport vehicle” means a vehicle meeting the following criteria:

(1) The vehicle bears no markings that indicate that the vehicle is being used to transport marijuana nor indicates the name of the registered/licensed facility.

(2) The vehicle is equipped with a global positioning system monitoring device that is monitored by the originating registered/licensed facility during an authorized transport.

- (3) The vehicle has a locked storage compartment within which the marijuana and marijuana product being transported is secured.
- d. “Detailed transport manifest” refers to a manifest which DBR may require be generated through and/or maintained in the Medical Marijuana Program Tracking System and that shall include the following minimum information:
- (1) Departure date and approximate time of departure.
  - (2) Names, location addresses, and registration/license numbers of the originating and receiving registered/licensed facilities.
  - (3) If for transport to a registered qualifying patient pursuant to an approved patient home delivery plan, the patient registry identification card number and any such other information pursuant to approved delivery plan.
  - (4) Product name or descriptions and quantities (by weight or unit) of each product to be delivered to each specific destination location(s).
  - (5) Arrival date and approximate time of arrival.
  - (6) Delivery vehicle make and model and license plate number.
  - (7) Names, registry identification card numbers, and signatures of the delivery persons.
- e. If a compassion center proposes to offer home delivery service of usable marijuana or marijuana products to a Rhode Island registered patient’s residence, it shall submit a comprehensive proposed patient home delivery plan to DBR for its review and pre-approval, detailing how the program will assure compliance with the Act, the DBR Regulations, and the DOH Regulations. The patient home delivery plan must include satisfactory cardholder verification procedures to ensure delivery is made to requested qualifying patients and in authorized amounts. The patient home delivery

plan must include how the compassion center will comply with point of sale tracking requirements for patient home delivery transactions. Patient home delivery services, if approved, are subject to the requirement that payment must be made prior to or within one (1) business day of delivery to the patient.

- f. The originating registered/licensed facility shall ensure that all delivery times and routes are randomized.
- g. Authorized transports may only be made by cardholders affiliated with the particular registered/licensed facility that is the source or recipient party to an authorized transaction. Authorized transports must be in compliance with one of the following minimum requirements: (i) an authorized transport may use a single authorized transport vehicle so long as it is operated/occupied by a minimum of two authorized transport cardholders and is subject to the requirement that at least one such cardholder shall remain in the authorized transport vehicle at all times; or (ii) an authorized transport may use two or more authorized transport vehicles that are operated/occupied by authorized transport cardholders provided the authorized transport vehicles are traveling together at all times during the authorized transport.
- h. During all authorized transports, the delivery persons must have on their persons their compassion center or licensed cultivator registry identification cards and the detailed transport manifest.
- i. Any authorized transport vehicle carrying marijuana and marijuana products shall travel directly from the originating registered/licensed facility to the receiving registered/licensed facility. Any compassion center authorized transport vehicle carrying marijuana and marijuana products to patients pursuant to an approved patient home delivery plan shall only stop at the patient addresses listed on the detailed transport manifests. In case of an emergency stop, a detailed written account must be maintained describing the reason for the event, the duration, the location, any activities occurring during the stop, and any personnel exiting the vehicle during the stop.

- j. Authorized transports shall be conducted in such a manner as to ensure that marijuana and marijuana products are secured and safe at all times during transport, which includes, but is not limited to, the requirements that marijuana is not visible from outside the authorized transport vehicle at that any ingestible marijuana products that are perishable are adequately refrigerated, if necessary.
- k. Prior to leaving the originating registered/licensed facility for an authorized transport to another registered/licensed facility, the originating registered/licensed facility must weigh, inventory, and account for on video all marijuana and marijuana product to be transported.
- l. For authorized transports to and from a licensed cultivator, the transport manifest shall be accompanied by a copy of any contract/purchase order for which the transport is being made and documentation of the actual payment date, if prepaid.
- m. The detailed transport manifest shall be prepared by the originating registered/licensed facility and transmitted in advance to the receiving facility. Both facilities shall retain copies of detailed transport manifests as part of their record retention responsibilities.
- n. Within eight (8) hours of after arrival at the destination registered/licensed facility, the receiving party shall re-weigh, re-inventory, and account on video for all marijuana and marijuana product transported.
- o. Both the originating and recipient registered/licensed facilities shall timely adjust their records to reflect in its records the completed authorized transport of marijuana, including logging such information in the Medical Marijuana Program Tracking System. All records and entries in the Medical Marijuana Program Tracking System shall be easily reconciled, by product name and quantity, with the applicable detailed transport manifest. Any unusual discrepancies in the quantity described in the detailed transport manifest and the quantities received shall be reported to DBR and municipal and/or state law enforcement within (24) hours.

- p. Any vehicle accidents, diversions, or losses during authorized transports of marijuana shall be reported to DBR and law enforcement as an “emergency event” pursuant to § 1.4(G)(7) of this Part.
- q. Transportation to or from a third party testing provider shall be in accordance with the DOH Testing Regulations, once adopted.

#### 4. Manufacturing and Extraction

- a. Any manufacturing method using a solvent extraction process must be approved by DBR. If the manufacturing method uses a flammable/combustible material or heat source, the method must also be approved by the State Fire Marshall and/or local fire department.
- b. Only registered compassion center employees and agents may manufacture marijuana products on the premises. A registered volunteer may do so only as part of educational programming under the direct supervision of a registered compassion center employee.
- c. The compassion center must maintain written standard operating procedures for each manufacturing process, including step-by-step instructions.
- d. The compassion center must ensure that for each manufacturing process, all safety and sanitary equipment appropriate for that manufacturing process, including any personal protective equipment, is provided to any authorized compassion center cardholder who will be involved in that manufacturing process.
- e. All medical marijuana product manufacturing areas must be adequately lit during manufacturing, cleaning, or other use.
- f. All work surfaces on which medical marijuana products are manufactured and the walls and floors in the areas in which such products are manufactured shall be non-porous, non-absorbent, and easily cleanable.
- g. No eating or smoking shall be permitted in the manufacturing area.

- h. The compassion center must provide a training manual and instructional training on each manufacturing process to any authorized compassion center cardholder who will be involved in that manufacturing process.

5. Required Patient Outreach Activities

The compassion center's outreach activities to registered qualifying patients, registered primary caregivers, and authorized purchasers shall, at a minimum, include:

- a. Providing each new registered qualifying patient who visits the compassion center with a frequently asked questions sheet that explains the limitations on the right to use medical marijuana under state law in accordance with R.I. Gen. Laws § 21-28.6-12(f)(9).
- b. Providing a list of ingestion options for usable marijuana.
- c. Providing applicable usage techniques and any corresponding safety information to registered qualifying patients.
- d. Communicating potential side effects.
- e. Upon the request of DOH and/or DBR, e-mailing or otherwise disseminating information to compassion center clients regarding changes in the medical marijuana program.

6. Required Employee, Agent, and Volunteer Training.

In accordance with R.I. Gen. Laws § 21-28.6-12(f)(14), each compassion center shall develop, implement and maintain on the premises an on-site training curriculum, or enter into contractual relationships with outside resources capable of meeting employee, agent and volunteer training needs. Each employee, agent or volunteer, at the time of his or her initial appointment and every year thereafter, shall receive, at a minimum, training in the following:

- a. Professional conduct, ethics, and state and federal laws regarding patient confidentiality.
- b. Informational developments in the field of medical use of marijuana.

- c. The proper use of security measures and controls that have been adopted.
- d. Training on use of the Medical Marijuana Program Tracking System and any other tracking systems used by the compassion center for persons responsible for using the system.
- e. Specific procedural instructions for responding to an emergency, including robbery or violent accident.

7. Minimum Sanitation and Workplace Safety Conditions

- a. The compassion center shall be maintained in a safe, sanitary, and clean manner, with all operations in the cultivation, receiving, inspecting, transporting, segregating, preparing, manufacturing, packaging, and storing of medical marijuana and marijuana products conducted in accordance with adequate sanitation principles, as further detailed below.
- b. The facility must meet the following minimum specifications:
  - (1) Adequate supply of potable hot and cold water.
  - (2) Non-porous, non-absorbent and easily cleanable floors, walls, and ceilings in areas where marijuana is cultivated, manufactured, and stored.
  - (3) Lavatory facilities that are readily-accessible to employees and that comply with the Rhode Island State Plumbing Code Regulation.
  - (4) Adequate hand-washing area(s): hand washing sinks with effective hand-cleaning and sanitizing preparations (such as soap dispensers) and disposable towels or an air dryer for hands.
  - (5) Adequate screening or other protection against the entry of pests and environmental contaminants.
- c. All mechanical and electrical equipment shall be maintained in a safe operating condition.

- d. Waste disposal equipment shall be adequate and removal schedules timely so as to minimize the risk of contamination to medical marijuana and marijuana products, including the risk of the waste becoming an attractant, harborage, or breeding place for pests.
- e. All waste (including all liquid, chemical, hazardous, pesticide, manufacturing solvent and chemical waste) must be stored, secured, and managed in accordance with all applicable federal, state, and local statutes, regulations, ordinances, or other legal requirements. Specific instructions for safe destruction of any marijuana required to be destroyed and proper disposal of medical marijuana waste are provided in § 1.4(J)(10) of this Part.
- f. Floors, walls, and ceilings shall be kept clean and in good repair, free from dust, debris, mold, mildew, and other contaminants and potentially hazardous materials.
- g. Lavatory facilities and hand washing areas shall be kept clean and sanitary and in working condition at all times.
- h. Toxic cleaning compounds, sanitizing agents, and other chemicals shall be identified, held, stored and disposed of in a manner that protects against contamination of medical marijuana and marijuana products and in a manner that is in accordance with any applicable local, state, or federal law, rule, regulation, or ordinance.
- i. The compassion center shall comply with all relevant statutes, regulations, and requirements administered by the Federal Occupational Safety and Health Administration (OSHA), including but not necessarily limited to standards for toxic and flammable compounds and air contaminants.
- j. All persons working in direct contact with medical marijuana and marijuana products shall conform to hygienic practices while on duty, including but not limited to maintaining adequate personal cleanliness and washing hands thoroughly in an adequate hand-washing area before starting work and at any other time when the hands may have become soiled or contaminated.

- k. Any person whose medical condition, as determined by medical examination or as observed by a supervisor, poses or reasonably appears to pose a risk of contamination of medical marijuana and/or medical marijuana products shall be excluded from medical marijuana operations until the condition is cleared. Medical conditions posing a risk of contamination include but are not necessarily limited to open lesions, including boils, sores, or infected wounds, or any other abnormal source of microbial infection.
- l. The compassion center shall not permit the entry of any animal into the premises. Service animals (as defined in the Americans with Disabilities Act) are exempted from this prohibition.
- m. In addition to the safety and sanitary equipment including personal protective equipment that the compassion center is required to furnish its employees involved in marijuana manufacturing and extraction pursuant to § 1.4(J)(4)(D) of this Part, the compassion center must also furnish its employees with proper safety equipment for other types of work assigned as part of the compassion center operations.

8. Odor Control and Mitigation

- a. Cultivation area(s) shall have ventilation and filtration systems installed that prevent medical marijuana plant odors from exiting the interior of the structure to an extent that would significantly alter the environmental odor outside, while addressing the potential for mold.
- b. The ventilation and filtration system, along with any plumbing improvements, shall be installed in compliance with all applicable codes and ordinances, including obtaining any necessary permits, and inspected by the municipality.
- c. Measures to assure compliance with this section shall be documented in an odor control and mitigation plan acceptable to DBR.

9. Pesticide Use and Records

- a. The cultivation process shall use best practices to limit contamination of medical marijuana and marijuana products, including but not limited to mold, mildew, fungus, bacterial diseases, rot, pests, pesticides, and any other contaminant identified as posing potential harm.
- b. The use of pesticides on marijuana plants in Rhode Island by registered compassion centers will not be considered a violation of these regulations provided that the product must satisfy all of the following criteria:
  - (1) The product must be a “minimum risk pesticide” under 40 C.F.R. § 152.25(f), as the same may be amended from time to time.
  - (2) The product must be labelled for use on “all plants,” “other plants,” bedding plants, unspecified plants, or unspecified crops.
  - (3) The label must not prohibit indoor or greenhouse use, as applicable.
  - (4) All active ingredients must be eligible for food use as determined by the federal Environmental Protection Agency (EPA). See EPA’s Active Ingredients Eligible for Minimum Risk Pesticide Products (last updated December 2015), as the same may be updated and/or amended from time to time. <https://www.epa.gov/sites/production/files/2015-12/documents/minrisk-active-ingredients-tolerances-2015-12-15.pdf>.
  - (5) All inert/other ingredients must be eligible for food use. See EPA’s Inert Ingredients Eligible for FIFRA 25(b) Pesticide Products (last updated December 2015), as the same may be updated and/or amended from time to time. See [https://www.epa.gov/sites/production/files/2016-07/documents/section25b\\_inerts.pdf](https://www.epa.gov/sites/production/files/2016-07/documents/section25b_inerts.pdf).
  - (6) The product must be a currently registered pesticide product eligible for sale in Rhode Island as determined by the Rhode

Island Department of Environmental Management. To verify a product's registration in Rhode Island, please consult the online National Pesticide Information Retrieval System through the Center for Environmental and Regulatory Information Systems.

[http://npirspublic.ceris.purdue.edu/state/state\\_menu.aspx?state=RI](http://npirspublic.ceris.purdue.edu/state/state_menu.aspx?state=RI).

- (7) The product must be used in accordance with any and all use instructions on the label.
  - c. No application of pesticides shall be made after the vegetative stage of growth of the cannabis plant. The vegetative stage of growth should be determined by visual buds or flower or by proxy of the plant receiving less than eighteen (18) hours of light in a twenty-four (24) hour period.
  - d. Pesticides shall be identified, held, stored and disposed of in a manner that protects against contamination of medical marijuana and marijuana products and in a manner that is in accordance with any applicable local, state, or federal law, rule, regulation, or ordinance.
  - e. As a DBR record-keeping requirement, compassion centers must keep detailed records of any pesticide products used and application regimens, including video recording during pesticide applications which must cease if there is a failure or disruption of the video surveillance system. This record-keeping requirement is independent of that required of commercial pesticide applicators by the Rhode Island Department of Environmental Management, and is intended to apply in addition to that requirement, where relevant.
10. Safe Disposal of Medical Marijuana Waste and Safe Destruction of Usable Medical Marijuana
- a. Marijuana and marijuana product waste (including all liquid, chemical, hazardous, pesticide, manufacturing solvent and chemical waste containing any traces of marijuana) must be stored, secured, and managed in accordance with all applicable federal,

state, and local statutes, regulations, ordinances, or other legal requirements.

- b. Prior to disposal, marijuana and marijuana product waste must be made unusable and any marijuana plant material made indistinguishable from other plant material. This may be accomplished by grinding and incorporating the marijuana plant waste with other non-consumable solid waste or other ground materials so the resulting mixture is at least fifty percent non-marijuana waste by volume. Other methods to render marijuana waste unusable must be approved by DBR before implementing. Marijuana waste rendered unusable following an approved method may be delivered to a licensed solid waste disposal facility in Rhode Island for final disposition or disposed of in an alternative manner approved by DBR.
- c. Destruction of marijuana and marijuana materials other than waste generated in the regular course of processing and/or manufacturing (such as destruction of whole plants, wet, or usable marijuana that are found to be in excess of statutory possession limits or destruction of a contaminated batch of medical marijuana product) shall be in a manner acceptable to DBR, which may include consultation with law enforcement.
- d. Destruction of marijuana and marijuana materials upon revocation or abandonment of the license shall be specifically governed by DBR order or agreement and/or coordinated efforts with law enforcement.
- e. Compassion centers must maintain accurate and comprehensive records regarding waste material that accounts for, reconciles, and evidences all waste activity related to the disposal of marijuana and marijuana products (including any waste material produced through the trimming or pruning of a marijuana plant prior to harvest). DBR may mandate storage of any such records or summaries of such records to be through the Medical Marijuana Program Tracking System or any other electronic system DBR designates.

K. Inspections and Audits; Enforcement Actions

1. Compassion centers are subject to reasonable inspection by DBR and DOH. DBR and DOH and their authorized representatives have authority to enter a compassion center premises at reasonable times and to inspect in a reasonable manner, the premises and all equipment, materials, containers, and other things therein, including without limitation all records, files, financials, sales, transport, pricing and employee data, research, papers, processes, controls and to inventory any stock of marijuana, labels, containers, paraphernalia and other materials and products. During any inspection, DBR and DOH may review the compassion center's confidential records, including its dispensing records, which shall track transactions according to identifying information for the patient, primary caregiver, and/or authorized purchaser. Dispensing records for patient cardholders shall be tracked by registry identification numbers only to protect their confidentiality. See R.I. Gen. Laws § 21-28.6-12(e).
2. DBR may review and audit the books and records of compassion centers to ascertain compliance with the Act, the DBR Regulations, and/or the DOH Regulations, including continued satisfaction of the statutory criteria considered in granting a compassion center license. The compassion center must make such books and records immediately available for reviewing and copying by DBR and DOH. DBR may retain an independent auditor to act as its agent for purposes of this section, the cost of which shall be borne by the compassion center.
3. Nothing herein shall be interpreted to limit the real time access of DBR and DOH to information stored in the Medical Marijuana Program Tracking System consistent with the Act.
4. Pursuant to R.I. Gen. Laws § 21-28.6-12(d)(5) and § 21-28.6-12(b)(1), a compassion center's registration certificate may be suspended/revoked if the compassion center is in violation of the laws of Rhode Island, including the Act, DBR Regulations, or DOH Regulations.
5. If a principal officer, board member, employee, agent, or volunteer affiliated with a compassion center violates the Act, the DBR Regulations, and/or the DOH Regulations when acting in their capacity as a principal officer, board member, employee, agent, or volunteer of the compassion

center, the compassion center may be subject to suspension/revocation for failure to exercise adequate supervision.

## **1.5 Licensed Cultivator Application and Licensing Provisions**

### **A. Authority**

R.I. Gen. Laws § 21-28.6-16(b)(1) authorizes DBR to promulgate regulations regarding the form and content of licensing and renewal applications for licensed cultivators.

### **B. Licensed Cultivator Application and License Timeline**

1. Licensed cultivator applications may be submitted to DBR for consideration through April 30, 2017. The application period will be re-opened each subsequent year during the months of January, February, and March. DBR reserves the right to modify the application periods based on patient and program need. DBR also reserves the right to issue regulations limiting the number and/or classes of new licenses available for application based on the projected needs of the Rhode Island Medical Marijuana Program population. See R.I. Gen. Laws § 21-28.6-16 (location and possession restrictions, regulation of licensing and oversight requirements).
2. Upon notification of approval of an application from DBR, the approved applicant must take reasonable and documented efforts to complete the prerequisites for issuance of the license which steps are detailed in § 1.5(E) of this Part. If such efforts take longer than nine (9) months, the approved applicant must show good cause to DBR why additional time should be granted and the application approval should not be rescinded.
3. Once the license has been issued, the licensed cultivator must take reasonable and documented efforts to launch licensed cultivator activities, which for purposes of this paragraph shall mean actual medical marijuana cultivation, processing, packaging, manufacturing, and/or other medical marijuana activities requiring a cultivator license pursuant to the Act. If such efforts take longer than six (6) months, the licensed cultivator must show good cause to DBR why the license should not be revoked for non-use.

C. Classes of Cultivator Licenses

1. Cultivator licenses shall be divided into the following categories:

<b>License Class</b>	<b>Size of Facility*</b>
Micro-license	0 – 2,500 sq. ft.
Class A	0 – 5000 sq. ft.
Class B	5,001 – 10,000 sq. ft.
Class C	10,001 – 15,000 sq. ft.
Class D	15,001 – 20,000 sq. ft.

2. For facilities over 20,000 sq. ft., please contact DBR prior to submitting the application.
3. For the period of one (1) year from the effective date of these regulations, only Micro-license, Class A, and Class B applications will be accepted. An applicant who is considering eventually applying to operate a larger facility may detail any such plan on the application.
4. Facility size shall be determined as a total of any area where marijuana will be cultivated, stored, processed, packaged, and/or manufactured.
5. An authorized officer of the applicant shall certify the square footage calculation.

D. Application for Cultivator License

1. DBR will evaluate applicants based upon the information provided by applicants on the application forms/submissions and otherwise obtained during the application process.
2. Each application for a licensed cultivator shall be on such forms and through such submission mechanisms as designated by DBR.

3. All categories of cultivator applications shall be accompanied by a non-refundable application fee of five-thousand dollars (\$5000).
4. Pursuant to R.I. Gen. Laws § 21-28.6-16(i), cultivators shall only be licensed at a single location registered with DBR and RISP, must abide by all local ordinances, including zoning ordinances, and may be subject to any additional location restrictions promulgated by DBR. With respect to local zoning, medical marijuana cultivation may fall within various zoning use categories including without limitation the following zoning use categories: agricultural uses (such as greenhouse and nursery), industrial uses (light and general), manufacturing and processing (such as factory) or specific medical marijuana related use categories. Whether medical marijuana cultivation is a permitted use, prohibited use or allowed by special use permit within these or any other use categories is determined by local zoning authorities. Furthermore, in accordance with R.I. Gen. Laws § 21-28.6-16(i):
  - a. Only one cultivator license will be issued per structural building.
  - b. The application must contain the following minimum information:
    - (1) The proposed physical location of the licensed cultivator (by plat and lot number, mailing address, etc.), if a precise location has been determined. If a precise physical location has not been determined, a description of the general location(s) where it may be sited, if approved, and the expected schedule for purchasing or leasing said location(s).
    - (2) Approximate calculation of the square footage of the proposed facility.
    - (3) Evidence of the location's compliance or preliminary determination of compatibility with the local zoning laws.
    - (4) Evidence that the physical location is not located within one thousand feet (1,000') of the property line of a preexisting public or private school. For the purposes of this paragraph, "private school" shall be deemed to refer to any nonpublic institution of elementary or secondary (K-12th Grade) education, accredited or recognized as a private school by

the department of elementary and secondary education or the school committee of the city or town having jurisdiction over private schools. For purposes of this paragraph, the 1000 foot distance shall be measured from the secured cultivator premises, which shall include allotted outdoor areas (such as parking and loading areas), to the property line of the school, which shall include the school building, land, and appurtenances.

- (5) A draft diagram of the proposed facility, including where within the facility the medical marijuana will be cultivated, stored, processed, packaged, and/or manufactured, and where security alarms and cameras and surveillance recording storage will be located, and showing the location of the facility relative to streets and other public areas.
- (6) A description of objective parameters (such as distances from streets and public areas) and/or proposed measures (such as black-out window shades) that ensure that marijuana at the premises shall not be visible from the street or other public areas.
- (7) Evidence of either ownership of property or agreement by owner of property to allow the operation of a licensed cultivator on the property, if property has already been purchased or leased at the time of the application.

5. The application shall also provide the following minimum information:
  - a. The applicant's legal and any d/b/a name(s), certificate of incorporation or organization in Rhode Island or certificate of authority to transact business in Rhode Island, articles of incorporation or organization, and bylaws or operating agreement.
  - b. A business plan, including scope of activities, budget and resource narratives, and timeline for initiating operations.
  - c. The legal name, current address, and date of birth of each officer and director or member/manager of the applicant.

- d. A list of all persons or business entities (legal names and current addresses) that currently have or are expected to have direct or indirect authority over the management or policies of the applicant.
  - e. If the applicant proposes to have a management agreement in place, it shall also include a copy of the management agreement or management agreement proposal and a list of persons who have any ownership interest or operational control over the management company.
  - f. A list of all persons or business entities (legal names and current addresses) having any ownership interest in the applicant entity, whether direct or indirect.
  - g. If the cultivator premises and/or other operational assets will be owned or leased by a person or entity other than the applicant, the legal name and current address of any such person or entity and a list of all persons or entities (legal names and current addresses) having any ownership in such entity, whether direct or indirect.
  - h. The legal names and current addresses of all creditors holding a security interest in the premises and/or other assets to be used in the cultivator operations, if any.
  - i. Tax Affidavit in accordance with R.I. Gen. Laws § 5-76-1 et seq.
  - j. All other information required by DBR as described in the application form, including for example experience and regulatory history of the applicant and its key personnel.
6. Only applications which DBR has determined to be complete (i.e., adequately address all application requirements above) shall be eligible for review. An applicant who submits an incomplete application shall receive written notification from DBR regarding the specific deficiencies and shall be allowed to resubmit additional material to address these deficiencies within a reasonable timeframe without additional application fees.
- E. Prerequisites to Issuance of Cultivator License and Commencement of Operations

1. If an applicant seeking to operate as a licensed cultivator is notified that its application has been approved by DBR, it shall complete the below steps before a cultivator license will be issued.

2. Annual Cultivator License Fees

The annual license fee shall be determined by the below table and must be paid in full before a license will be issued.

<b>License Class</b>	<b>Annual License Fee</b>
Micro-license	\$5,000.00
Class A	\$20,000.00
Class B	\$35,000.00
Class C	\$50,000.00
Class D	\$80,000.00

3. Final Information and Documentation to be Supplied

The applicant must provide any updates to previously submitted application information and the following additional items to DBR:

- a. A sufficient description of the final physical location of the cultivator premises (by plat and lot number, mailing address, etc.).
- b. Evidence of complete compliance of the facility with the local zoning laws in the form of a letter from an authorized zoning official of the municipality and certification by an authorized officer of the applicant as to compliance with any other applicable local ordinances. See § 1.5(D)(4) of this Part.
- c. Unless already provided at time of initial application, evidence that the physical location for the cultivator premises is not located within one thousand feet (1,000') of the property line of a preexisting public or private school. See § 1.5(D)(4)(b)(4) of this Part.

- d. A current Certificate of Occupancy (or equivalent document) to demonstrate compliance of the cultivator facility with the relevant provisions of Chapters 28.1 and 27.3 of Title 23 of the R.I. General Laws [Fire Safety Code and State Building Code, respectively].
- e. Evidence of either ownership of property or agreement by owner of property to allow the operation of a licensed cultivator on the property.
- f. A final diagram of the facility, including where marijuana will be cultivated, stored, processed, packaged, and manufactured, and where security alarms and cameras and surveillance recording storage will be located.
- g. The legal name, current address, and date of birth of any person who will be an employee or agent of the cultivator at its inception.
- h. Evidence of completion of divestiture plan pursuant to § 1.5(E)(5) (e) of this Part and other individual relinquishment requirements pursuant to § 1.5(E)(5)(f) of this Part.

#### 4. DBR Pre-License Inspection

Before a cultivator license will be issued, a DBR inspection is required. Approved applicants should contact DBR to coordinate said inspection. Nothing in this paragraph should be construed as limiting inspections at an earlier time in addition to the final pre-license inspection.

#### 5. Divestiture of Prohibited Material Financial Interest and Control

- a. A licensed cultivator and “key persons” thereof may not have any “material financial interest or control” in another licensed cultivator, a compassion center, or a licensed cooperative cultivation or vice versa. See R.I. Gen. Laws § 21-28.6-12(c)(1)(iii)(limiting a compassion center to one additional location to cultivate its marijuana); R.I. Gen. Laws § 21-28.6-12(b)(1)(ii)(DBR minimum oversight over compassion centers); R.I. Gen. Laws § 21-28.6-16(i) (cultivator to be licensed at one location only); R.I. Gen. Laws § 21-28.6-16(b)(2)(DBR minimum oversight over cultivators); R.I. Gen. Laws § 21-28.6-3(4)(i) and R.I. Gen. Laws § 21-28.6-3(12)

(separately defining “compassion center” and “licensed cultivator,” respectively); R.I. Gen. Laws § 21-28.6-14(a)(10)(DBR authority to regulate operations of licensed cooperative cultivations); R.I. Gen. Laws § 21-28.6-4(q)(qualifying patient and primary caregiver cardholders may only grow at one location).

- b. R.I. Gen. Laws § 21-28.6-16(f) authorizes regulations regarding testing of medical marijuana and marijuana product cultivated and/or manufactured by licensed cultivators, which will include ensuring the independence of third party testing providers. Accordingly, a licensed cultivator may not have any material financial interest or control in a Rhode Island DOH-approved third party testing provider and vice versa.
- c. “Material financial interest or control” shall mean: i) any ownership interest, regardless of the size of the holding, and including any ownership interest through a subsidiary or affiliate; ii) trusteeship, mortgage, guarantor, endorser or surety relationship, or loan relationship, except that loan relationship for the purposes of this definition shall exclude accounts payable and accounts receivable on account of a medical marijuana purchase order; iii) any other beneficial financial interest such that the holder bears the risk of loss (other than as an insurer) or has an opportunity to gain profit from the operation or sale of the regulated medical marijuana business; iv) operational control including but not limited to interlocking directors or officers or through a management agreement.
- d. “Key persons” shall mean officers, directors, LLC managers/members and any persons with managing or operational control.
- e. Therefore, if a licensed cultivator application is approved and any prohibited material financial interest or control has been identified by DBR or is otherwise known to the licensed cultivator applicant, such interest or control must be divested prior to issuance of the cultivator license. The plan of divestiture shall be filed with DBR.

- f. If applicable, before issuance of the cultivator license, the cultivator applicant entity and its officers, directors or managers/members, and any other person with an ownership or controlling interest must relinquish any caregiver registrations or cooperative cultivation licenses held in order to comply with R.I. Gen. Laws § 21-28.6-16(a).
- g. The duty to divest prohibited material financial interests and control is a continuing obligation of licensure.

#### 6. Registry Identification Card Requirements

Before issuance of the cultivator license, all officers, directors or managers/members, employees, and agents must apply for a registry identification card and submit to a national criminal background check as provided in § 1.6 of this Part. Such individuals may be hired, appointed, or retained prior to receiving a registry identification card, but may not begin engagement in medical marijuana cultivation, storage, processing, packaging, manufacturing, transport, or other medical marijuana activities requiring a licensed cultivator license pursuant to the Act until receipt of the card.

#### F. DBR Post-Licensure Inspection of Operations and Inventory

After the cultivator license is issued, the licensed cultivator shall notify DBR when it obtains inventory and commences operations. DBR may conduct a post-licensure inspection upon this commencement of operations, including but not limited to inspection for compliance of medical marijuana and marijuana product inventory with the tagging and tracking requirements set forth in § 1.7(D) of this Part. Nothing in this paragraph shall be construed to limit DBR's general inspection powers as delineated in § 1.7(J) of this Part.

#### G. Changes in Location, Floor Plan, Ownership and Control of Licensed Cultivator; Continuing Duty to Update Application Information; Discontinuation of or Failure to Launch Licensed Cultivator Activities

- 1. A cultivator license shall not be assigned or otherwise transferred to other persons or locations, unless pre-approved in accordance with the below paragraphs.

2. A licensed cultivator shall provide DBR with a written notice of any change described below at least sixty (60) calendar days prior to the proposed effective date of the change:
  - a. A change in ownership of the licensed cultivator.
  - b. Change in the membership of a board of directors, board of trustees, or managers/members.
  - c. Change in corporate officer.
  - d. Merger, dissolution, or entity conversion.
  - e. Entering into a management agreement, changing management companies, and/or material changes to an existing management agreement.
  - f. Changes in the approved licensed cultivator premises.
  - g. Change to approved premises floor plan.
  - h. Proposed premises expansion.
3. Unless the licensed cultivator provides timely notification of the above changes and receives prior DBR approval or waiver of the requirement of prior notice and approval (for example a non-material change in ownership or emergency situation as determined by DBR), the license shall be void and returned to DBR.
4. As to any proposed change of ownership or to a management agreement that will effect a change of majority control and/or decision-making authority with respect to the operation of the licensed cultivator or as to any proposed change in an approved licensed cultivator premises location, DBR may require the licensed cultivator to follow the process for a new application, which may include a new application fee. Additionally, any increase in the size of the facility that causes the facility to be reclassified based on the license fee structure set forth in § 1.5(E)(2) of this Part shall require payment of the difference between the paid fee and the fee applicable to the new classification of the facility. DBR, in its sole discretion, may prorate the fee increase or may offer a rebate for a size decrease.

5. For updates in information other than the categories requiring sixty (60) calendar days prior notice, the licensed cultivator has a continuing obligation to update, amend and/or correct any information requested and/or submitted in the application process within ten (10) business days after any change in the information submitted and/or any material change in circumstances related to the application. This includes timely notification and divestiture if a prohibited interest as delineated in § 1.5(E) (5) of this Part is acquired by operation of law.
6. If the licensed cultivator proposes to alter the final floor plan previously submitted and approved, the licensed cultivator must first submit a renovation plan for DBR approval sixty (60) calendar days prior to commencement of construction. The renovation plan must specifically address quality control procedures for the protection of medical marijuana and medical marijuana products from any contamination during the construction process and further address any other criteria DBR requires.
7. The cultivator license shall be void and returned to DBR if the licensed cultivator discontinues its operation, unless the discontinuance is on a temporary basis approved by DBR.

#### H. Annual Renewal

1. Cultivator licenses shall be issued for one year terms.
2. Annual renewals shall be submitted on such forms and include such information as prescribed by DBR.
3. An annual inspection shall be part of the annual renewal process.

### **1.6 Licensed Cultivator Cardholder Registry Identification Card Provisions**

#### A. Cultivator Cardholder Definitions

1. “Licensed cultivator cardholder” includes all officers, directors or managers/members, employees, and agents who have been issued a registry identification for their association with the licensed cultivator.

2. "Agent" of a licensed cultivator shall include, but not be limited to, "testing agents."
3. "Testing agent" shall mean an employee of an approved third party testing provider who performs independent testing of medical marijuana and/or marijuana products of the licensed cultivator in accordance with the DOH Testing Regulations, once adopted.

B. Registry Identification Card Requirement, Eligibility, Annual Fee and Application

1. All officers, directors or managers/members, employees, and agents of the licensed cultivator must apply for cultivator registry identification cards.
2. Each licensed cultivator shall maintain a current list of all licensed cultivator cardholders associated with the licensed cultivator.
3. Licensed cultivator cardholders shall be at least twenty-one (21) years old.
4. There shall be a one hundred dollars (\$100.00) non-returnable, non-refundable annual fee for a licensed cultivator registry identification card, including each initial application and subsequent annual renewal.
5. Applications pursuant to this section shall be on such forms and through such submission mechanisms as directed by DBR.

C. Criminal Background Checks

1. Pursuant to R.I. Gen. Laws § 21-28.6-16(k), the cultivator applicant is subject to a national criminal background check. This shall include all officers, directors or managers/members, employees, and agents of the licensed cultivator (hereinafter also referred to in this section as "applicants").
2. Pursuant to R.I. Gen. Laws § 21-28.6-16(k)(2), disqualifying information is defined as a felony drug offense conviction or a plea of nolo contendere for a felony drug offense with a sentence of probation.
3. Pursuant to R.I. Gen. Laws § 21-28.6-16(k), the national criminal identification records check shall include fingerprints submitted to the Federal Bureau of Investigation. Application for said records check may

be made to the Bureau of Criminal Identification of the Department of Attorney General, RISP, or the local police department.

4. Pursuant to R.I. Gen. Laws § 21-28.6-16(k) and § 21-28.6-16(k)(2), upon the discovery of any disqualifying information, the office that conducted the records check (the Bureau of Criminal Identification of the Department of Attorney General, RISP, or the local police department) shall issue a letter to the applicant disqualifying the applicant and informing the applicant of the nature of the disqualifying information.
  5. Pursuant to R.I. Gen. Laws § 21-28.6-16(k) and § 21-28.6-16(k)(2), upon discovery of any disqualifying information, the office that conducted the records check (the Bureau of Criminal Identification of the Department of Attorney General, RISP, or the local police department) shall notify DBR, in writing of the fact that disqualifying information has been discovered thus disqualifying the applicant.
  6. Pursuant to R.I. Gen. Laws § 21-28.6-16(k)(1), in those situations in which no felony drug offense conviction or plea of nolo contendere for a felony drug offense with probation has been found, the office that conducted the records check (the Bureau of Criminal Identification of the Department of Attorney General, RISP, or the local police department) shall inform the applicant and DBR, in writing, of this fact.
  7. Pursuant to R.I. Gen. Laws § 21-28.6-16(k)(2), the applicant shall be responsible for any expense associated with the national criminal background check with fingerprints.
  8. DBR will not require a person subject to a national criminal background check under this subsection to undergo such a check more than once every two (2) years, unless a more frequent time frame is mandated and/or agreed to as part of a license disciplinary action.
- D. Issuance of the Cultivator Cardholder Registry Identification Card
1. Once the licensed cultivator cardholder application is approved by DBR, each approved officer, director or manager/member, employee, or agent of the licensed cultivator is responsible for getting a registry identification card from DOH.

2. The registry identification card shall contain:
  - a. The name, address and date of birth of the person.
  - b. The legal name of the licensed cultivator that the individual is affiliated with.
  - c. The category of the person's affiliation: officer, director or manager/member, employee, or agent.
  - d. The date of issuance and expiration date of the registry identification card.
  - e. A random registry identification number.
  - f. A photograph.

E. Expiration and Renewal of Cultivator Cardholder Registry Identification Cards

Cultivator cardholder registry identification cards shall expire one year after issuance. Renewal applications shall be on such forms and through such submission mechanisms as directed by DBR.

F. Change in Name or Address; Lost/Stolen Cards

1. In accordance with R.I. Gen. Laws § 21-28.6-16(l)(1), a licensed cultivator cardholder shall notify DBR of any change in his or her name or address within ten (10) business days of such change. A licensed cultivator cardholder who fails to notify DBR of any of these changes may be subject to a fine up to one hundred fifty dollars (\$150).
2. In accordance with R.I. Gen. Laws § 21-28.6-16(l)(2), changes in name and/or address require the licensed cultivator cardholder to remit a ten dollar (\$10.00) fee to DBR. Upon receipt of the notice and fee, DBR will prompt DOH to issue an updated registry identification card. The licensed cultivator cardholder shall be responsible for getting the updated registry identification card from DOH.
3. In accordance with R.I. Gen. Laws § 21-28.6-16(l)(3), if a licensed cultivator cardholder loses his or her registry identification card (which would particularly include a card suspected to be stolen), he or she shall

notify DBR and submit a ten dollar (\$10.00) fee within ten (10) business days of losing the registry identification card. Upon receipt of the notice and fee, DBR will prompt DOH to issue a replacement registry identification card. The licensed cultivator cardholder shall be responsible for getting the replacement registry identification card from DOH.

G. Duty to Notify DBR of Disqualifying Criminal Information

In accordance with R.I. Gen. Laws § 21-28.6-16(l)(3), a licensed cultivator cardholder shall notify DBR of any disqualifying criminal convictions as defined in § 21-28.6-16(k)(2). Such notification must be made in writing within ten (10) business days.

H. Termination of Cultivator Cardholder Registry Identification Card.

1. If a licensed cultivator cardholder violates R.I. Gen. Laws § 21-28.6-16 (entitled “Licensed Cultivator”) or any portion of the DBR Regulations or DOH Regulations which regulate licensed cultivators and licensed cultivator cardholders, his or her registry identification card may be suspended/revoked or subject to a fine as determined by DBR pursuant to R.I. Gen. Laws § 21-28.6-16(e).
2. When a licensed cultivator cardholder ceases work with a licensed cultivator, whether voluntarily or involuntarily or upon the licensed cultivator closing, his or her registry identification card shall be null and void. In that situation, the licensed cultivator and/or the licensed cultivator cardholder shall notify DBR and the registry identification card shall be returned to DBR within ten (10) business days. No hearing shall be necessary to render the card null and void in this situation. In addition to being null and void, a penalty of up to one hundred and fifty dollars (\$150) may be assessed for failure to return the card within the ten (10) day period.

## **1.7 Licensed Cultivator Operational Provisions**

A. State Medical Marijuana Program Tracking System

Upon direction by the DBR, each licensed cultivator shall be required to utilize the state approved Medical Marijuana Program Tracking System to document and monitor compliance with the Act, the DBR Regulations, and the DOH

Regulations, including but not limited to seed to sale tracking, inventory supply tracking, adherence to restrictions on third party supply and sources of marijuana and marijuana products and transfers thereof off the licensed premises, and all testing compliance tracking. Licensed cultivators may be required to pay costs associated with use of the Medical Marijuana Program Tracking System which may be assessed on an annual, monthly, per use, or per volume basis and payable to the state or to its approved vendor.

B. Limitation on Sales and Transfers; Contract Requirements

1. Pursuant to R.I. Gen. Laws § 21-28.6-16(e), licensed cultivators shall only sell medical marijuana and marijuana products to Rhode Island registered compassion centers. As part of such sales transactions, the licensed cultivator may transfer and transport medical marijuana and medical marijuana products to a registered compassion center. A licensed cultivator may only receive medical marijuana and marijuana products from a Rhode Island registered compassion center if the receipt is pursuant to a written contract or purchase order for the cultivator to process the medical marijuana into a product to be furnished back to the compassion center.
2. Pursuant to R.I. Gen. Laws § 21-28.6-16(e), all marijuana and marijuana products possessed by a cultivator in excess of the permitted "uncommitted inventory" as defined and delineated in § 1.7(C)(3) of this Part must be under "formal agreement" to be purchased by a compassion center.
3. "Formal agreement" requirements shall be as follows: An executed written contract or purchase order shall be required for all sales from a licensed cultivator to a compassion center and shall contain the following minimum terms: a) date of execution/placement of the contract/purchase order, b) description and amount of product to be sold; c) the total and per unit price of the product to be sold; d) the specific date or date range not spanning more than (30) calendar days for fulfillment of the order and delivery or pickup; e) the payment due date, as specifically agreed between the parties, but if no date is specifically agreed to, payment shall be made within sixty (60) calendar days of delivery or pickup. Contracts/purchase orders pursuant to this paragraph may not be modified but may be

cancelled or voided by the creation of a new replacement contract/purchase order.

4. In furtherance of the intent of R.I. Gen. Laws § 21-28.6-16(e) and pursuant to its minimum oversight rulemaking authority under R.I. Gen. Laws § 21-28.6-16(b)(2), DBR deems the sale and/or transfer of marijuana or marijuana products, with or without consideration, to any other party that is not a Rhode Island registered compassion center, including any transfer between licensed cultivators, to be prohibited.
5. Any transfer to or from a third party testing provider shall be in accordance with the DOH Testing Regulations, once adopted.
6. Unless specifically permitted by § 1.7 of this Part, no other licensed cultivator sales or transfers of marijuana or marijuana products are permitted.

C. Inventory Limitations; Sources of Inventory

1. Marijuana Plant Inventory
  - a. Prior to the implementation of the Medical Marijuana Tracking System, micro-licensees may not possess more than fifty (50) mature marijuana plants and fifty (50) seedlings which must be properly tagged and tracked in accordance with acceptable alternative tagging and tracking under § 1.7(D) of this Part.
  - b. Prior to the implementation of the Medical Marijuana Tracking System, Class A cultivator licensees may not possess more than two hundred and fifty (250) mature marijuana plants and two hundred and fifty (250) seedlings which must be properly tagged and tracked in accordance with acceptable alternative tagging and tracking under § 1.7(D) of this Part.
  - c. Prior to the implementation of the Medical Marijuana Tracking System, Class B cultivator licensees will be limited to five hundred (500) mature marijuana plants and five hundred (500) seedlings which must be properly tagged and tracked in accordance with acceptable alternative tagging and tracking under § 1.7(D) of this Part.

- d. After implementation of the Medical Marijuana Tracking System, licensed cultivators will not be subject to a numerical possession limit for marijuana plants, provided every plant is properly tagged and tracked in the Medical Marijuana Tracking System.

2. Wet Marijuana Inventory

Licensed cultivators will not be subject to a numerical possession limit for the amount of wet marijuana provided the cultivator complies with the following:

- a. All wet marijuana is tagged and tracked in accordance with the cultivator tagging and tracking requirements provided in § 1.7(D) of this Part.
- b. All wet marijuana must be stored in an environment conducive to the drying process and may not be stored in an environment that artificially prolongs the drying process or preserves marijuana in an unusable wet state.

3. Usable Marijuana Inventory

- a. Pursuant to its authority under R.I. Gen. Laws § 21-28.6-16(d), DBR establishes limits on the amount of “uncommitted inventory” of usable marijuana a licensed cultivator may possess based on licensed facility size as provided in the below table. “Uncommitted inventory” shall refer to marijuana and marijuana product not under formal agreement to be purchased by a compassion center.

b.

<b>License class by size per § 1.5(C) (1) of this Part</b>	<b>Pounds of dried usable marijuana</b>	<b>OR</b>	<b>10 mg THC units of infused edible product</b>	<b>OR</b>	<b>Grams of concentrate</b>	<b>OR any combined amount of dried usable marijuana, infused edible product, and/or concentrate that does not equate to more than the maximum limit of dried usable marijuana in pounds</b>
Micro-license	2.5 max	OR	3,320 max	OR	308 max	OR''
Class A	5 max	OR	6,640 max	OR	616 max	OR''
Class B	10 max	OR	13,280 max	OR	1,232 max	OR''
Class C	15 max	OR	19,920 max	OR	1,848 max	OR''
Class D	20 max	OR	26,560 max	OR	2,464 max	OR''

The above uncommitted inventory limits are derived from the equivalency conversions delineated in DOH Regulations, Appendix A. To any extent these equivalency conversions are inconsistent with the DOH Regulations, the DOH Regulations shall be controlling. Limits for combined inventory of marijuana in mixed forms shall be calculated as a total equivalent to the maximum limit of dried usable marijuana in pounds in accordance with the equivalency conversions factors delineated in DOH Regulations, Appendix A.

- c. In accordance with R.I. Gen. Laws § 21-28.6-16(e), all marijuana and marijuana product that exceeds the amount of uncommitted inventory permitted by the above chart must be under formal agreement to be purchased by a compassion center. If such excess marijuana is not under formal agreement to be purchased, the cultivator will have forty-five (45) calendar days to sell the excess to a compassion center or destroy the excess in accordance with the destruction guidelines in § 1.7(I)(9) of this Part.
  - d. Formal agreement requirements are set forth in § 1.7(B)(3) of this Part.
4. Sources of inventory for licensed cultivators shall be limited to “legally pre-existing inventory” and “clone cutting procurement” as delineated below.
  - a. Legally Pre-Existing Inventory: If a licensed cultivator or its officers, directors, members/managers, or employees possessed medical marijuana plants in compliance with the provisions of the Act before the license was granted, such marijuana plants may be transferred to the licensed cultivator inventory as a one-time transaction upon licensure provided such marijuana plants are properly tagged and tracked in compliance with § 1.7(D) of this Part. Except as provided in the preceding sentence, transfers of marijuana and marijuana product between the licensed cultivator and its officers, directors, members/managers, and/or employees is strictly prohibited.
  - b. Clone Cutting Procurement: A licensed cultivator may acquire marijuana plant cuttings to use as clones for plant development (“clone cuttings”) not more than once per month in a single transaction of not more than twelve (12) clone cuttings from a “non-affiliated licensed cooperative cultivation.” The clone cuttings may be no longer than eight (8) inches in length, and may not contain observable buds or flower. A licensed cultivator who acquires clone cuttings must immediately tag such clone cuttings and track them in accordance with the tagging and tracking requirements set forth in § 1.7(D) of this Part. A licensed cultivator must keep records of all clone cutting procurements as required by DBR. “Non-affiliated licensed cooperative cultivation” requirements are further delineated in § 1.8(O) of this Part.

D. Medical Marijuana and Marijuana Product Tagging for Cultivators

1. Pursuant to R.I. Gen. Laws § 21-28.6-16(d), every marijuana plant possessed by a licensed cultivator must be accompanied by a medical marijuana tag.
2. Properly using tags with unique identifiers through the Medical Marijuana Program Tracking System, payment of the annual license fee, and compliance with the requirements of this subsection shall be deemed to satisfy the requirements of R.I. Gen. Laws § 21-28.6-16(d).
3. If a licensed cultivator begins to operate prior to the implementation of the Marijuana Program Tracking System, DBR will advise the cultivator of acceptable alternative inventory tagging and tracking systems and protocols. In such a case, any references to the Medical Marijuana Program Tracking System in this section shall be deemed to include the acceptable alternatives.
4. Cultivators must ensure that medical marijuana is marked with Medical Marijuana Program Tracking System unique identifier tags through each stage of production the cultivator is undertaking, from seed propagation through packaging, as may be applicable.
5. Medical Marijuana Program Tracking System unique identifier tags shall contain the following information and/or technical functions:
  - a. DBR license number.
  - b. Unique identifier(s) (such as barcodes and/or numerical/alphabetical codes) that track marijuana product through each stage of production.
  - c. Licensed premises location.
  - d. Any other information or technical functions DBR deems appropriate (such as radio frequency identification).
6. Medical Marijuana Program Tracking System unique identifier tags shall not be altered or duplicated.

7. Unique identifier tags shall be placed in a manner so as to clearly display their association with a particular plant, plant material, or product, such as affixed to the plant itself, on the growing receptacle, or in the growing medium, by labeling drying racks and other receptacles that wet marijuana dries on, by affixing the tag to the stalk for drying on the stalk, on a label affixed to a storage/transport package and/or retail-ready package, and other reasonable means.
8. The unique identifier tags may not be transferred or assigned except when affixed to marijuana plants, wet marijuana, or usable marijuana which is being sold/transferred/ transported in accordance with § 1.7(B) and (I)(3) of this Part.
9. Return of unique identifier tags by a licensed cultivator upon revocation or abandonment of the license shall be specifically governed by DBR order or agreement and/or coordinated efforts with law enforcement. Disposal of unique identifier tags by a licensed cultivator as may be required by DBR, such as in the regular course of tagging if different stages will require different tag forms or such as recall of tags due to new technology, shall be handled in accordance with further instructions provided by DBR.
10. In addition to any and all other disciplinary actions and civil and criminal penalties authorized by the Act and the DBR Regulations in the event that a licensed cultivator fails to comply with the unique identifier tags provisions for licensed cultivators set forth above, the licensed cultivator is subject to a fine between twenty-five dollars (\$25) and five-thousand dollars (\$5,000) per mature marijuana plant that does not have the required unique identifier tag. See R.I. Gen. Laws § 21-28.6-15(b)(4) (untagged plants exceeding limits set by R.I. Gen. Laws § 21-28.6-16 subject to minimum of the tag fee that would be paid by a cardholder (\$25), leaving discretion to DBR to establish a maximum penalty); R.I. Gen. Laws § 21-28.6-16 (authorizing DBR to limit licensed cultivator inventory).

#### E. Inventory Control

1. Upon direction by DBR, each licensed cultivator shall utilize the state approved Medical Marijuana Program Tracking System for all inventory tracking from seed to sale as further defined herein.

2. If the licensed cultivator is notified by DBR that the Medical Marijuana Program Tracking System is not available, the licensed cultivator will be provided with direction as to alternative inventory control measures, which may include but are not necessarily limited to the licensed cultivator being directed to:
  - a. Conduct an initial comprehensive inventory of all medical marijuana, including usable marijuana available for sale, marijuana plants and seedlings, unusable marijuana, and wet marijuana, as of a date certain set by DBR.
  - b. Conduct subsequent comprehensive inventories at intervals not to exceed twenty-four (24) months from the date of the previous comprehensive inventory.
  - c. Conduct a monthly inventory review of stored, usable marijuana, seedlings, plants, and wet marijuana.
3. Upon request, DBR may require the licensed cultivator to conduct and provide the results of alternative inventory control measures outlined above, regardless of the availability and use of the Medical Marijuana Program Tracking System.

#### F. Minimum Security Requirements

##### 1. Authority

R.I. Gen. Laws § 21-28.6-16(b)(4) authorizes DBR to promulgate regulations regarding the minimum security requirements for licensed cultivators.

##### 2. General Security Requirements

- a. Each licensed cultivator shall implement appropriate security and safety measures to deter and prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana.
- b. Use or carry of firearms on the premises and/or perimeter of the licensed cultivator is a prohibited form of security, except by security guards licensed by the Office of the Rhode Island Attorney General pursuant to R.I. Gen. Laws § 5-5.1-13 and who are under

written contract to provide security services to the licensed cultivator and by law enforcement personnel during duty.

- c. The outside perimeter of the licensed cultivator shall have adequate lighting to deter theft which may include motion activated lighting acceptable to DBR.
- d. Within any area where marijuana and marijuana products are grown, cultivated, stored, weighed, packaged, processed, or manufactured, any person who does not have a valid licensed cultivator registry identification card shall be considered a “visitor” and must be escorted at all times by a licensed cultivator registry identification card holder. The licensed cultivator must maintain a visitor log for any such activity as detailed in § 1.7(F)(6)(c) of this Part.
- e. Each licensed cultivator shall ensure that the storage of marijuana and any marijuana products is in a locked area, meaning that at all points of ingress and egress, the licensed cultivator shall ensure the use of a working commercial-grade door lock.

### 3. Security Alarm Requirements

- a. Each licensed cultivator shall have a fully operational security alarm system at the premises that will provide suitable protection against theft and diversion, including alarms at all outside perimeter entry points and outside perimeter windows.
- b. A fully operational security alarm system may include a combination of hard-wired systems and systems interconnected with a radio frequency method such as cellular or private radio signals that emit or transmit a remote or local audible, visual, or electronic signal; motion detectors, pressure switches, duress alarms (a silent system signal generated by the entry of a designated code into the arming station to indicate that the user is disarming under duress); panic alarms (an audible system signal to indicate an emergency situation); and hold-up alarms (a silent system signal to indicate that a robbery is in progress).

- c. A fully operational security alarm system shall at a minimum provide for immediate automatic or electronic notification to alert municipal and/or state law enforcement agencies or public safety personnel to an unauthorized breach or attempted unauthorized breach of security at the licensed cultivator premises and to any loss-of-electrical support backup system to the security alarm system.
- d. Each licensed cultivator shall establish a protocol for the testing and maintenance of the security alarm system, which shall at a minimum provide for a maintenance inspection/test of the alarm system for each authorized location at intervals not to exceed thirty (30) calendar days from the previous inspection/test and prompt completion of all necessary repairs to ensure the proper operation of the alarm system.
- e. If the licensed cultivator premises suffers a failure of the security alarm system, due to loss of electrical support, mechanical function, or otherwise, that is expected to exceed an eight (8) hour period, in addition to the notice requirements provided in § 1.7(F)(3)(c) and (F)(7) of this Part, the licensed cultivator must also close the licensed cultivator premises until the security alarm system has been restored to full operation, or, if approved by DBR, provide alternative security measures.

#### 4. Video Surveillance Requirements

Each licensed cultivator must have a fully operational video surveillance and camera recording system with appropriate protocols, which shall, at a minimum, comply with the below requirements:

- a. Video surveillance equipment shall, at a minimum, consist of digital or network video recorders, video monitors, and digital archiving devices capable of playback quality sufficient to identify and monitor all individuals (including sufficient clarity of facial features) and activities in the monitored areas.
- b. The recording system must record in digital format.

- c. The date and time must be embedded on the recording without significantly obscuring the picture. Time is to be measured in Eastern Standard Time.
- d. All video surveillance systems must be equipped with a failure notification system that provides prompt notification of any surveillance interruption and/or the complete failure of the surveillance system. Said notification must be routed to licensed cultivator personnel specifically designated by management and to DBR.
- e. All video surveillance equipment shall have sufficient battery backup to support a minimum of four (4) hours of recording in the event of a power outage.
- f. Video recordings must be archived in a format and maintained in a manner that ensures authentication of the recording as legitimately-captured video and guarantees that no alteration of the recorded image has taken place.
- g. Remote access to a continuous live feed video on a real time basis must be available at all times to licensed cultivator personnel specifically designated by management and to DBR. Additionally, all video surveillance records and recordings must be made available upon request to DBR.
- h. The system must include a color printer or similar equipment capable of printing still photos of a quality sufficient to identify individuals and activities in the monitored areas.
- i. Camera coverage is required for all areas where marijuana and marijuana products are grown, cultivated, stored, weighed, packaged, processed, or manufactured, including all areas of ingress and egress thereto, security rooms (as defined below), all points of ingress and egress to the exterior of the licensed cultivator, and any computer or other digital access points.
- j. Camera views of required coverage areas shall be continuously recorded twenty (24) hours a day, (7) seven days per week.

- k. All surveillance recordings must be kept for a minimum of sixty (60) calendar days.
- l. Surveillance recording equipment and all video surveillance records and recordings must be housed in a designated, locked and secured room or other enclosure with access limited to licensed cultivator personnel specifically authorized by management (the “security room”). The licensed cultivator must keep on site a current list of all authorized employees and service personnel who have access to the security room and a video surveillance equipment maintenance activity log.
- m. If the licensed cultivator suffers a failure of the surveillance system, due to loss of electrical support, mechanical function, or otherwise, that is expected to exceed an eight (8) hour period, in addition to the notice requirements provided in § 1.7(F)(4)(d) and § 1.7(F)(7) of this Part, the licensed cultivator must also close the licensed cultivator premises until the video surveillance system has been restored to full operation, or, if approved by DBR, provide alternative premises monitoring.

5. Emergency Plan

The licensed cultivator shall develop and maintain an emergency plan with procedures to be followed to prevent and, if not prevented, to adequately address and mitigate consequences of theft or burglary or attempts thereof, fire, natural disasters, and other emergencies, including cybersecurity and data breach procedures to prevent a compromise of the integrity of the Medical Marijuana Program Tracking System. The plan shall include training for employees on crime prevention and personal safety techniques.

6. Security-Related Record-Keeping

The licensed cultivator shall maintain the following documentation on-site and with digital back-up for a period of at least twenty-four (24) months after the event:

- a. Inventory records including, at a minimum, the date the inventory was conducted, a summary of the inventory findings and the name, signature and title of the individual who conducted the inventory.
- b. All records of maintenance, inspections, and tests of the security alarm and video surveillance systems and of servicing, modifications, or upgrades performed on said systems. These records shall include, at a minimum, the date of the action, a summary of the action(s) performed and the purpose therefor, and the name, signature and title of the individual who performed the action(s).
- c. Visitor logs which shall include the name of each visitor, the date and time of the beginning and end of the visit, the reason for the visit (i.e. maintenance, authorized pickup, etc.), the name of the escorting licensed cultivator registry identification cardholder.
- d. Emergency notification reports as required by § 1.7(F)(7) of this Part.

7. Emergency Notifications and Reports

- a. Licensed cultivators shall provide notification of emergency events to DBR and municipal and/or state law enforcement as outlined below.
- b. Immediately upon discovery of the event, the licensed cultivator shall provide telephone notification to the appropriate municipal and/or state law enforcement authorities regarding any of the following “emergency events:”
  - (1) Theft or burglary or an attempt thereof.
  - (2) Any fire.
  - (3) A natural disaster that results in the destruction of or damage to medical marijuana or marijuana products.
  - (4) A failure of the security alarm system or video surveillance system, due to loss of electrical support, mechanical

function, or otherwise, that is expected to exceed an eight (8) hour period.

- (5) A security alarm activation.
  - (6) Any other event which requires response by law enforcement or public safety personnel.
- c. The licensed cultivator shall provide e-mail notification to DBR immediately upon discovery of any data breach or cybersecurity threat to the Medical Marijuana Program Tracking System, and within twenty-four (24) hours of discovery of any other emergency event as defined above. A follow-up telephone notification to DBR shall be provided no later than the next business day.
  - d. The licensed cultivator shall submit a follow-up written report to DBR within five (5) business days for each emergency event. The written report shall include, at a minimum, a description of the event(s), identification of known or suspected cause(s) for the event(s), any corrective action(s) taken to prevent a recurrence, and the name, title, and signature of the individual preparing the report.
  - e. Any notification and report of an emergency event required to be made to DBR pursuant to these DBR Regulations shall be made using the mailing address, telephone number, and/or e-mail address provided by DBR to approved licensees.
  - f. Upon written direction to the licensed cultivator, DBR may require that the written and telephone notifications and reporting must be replaced or supplemented by notifications and reporting through the Medical Marijuana Program Tracking System or any other electronic system or means DBR mandates the licensed cultivator to utilize.

## G. Record-Keeping and Reporting

### 1. Authority

R.I. Gen. Laws § 21-28.6-16(b)(3) authorizes DBR to promulgate regulations regarding the minimum record-keeping requirements for licensed cultivators.

## 2. Operations Manual

Each licensed cultivator shall develop, implement, and maintain on the premises an operations manual which addresses, at a minimum, the following subject areas and requirements:

- a. Procedures for the organization, administration, command, and control of the licensed cultivator (including but not limited to organizational chart, chain of command protocols, etc).
- b. Procedures to ensure accurate record-keeping, including protocols to ensure that all acquisitions and authorized sales of marijuana are logged into the Medical Marijuana Program Tracking System on a real time basis and procedures on proper training and use of the Medical Marijuana Program Tracking System and any other tracking system used by the licensed cultivator.
- c. Records retention policies.
- d. Ethics and compliance policies.
- e. Alcohol and drug free work place policy.
- f. If applicable, medical marijuana manufacturing protocols, safety measures, and training information.
- g. Odor control and mitigation plan.

## 3. Personnel Records

Each licensed cultivator shall maintain a personnel record for each employee or agent for a period of at least six (6) months after termination of the individual's affiliation with the license cultivator. Said personnel record shall contain the following minimum documentation and information:

- a. An application for employment or offers to provide services as an agent.
- b. An employment or engagement description detailing duties, responsibilities, authority, qualifications and supervision.
- c. If applicable, a copy of any employment or engagement.
- d. A record of any disciplinary action taken.
- e. Documentation of all required training, which shall include a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters.

4. Additional Records to be Maintained

In addition to all other specific record-keeping requirements of the Act, the DBR Regulations, and the DOH Regulations, the licensed cultivator shall maintain the following records for a minimum of five (5) years:

- a. All contracts and purchase orders with compassion centers, including documentation of any cancelled contracts or purchased orders and any contracts and purchase orders voided by replacement contracts.
- b. Invoices and any supporting documentation of all marijuana purchases, acquisitions, sales, transfers, and payments.
- c. Contracts pertaining to the security alarm and security camera systems.
- d. Contracts with vendors, including any approved third party testing providers.
- e. All records normally retained for tax purposes.

5. Storage of Records

Records pertaining to transactions occurring within the last six (6) months shall be stored on the registered premises. Records dating further back may be stored off the premises with DBR's approval.

6. Responsibility for Loss of Records and Data

The licensed cultivator shall exercise due diligence and reasonable care in preserving and maintaining all required records to guard against loss of records and data, including cybersecurity of electronically-maintained records.

H. Product Packaging and Labeling Requirements

1. Authority and Applicability

- a. These product packaging and labeling requirements for licensed cultivators are promulgated pursuant to R.I. Gen. Laws § 21-28.6-16(g). These requirements were developed jointly with DOH.
- b. Licensed cultivators shall have ninety (90) calendar days from the effective date of these regulations to comply with these requirements.
- c. Any container or packaging containing usable marijuana or marijuana product, including both retail-retail ready packaging and product otherwise packaged for the purpose of storage and/or authorized transport, must:
  - (1) Protect the product from contamination.
  - (2) Not impart any toxic or deleterious substance to the usable marijuana or marijuana product.
  - (3) Contain the Inventory tracking ID number assigned by the Medical Marijuana Program Tracking System or, if prior to the Medical Marijuana Program Tracking System's implementation, an inventory tracking ID number generated from an alternative inventory tracking system approved by DBR.
  - (4) Be labeled with the quantity of the product.

- d. The remainder of these product packaging and labeling requirements only apply to retail-ready product packaging and labeling. Such requirements only apply to a licensed cultivator if the licensed cultivator is engaged in retail-ready product packaging and/or labeling services as part of the services provided for sale of a retail-ready product to a compassion center pursuant to a written contract/purchase order.
  - e. Compliance with these product packaging and labeling requirements shall include the requirement that the licensed cultivator confirms before retail-ready packaging/labeling that the product complies with the DOH Testing Regulation, once adopted.
2. Packaging and labeling shall not:
- a. Make any false or misleading statements including particularly any statements regarding health or physical benefits to the consumer and the composition and profiles that are advertised/indicated in the label.
  - b. Resemble the trademarked, characteristic or product-specialized packaging of any commercially available snack, baked good, or beverage.
  - c. Contain any statement, artwork, or design that could reasonably mislead any reasonably prudent person to believe that the package contains anything other than medical marijuana or marijuana product.
  - d. Contain any seal, flag, crest, coat of arms, or other insignia that could reasonably mislead any reasonably prudent person to believe that the product has been endorsed or manufactured by the State of Rhode Island or any agency thereof or municipality within.
3. Packaging for retail-ready medical marijuana and marijuana products shall be opaque, light-resistant, and tamper-evident.
4. Packaging and labeling shall not be designed such that it would be attractive to children. This requires the packing and labeling be in black

and white only, have no animal characters, and does not contain the word “candy.”

5. Retail-ready medical marijuana and marijuana products must be packaged in manner that is “child-resistant,” which for purposes of these Regulations shall mean that the packaging is designed and constructed to be significantly difficult for children under five years of age to open. Approved methods include but are not limited to:
  - a. Solid or liquid marijuana products may be packaged in plastic four mil or greater in thickness and be heat sealed with no easy-open tab, dimple, corner, or flap.
  - b. Liquid marijuana products may also be packaged in a bottle and sealed using a metal crown cork style bottle cap or other similar sealing method pre-approved by DBR.
6. For solid edible marijuana products with more than one serving size in the outer package, each serving must be packaged individually and placed in a child-resistant outer package.
7. For liquid edible marijuana products with more than one serving in the package, a measuring cap or dropper must be included in the package with the product.
8. All retail-ready medical marijuana and marijuana products must include a label affixed to the package containing the following information, prominently displayed and in a clear and legible English language font:
  - a. The business or trade name of the selling compassion center.
  - b. Inventory tracking ID number assigned by the Medical Marijuana Program Tracking System or, if prior to the Medical Marijuana Program Tracking System’s implementation, an inventory tracking ID number generated from an alternative inventory tracking system approved by DBR.
  - c. Date of final packaging, and, if applicable, the recommended expiration or “use by” date.

- d. Total weight in ounces and grams or volume as appropriate. Weight and volume must be determined using accurately calibrated equipment which equipment must also comply with any other applicable state laws.
  - e. Total estimated amount of THC and total estimated amount of CBD.
  - f. For edible marijuana products, a list of all ingredients used.
  - g. A statement that discloses all pesticides applied to the marijuana plants and growing medium during production and processing.
  - h. If solvents were used, statement that discloses the type of extraction method, including any solvents, gases, or other chemicals or compounds used to produce or that are added to the extract.
  - i. Any applicable instructions for use and safe storage.
9. All retail-ready medical marijuana and marijuana products must include a label affixed to the package containing the following warnings, prominently displayed and in a clear and legible English language font. For products other than edibles and topical applications, these warnings may be on an insert provided with the packaging.
- a. “Warning: Marijuana has intoxicating effects and may be habit forming and addictive. The intoxicating effects of marijuana may be delayed by up to two hours.”
  - b. “Warning: Do not operate a vehicle or machinery under its influence.”
  - c. “Warning: There may be health risks associated with consumption of marijuana.”
  - d. “Warning: For use only by adults twenty-one and older. Keep out of reach of children.”
  - e. “Warning: Marijuana should not be used by women that are pregnant or breast feeding.”

- f. “Warning: Do not take this product across state lines.”
  - g. “Warning: For medical use by a registered patient only. Not for resale.”
  - h. “Warning: This product is not certified to be free of contaminants.”
  - i. For product to be smoked, “Warning: Smoking is hazardous to your health.”
  - j. If applicable, a warning regarding use or contact with any nuts or other known allergens as defined in the federal Food Allergen Labeling and Consumer Protection Act of 2004, as administered by the federal Food and Drug Administration.
10. Notwithstanding any of the product labeling requirements set forth in § 1.7(H) of this Part, application may be made to DBR for approval to affix a two inch (2”) by two inch (2”) logo or graphic, which may be colored, for the purpose of identifying the compassion center selling and/or the cultivator producing the product.

I. Other Licensed Cultivator Operation Requirements

1. Authority

R.I. Gen. Laws § 21-28.6-16(b)(2) authorizes DBR to promulgate regulations regarding the minimum oversight requirements for licensed cultivators. The requirements set forth in this section are promulgated in accordance with that statutory duty of general regulatory supervision over the licensed cultivators.

2. Use on Premises Prohibited

Use of marijuana or marijuana products on the premises of the licensed cultivator is strictly prohibited.

3. Transportation of Medical Marijuana to and from Licensed Cultivators

- a. “Authorized transports” of marijuana and marijuana products to and from licensed cultivators are limited to transports authorized in § 1.7 of this Part.

- b. “Registered/licensed facility” shall refer to either a licensed cultivator or registered compassion center that is party to an “authorized transport,” as the context requires.
- c. “Authorized transport vehicle” means a vehicle meeting the following criteria:
  - (1) The vehicle bears no markings that indicate that the vehicle is being used to transport marijuana nor indicates the name of the registered/licensed facility.
  - (2) The vehicle is equipped with a global positioning system monitoring device that is monitored by the originating registered/licensed facility during an authorized transport.
  - (3) The vehicle has a locked storage compartment within which the marijuana and marijuana product being transported is secured.
- d. “Detailed transport manifest” refers to a manifest which DBR may be required to be generated through and/or maintained in the Medical Marijuana Program Tracking System and that shall include the following minimum information:
  - (1) Departure date and approximate time of departure.
  - (2) Names, location addresses, and registration/license numbers of the originating and receiving registered/licensed facilities.
  - (3) Product name or descriptions and quantities (by weight or unit) of each product to be delivered to each specific destination location(s).
  - (4) Arrival date and approximate time of arrival.
  - (5) Delivery vehicle make and model and license plate number.
  - (6) Names, registry identification card numbers, and signatures of the delivery persons.

- e. The originating registered/licensed facility shall ensure that all delivery times and routes are randomized.
- f. Authorized transports may only be made by cardholders affiliated with the particular registered/licensed facility that is the source or recipient party to an authorized transaction. Authorized transports must be in compliance with one of the following minimum requirements: (i) an authorized transport may use a single authorized transport vehicle so long as it is operated/occupied by a minimum of two authorized transport cardholders and is subject to the requirement that at least one such cardholder shall remain in the authorized transport vehicle at all times; or (ii) an authorized transport may use two or more authorized transport vehicles that are operated/occupied by authorized transport cardholders provided the authorized transport vehicles are traveling together at all times during the authorized transport.
- g. During all authorized transports, the delivery persons must have on their persons their licensed cultivator or compassion center registry identification cards and the detailed transport manifest.
- h. Any authorized transport vehicle carrying marijuana and marijuana products shall travel directly from the originating registered/licensed facility to the receiving registered/licensed facility. In case of an emergency stop, a detailed written account must be maintained describing the reason for the event, the duration, the location, any activities occurring during the stop, and any personnel exiting the vehicle during the stop.
- i. Authorized transports shall be conducted in such a manner as to ensure that marijuana and marijuana products are secured and safe at all times during transport, which includes, but is not limited to, the requirements that marijuana is not visible from outside the authorized transport vehicle at that any ingestible marijuana products that are perishable are adequately refrigerated, if necessary.
- j. Prior to leaving the originating registered/licensed facility for an authorized transport to another registered/licensed facility, the

originating registered/licensed facility must weigh, inventory, and account for on video all marijuana and marijuana product to be transported.

- k. For authorized transports to and from a compassion center, the transport manifest shall be accompanied by a copy of any contract/purchase order for which the transport is being made and documentation of the actual payment date, if prepaid.
- l. The detailed transport manifest shall be prepared by the originating registered/licensed facility and transmitted in advance to the receiving facility. Both facilities shall retain copies of detailed transport manifests as part of their record retention responsibilities.
- m. Within eight (8) hours of after arrival at the destination registered/licensed facility, the receiving party shall re-weigh, re-inventory, and account on video for all marijuana and marijuana product transported.
- n. Both the originating and recipient registered/licensed facilities shall timely adjust their records to reflect in its records the completed authorized transport of marijuana, including logging such information in the Medical Marijuana Program Tracking System. All records and entries in the Medical Marijuana Program Tracking System shall be easily reconciled, by product name and quantity, with the applicable detailed transport manifest. Any unusual discrepancies in the quantity described in the detailed transport manifest and the quantities received shall be reported to DBR and municipal and/or state law enforcement within (24) hours.
- o. Any vehicle accidents, diversions, or losses during authorized transports of marijuana shall be reported to DBR and law enforcement as an “emergency event” pursuant to § 1.7(F)(7) of this Part.
- p. Transportation to or from a third party testing provider shall be in accordance with the DOH Testing Regulations, once adopted.

#### 4. Manufacturing and Extraction

- a. Pursuant to R.I. Gen. Laws § 21-28.6-16(h), licensed cultivators are not permitted to manufacture marijuana using a solvent extraction process that includes the use of a compressed, flammable gas as a solvent.
- b. Any other manufacturing method using a solvent extraction process must be approved by DBR. If the manufacturing method uses a flammable/combustible material or heat source, the method must also be approved by the State Fire Marshall and/or local fire department.
- c. Only registered cultivator employees and agents may manufacture marijuana products on the premises.
- d. The licensed cultivator must maintain written standard operating procedures for each manufacturing process, including step-by-step instructions.
- e. The licensed cultivator must ensure that for each manufacturing process, all safety and sanitary equipment appropriate for that manufacturing process, including any personal protective equipment, is provided to any authorized cultivator cardholder who will be involved in that manufacturing process.
- f. All medical marijuana product manufacturing areas must be adequately lit during manufacturing, cleaning, or other use.
- g. All work surfaces on which medical marijuana products are manufactured and the walls and floors in the areas in which such products are manufactured shall be non-porous, non-absorbent, and easily cleanable.
- h. No eating or smoking shall be permitted in the manufacturing area.
- i. The licensed cultivator must provide a training manual and instructional training on each manufacturing process to any authorized cultivator cardholder who will be involved in that manufacturing process.

5. Required Employee and Agent Training

Each employee and agent of the licensed cultivator shall receive, at the time of his or her initial appointment and every year thereafter, at a minimum, training in the following:

- a. The proper use of security measures and controls that have been adopted and instruction on the licensed cultivator's emergency plan.
- b. The use of the Medical Marijuana Program Tracking System and any other tracking systems used by the licensed cultivator for persons responsible for using the system.

6. Minimum Sanitation and Workplace Safety Conditions

- a. The licensed cultivator facility shall be maintained in a safe, sanitary, and clean manner, with all operations in the cultivation, receiving, inspecting, transporting, segregating, preparing, manufacturing, packaging, and storing of medical marijuana and marijuana products conducted in accordance with adequate sanitation principles, as further detailed below.
- b. The facility must meet the following minimum specifications:
  - (1) Adequate supply of potable hot and cold water.
  - (2) Non-porous, non-absorbent and easily cleanable floors, walls, and ceilings in areas where marijuana is cultivated, manufactured, and stored.
  - (3) Lavatory facilities that are readily-accessible to employees and that comply with the Rhode Island State Plumbing Code Regulation.
  - (4) Adequate hand-washing area(s): hand washing sinks with effective hand-cleaning and sanitizing preparations (such as soap dispensers) and disposable towels or an air dryer for hands.
  - (5) Adequate screening or other protection against the entry of pests and environmental contaminants.

- c. All mechanical and electrical equipment shall be maintained in a safe operating condition.
- d. Waste disposal equipment shall be adequate and removal schedules timely so as to minimize the risk of contamination to medical marijuana and marijuana products, including the risk of the waste becoming an attractant, harborage, or breeding place for pests.
- e. All waste (including all liquid, chemical, hazardous, pesticide, manufacturing solvent and chemical waste) must be stored, secured, and managed in accordance with all applicable federal, state, and local statutes, regulations, ordinances, or other legal requirements. Specific instructions for safe destruction of any marijuana required to be destroyed and proper disposal of medical marijuana waste are provided in § 1.7(l)(9) of this Part.
- f. Floors, walls, and ceilings shall be kept clean and in good repair, free from dust, debris, mold, mildew, and other contaminants and potentially hazardous materials.
- g. Lavatory facilities and hand washing areas shall be kept clean and sanitary and in working condition at all times.
- h. Toxic cleaning compounds, sanitizing agents, and other chemicals shall be identified, held, stored and disposed of in a manner that protects against contamination of medical marijuana and marijuana products and in a manner that is in accordance with any applicable local, state, or federal law, rule, regulation, or ordinance.
- i. The licensed cultivator shall comply with all relevant statutes, regulations, and requirements administered by the Federal Occupational Safety and Health Administration (OSHA), including but not necessarily limited to standards for toxic and flammable compounds and air contaminants.
- j. All persons working in direct contact with medical marijuana and marijuana products shall conform to hygienic practices while on duty, including but not limited to maintaining adequate personal cleanliness and washing hands thoroughly in an adequate hand-

washing area before starting work and at any other time when the hands may have become soiled or contaminated.

- k. Any person whose medical condition, as determined by medical examination or as observed by a supervisor, poses or reasonably appears to pose a risk of contamination of medical marijuana and/or medical marijuana products shall be excluded from medical marijuana operations until the condition is cleared. Medical conditions posing a risk of contamination include but are not necessarily limited to open lesions, including boils, sores, or infected wounds, or any other abnormal source of microbial infection.
- l. The licensed cultivator shall not permit the entry of any animal into the premises. Service animals (as defined in the Americans with Disabilities Act) are exempted from this prohibition.
- m. In addition to the safety and sanitary equipment including personal protective equipment that the licensed cultivator is required to furnish its employees involved in marijuana manufacturing and extraction pursuant to § 1.7(l)(4)(e) of this Part, the licensed cultivator must also furnish its employees with proper safety equipment for other types of work assigned as part of the licensed cultivator operations.

7. Odor Control and Mitigation

- a. Cultivation area(s) shall have ventilation and filtration systems installed that prevent medical marijuana plant odors from exiting the interior of the structure to an extent that would significantly alter the environmental odor outside, while addressing the potential for mold.
- b. The ventilation and filtration system, along with any plumbing improvements, shall be installed in compliance with all applicable codes and ordinances, including obtaining any necessary permits, and inspected by the municipality.
- c. Measures to assure compliance with this section shall be documented in an odor control and mitigation plan acceptable to DBR.

## 8. Pesticide Use and Records

- a. The cultivation process shall use best practices to limit contamination of medical marijuana and marijuana products, including but not limited to mold, mildew, fungus, bacterial diseases, rot, pests, pesticides, and any other contaminant identified as posing potential harm.
- b. The use of pesticides on marijuana plants in Rhode Island by licensed cultivator will not be considered a violation of these regulations provided that the product must satisfy all of the following criteria:
  - (1) The product must be a “minimum risk pesticide” under 40 C.F.R. § 152.25(f), as the same may be amended from time to time.
  - (2) The product must be labelled for use on “all plants,” “other plants,” bedding plants, unspecified plants, or unspecified crops.
  - (3) The label must not prohibit indoor or greenhouse use, as applicable.
  - (4) All active ingredients must be eligible for food use as determined by the federal Environmental Protection Agency (EPA). See EPA’s Active Ingredients Eligible for Minimum Risk Pesticide Products (last updated December 2015), as the same may be updated and/or amended from time to time. <https://www.epa.gov/sites/production/files/2015-12/documents/minrisk-active-ingredients-tolerances-2015-12-15.pdf>.
  - (5) All inert/other ingredients must be eligible for food use. See EPA’s Inert Ingredients Eligible for FIFRA 25(b) Pesticide Products (last updated December 2015), as the same may be updated and/or amended from time to time. [https://www.epa.gov/sites/production/files/2016-07/documents/section25b\\_inerts.pdf](https://www.epa.gov/sites/production/files/2016-07/documents/section25b_inerts.pdf).



chemical waste containing any traces of marijuana) must be stored, secured, and managed in accordance with all applicable federal, state, and local statutes, regulations, ordinances, or other legal requirements.

- b. Prior to disposal, marijuana and marijuana product waste must be made unusable and any marijuana plant material made indistinguishable from other plant material. This may be accomplished by grinding and incorporating the marijuana plant waste with other non-consumable solid waste or other ground materials so the resulting mixture is at least fifty percent non-marijuana waste by volume. Other methods to render marijuana waste unusable must be approved by DBR before implementing. Marijuana waste rendered unusable following an approved method may be delivered to a licensed solid waste disposal facility in Rhode Island for final disposition or disposed of in an alternative manner approved by DBR.
- c. Destruction of marijuana and marijuana materials other than waste generated in the regular course of processing and/or manufacturing (such as destruction of whole plants, wet, or usable marijuana that are found to be in excess of statutory possession limits or destruction of a contaminated batch of medical marijuana product) shall be in a manner acceptable to DBR, which may include consultation with law enforcement.
- d. Destruction of marijuana and marijuana materials upon revocation or abandonment of the license shall be specifically governed by DBR order or agreement and/or coordinated efforts with law enforcement.
- e. Licensed cultivators must maintain accurate and comprehensive records regarding waste material that accounts for, reconciles, and evidences all waste activity related to the disposal of marijuana and marijuana products (including any waste material produced through the trimming or pruning of a marijuana plant prior to harvest). DBR may mandate storage of any such records or summaries of such records to be through the Medical Marijuana Program Tracking System or any other electronic system DBR designates.

## J. Inspections and Audits; Enforcement Actions

1. Pursuant to R.I. Gen. Laws § 21-28.6-16(j), licensed cultivators are subject to reasonable inspection by DBR. Accordingly, DBR and its authorized representatives have authority to enter a licensed cultivator premises at reasonable times and to inspect in a reasonable manner, the premises and all equipment, materials, containers, and other things therein, including without limitation all records, files, financials, sales, transport, pricing, and employee data, research, papers, processes, controls and to inventory any stock of marijuana, labels, containers, paraphernalia and other materials and products.
2. DBR may review and audit the books and records of a licensed cultivator to ascertain compliance with the Act, the DBR Regulations, and/or the DOH Regulations. The licensed cultivator must make such books and records immediately available for reviewing and copying by DBR. DBR may retain an independent auditor to act as its agent for purposes of this section, the cost of which shall be borne by the licensed cultivator.
3. Nothing herein shall be interpreted to limit the real time access of DBR and DOH to information stored in the Medical Marijuana Program Tracking System consistent with the Act.
4. Pursuant to R.I. Gen. Laws § 21-28.6-16(e), if a licensed cultivator violates R.I. Gen. Laws § 21-28.6-16 (entitled "Licensed Cultivator") or any portion of the DBR Regulations or DOH Regulations which regulate licensed cultivators and licensed cultivator cardholders, DBR may suspend/revoke a cultivator license and/or impose an administrative penalty, as determined by DBR. Pursuant to R.I. Gen. Laws § 21-28.6-16(l)(5), if a licensed cultivator violates any other provision of the Act, the DBR Regulations, or the DOH Regulations, the cultivator license may be suspended/revoked.
5. If an officer, director or manager/member, employee, or agent affiliated with a licensed cultivator violates the Act, the DBR Regulations, and/or the DOH Regulations when acting in their capacity as an officer, director or manager/member, employee, or agent of the licensed cultivator, the licensed cultivator may be subject to suspension/revocation and/or administrative penalties for failure to exercise adequate supervision.

## 1.8 Cooperative Cultivation Provisions

### A. Authority and Effective Date

1. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(10), DBR is charged with promulgating regulations governing the licensing and operation of cooperative cultivations, and may promulgate regulations that set a fee for a cooperative cultivation license.
2. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(1), cooperative cultivations (defined below) must apply to obtain a license from DBR effective January 1, 2017. For cooperative cultivations in existence prior to January 1, 2017 that have submitted a completed cooperative license application no later than January 1, 2017, the cooperative cultivation may continue its operations until its license application is acted upon by DBR.

### B. Cooperative Cultivation Definitions

1. “Cooperative cultivation” shall mean two (2) or more qualifying patient or primary caregiver cardholders that elect to cooperatively cultivate marijuana in the same dwelling unit or commercial unit within the limits and subject to the requirements of a cooperative cultivation license under the Act and these regulations. This excludes the situations of two (2) or more qualifying patient or primary caregiver cardholder(s) who are primary residents of the same dwelling unit where the medical marijuana plants are grown and who do not elect to grow together within the limits and subject to the requirements of a cooperative cultivation license under the Act and these regulations; provided nothing herein should be deemed to absolve persons in such a situation from complying with the requirements that all medical marijuana plants must be properly tagged and not exceed the plant limits of R.I. Gen. Laws § 21-28.6-4(q)(if election to grow as a licensed cooperative cultivation is not made, no more than twenty-four (24) plants may be grown at a single dwelling unit or commercial unit). See also R.I. Gen. Laws § 21-28.6-14(entitled “Cooperative Cultivations”); R.I. Gen. Laws § 21-28.6-3(10)(defining “dwelling unit”); R.I. Gen. Laws § 21-28.6-3(3)(defining “commercial unit”).
2. “Licensed cooperative cultivation” shall mean a cooperative cultivation that is required to obtain a license from DBR pursuant to R.I. Gen. Laws § 21-

28.6-14 and shall include both “licensed residential cooperative cultivations” and “licensed non-residential cooperative cultivations.”

3. “Licensed residential cooperative cultivation” shall mean a licensed cooperative cultivation in a location zoned for residential use and that complies with the provisions of § 1.8(F)(3) of this Part.
4. “Licensed non-residential cooperative cultivation” shall mean a licensed cooperative cultivation that complies with the provisions of § 1.8(F)(4) of this Part.

C. Licensed Cooperative Cultivation “Member” Requirements and Restrictions

1. “Member” of a licensed cooperative cultivation means any qualifying patient or primary caregiver with a registry identification card in good standing with DOH who has elected to grow cooperatively with the other members at the cooperative cultivation premises.
2. No other person other than a “member” may participate in the management or operation of the cooperative cultivation or exert any direct or indirect authority over the management or operations of the cooperative cultivation.
3. If the cooperative cultivation organizes as a legal entity, then any directors/officers and managers/members must be “members” of the cooperative cultivation as defined above.
4. All “members” of a licensed cooperative cultivation must be listed on the application.
5. No “member” of a licensed cooperative cultivation may grow medical marijuana at any location other than the licensed cooperative cultivation premises. R.I. Gen. Laws § 21-28.6-4(q).

D. Cooperative Cultivation Application and License Fees

1. There shall be a non-refundable application fee of fifty dollars (\$50) for initial cooperative cultivation license applications.
2. The annual license fee for residential cooperative cultivations shall be two hundred and fifty dollars (\$250).

3. The annual license fee for non-residential cooperative cultivations shall be five hundred dollars (\$500).
4. These annual license fees shall be in addition to the individual qualifying patient and primary caregiver registration fees and medical marijuana plant tag fees.

E. General Application Requirements for Cooperative Cultivation Licenses

1. Each initial application for a cooperative cultivation license shall be on such forms and through such submission mechanisms as designated by DBR and shall include:
  - a. The signature of the individual identified as being primarily responsible for the license (“primary applicant”) and one designee.
  - b. A list of the legal name of each qualified patient cardholder and/or primary caregiver cardholder that is or will be a member of the cooperative cultivation and for each such person, their DOH registry identification card number, date of birth, a mailing address and phone and/or e-mail address at which they can be best reached.
  - c. If the cooperative cultivation chooses to be organized as a legal entity for legal purposes without the intent of generating profit, the cooperative cultivation must also provide the following information regarding any such legal entity:
    - (1) Legal and any d/b/a name(s), certificate of incorporation or organization in Rhode Island or certificate of authority to transact business in Rhode Island, articles of incorporation or organization, and bylaws or operating agreement.
    - (2) The legal name, DOH registry identification card number, date of birth, of any and all directors/officers or managers/members of the cooperative cultivation, including a mailing address and phone and/or e-mail address at which they can be best reached.

- d. Tax Affidavit in accordance with R.I. Gen. Laws § 5-76-1 et seq. filled out by the “primary applicant” or legal entity who will hold the license, if approved.
      - e. Evidence of compliance with location-specific initial application requirements and security plan requirement as detailed in § 1.8(F)(6) and 1.8(G) of this Part, respectively.
    2. Only initial applications which DBR has determined to be complete (i.e., adequately address all application requirements above) shall be eligible for review. A primary applicant who submits an incomplete initial application shall receive written notification from DBR regarding the specific deficiencies and shall be allowed to resubmit additional material to address these deficiencies within a reasonable timeframe.
    3. When a primary applicant for a licensed cooperative cultivation is notified that the application has been approved by DBR, he or she shall complete the below steps before a license authorizing operation of cooperative cultivation will be issued:
      - a. Pay the annual license fee set forth in § 1.8(D) of this Part above.
      - b. Provide any updates to previously submitted application information.
      - c. Provide evidence of compliance with final location-specific application requirements as detailed in § 1.8(F)(7) of this Part.
      - d. For non-residential licensed cooperative cultivations, provide a copy of the security plan as required by § 1.8(G) of this Part.
      - e. Provide evidence of completion of divestiture plan pursuant to § 1.8(H) of this Part.
- F. Cooperative Cultivation Location Restrictions and Location-Specific Application Requirements
  1. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(3), a single structural building may only have one cooperative cultivation operating in it. This precludes a structural building with multiple units from having more than one unit with a cooperative cultivation operating in it, unless a single cooperative

cultivation has been approved by DBR to occupy two or more connected units provided any such approved occupation of multiple units does not increase the applicable medical marijuana possession limits.

2. Cooperative cultivation licenses will only be issued for “secure indoor facilities.” The secure indoor facility shall satisfy the following parameters:
  - a. Enclosed area with four walls and a roof.
  - b. Equipped with locks and any other appropriate security devices that limit access to the members of the cooperative cultivation. Locks and devices must be sufficient to discourage theft, unauthorized entrance, and access by persons under eighteen (18).
  - c. Marijuana is not visible from the street or other public areas. See R.I. Gen. Laws § 21-28.6-14(a)(4).
3. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(7)(ii), a licensed residential cooperative cultivation must have displayed prominently on the premises an affidavit by a licensed electrician that the cultivation has been inspected and is in compliance with any applicable state or municipal housing and zoning codes for the municipality where the licensed residential cooperative cultivation is located.
4. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(7)(i), a licensed non-residential cooperative cultivation must have displayed prominently on the premises documentation from the municipality where the single location is located that the location and the cultivation has been inspected by the municipal building and/or zoning official and the municipal fire department and is in compliance with any applicable state or municipal housing and zoning codes.
5. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(8), licensed cooperative cultivations must report the location of the licensed cooperative cultivation to RISP. Cooperative cultivation licensees and applicants may designate DBR to report the location to RISP on their behalf through the application process. If the cooperative cultivation licensee or applicant will self-report, DBR will verify with RISP that they did in fact correctly report the cooperative cultivation location. This reporting shall be made before a cooperative cultivation license is issued.

6. Location-Specific Initial Application Requirements. In order to enable DBR to ascertain compliance with the above location restrictions, the initial application for the cooperative cultivation license must contain the following information regarding the proposed physical location for the cooperative cultivation licensed premises:
  - a. A sufficient description of the location (by plat and lot number, mailing address, etc.).
  - b. A description of objective parameters (such as approximate distances from streets and public areas) and/or proposed measures (such as black-out window shades) that ensure that marijuana at the premises shall not be visible from the street or other public areas.
  - c. Evidence of either ownership of property by the primary applicant person or legal entity applicant (as applicable) or any qualified patient or primary caregiver cardholder that has been listed as associated with the cooperative cultivation applying for the license, or agreement by owner of property to allow the operation of a licensed cooperative cultivation on the property.
  
7. Location-Specific Final Application Requirements: If an applicant for a licensed cooperative cultivation is notified that the application has been approved by DBR, it shall complete the below steps before a license authorizing operation of cooperative cultivation will be issued:
  - a. For residential cooperative cultivation license applicants, submit an affidavit by a licensed electrician that the location and cultivation (if the cultivation predates the licensing requirement) has been inspected and is in compliance with any applicable state or municipal housing and zoning codes for the municipality where the licensed residential cooperative cultivation is located.
  - b. For non-residential cooperative cultivation license applicants, submit:
    - (1) Documentation from the municipal building and/or zoning official and the municipal fire department indicating that the location and the cultivation (if the cultivation predates the

licensing requirement) has been inspected by and is in compliance with any applicable state or municipal housing and zoning codes.

(2) A draft diagram of the premises, including where within the facility the medical marijuana will be grown, stored, and processed, and showing the location of the facility relative to streets and other public areas.

- c. For all cooperative cultivations, residential or non-residential, provide any updates to previously submitted application information regarding the location.
- d. For all cooperative cultivations, residential or non-residential, contact DBR to coordinate the pre-license DBR inspection. Nothing in this paragraph should be construed as limiting inspections at an earlier time in addition to the final pre-license inspection.

G. Security Plan Requirement – For Non-Residential Cooperative Cultivation License Applicants Only

- 1. Non-residential cooperative cultivation license applicants must submit and approved licensees must maintain a security plan that meets the below general criteria.
- 2. Security and safety measures (such as locks and lighting) shall be sufficiently designed to deter and prevent theft of marijuana.
- 3. The security plan must include an emergency plan component with procedures to be followed to prevent and, if not prevented, to adequately address and mitigate consequences of theft or burglary or attempts thereof, fire, natural disasters, and other emergencies.
- 4. Use or carry of firearms on the premises and/or perimeter of the non-residential cooperative cultivation is a prohibited form of security, except by security guards licensed by the Office of the Rhode Island Attorney General pursuant to R.I. Gen. Laws § 5-5.1-13 and who are under written contract to provide security services to the non-residential cooperative cultivation and by law enforcement personnel during duty.

## H. Divestiture of Prohibited Material Financial Interest and Control

1. A licensed cooperative cultivation and “key persons” thereof may not have any “material financial interest or control” in another licensed cooperative cultivation, a compassion center, or a licensed cultivator or vice versa. See R.I. Gen. Laws § 21-28.6-12(c)(1)(iii)(limiting a compassion center to one additional location to cultivate its marijuana); R.I. Gen. Laws § 21-28.6-12(b)(1)(ii)(DBR minimum oversight over compassion centers); R.I. Gen. Laws § 21-28.6-16(i)(cultivator to be licensed at one location only); R.I. Gen. Laws § 21-28.6-16(b)(2)(DBR minimum oversight over cultivators); R.I. Gen. Laws § 21-28.6-3(4)(i) and R.I. Gen. Laws § 21-28.6-3(12)(separately defining “compassion center” and “licensed cultivator,” respectively); R.I. Gen. Laws § 21-28.6-14(a)(10)(DBR authority to regulate operations of licensed cooperative cultivations); R.I. Gen. Laws § 21-28.6-4(q)(qualifying patient and primary caregiver cardholders may only grow at one location).
2. “Material financial interest or control” shall mean: i) any ownership interest, regardless of the size of the holding, and including any ownership interest through a subsidiary or affiliate; ii) trusteeship, mortgage, guarantor, endorser or surety relationship, or loan relationship, except that loan relationship for the purposes of this definition shall exclude accounts payable and accounts receivable on account of a medical marijuana purchase order; iii) any other beneficial financial interest such that the holder bears the risk of loss (other than as an insurer) or has an opportunity to gain profit from the operation or sale of the regulated medical marijuana business; iv) operational control including but not limited to interlocking directors or officers or through a management agreement.
3. “Key persons” shall mean officers, directors, LLC managers/members and any persons with managing or operational control.
4. Therefore, if a licensed cooperative cultivation application is approved and any prohibited material financial interest or control has been identified by DBR or is otherwise known to the applicant, such interest or control must be divested prior to issuance of the cooperative cultivation license. The plan of divestiture shall be filed with DBR.

5. The duty to divest prohibited material financial interests and control is a continuing obligation of licensure.
- I. Prior Notice of Material Changes; Continuing Duty to Update Application; Change in Location
1. A licensed cooperative cultivation shall provide DBR with written notice of any change described below at least ten (10) business days prior to the proposed effective date of the change:
    - a. Any disassociation of a member from the licensed cooperative cultivation.
    - b. Any new member of the licensed cooperative cultivation.
  2. A licensed cooperative cultivation shall provide DBR with written notice of any change described below at least sixty (60) calendar days prior to the proposed effective date of the change:
    - a. If organized as a legal entity, any change in such legal entity's organization (e.g. change in legal form from corporation to limited liability company, change in the board of directors for corporation, change in managers/members for limited liability companies, etc.)
    - b. Any request for change in the licensed and inspected location.
  3. For updates in information other than the categories requiring the above delineated prior notice, the licensed cooperative cultivation has a continuing obligation to update, amend and/or correct any information requested and/or submitted in the application process within ten (10) business days of any change in the information submitted and/or any material change in circumstances related to the application.
  4. Requests for change in the licensed and inspected location for the cooperative cultivation require following the location-specific application requirements set forth in § 1.8(F) of this Part and no move may take place unless the request is approved by DBR after satisfaction of those application requirements. If a move is approved, the DBR will provide specific instructions for movement of medical marijuana, which may involve consultation with law enforcement.

J. Licensed Residential Cooperative Cultivation Possession Limits

1. Marijuana plants possessed by a licensed residential cooperative cultivation are limited to the number of plants that are properly tagged in compliance with all provisions of § 1.9 of this Part and as specifically capped in accordance with § 1.9(D)(5) of this Part.
2. Possession of usable marijuana by a licensed residential cooperative cultivation is limited to the lesser of: (a) ten (10) ounces of dried usable marijuana as capped by R.I. Gen. Laws § 21-28.6-14(6)(ii); and (b) the aggregate total maximum amount of dried usable marijuana that all members of the cooperative cultivation are permitted to possess pursuant to R.I. Gen. Laws § 21-28.6-4(a), (e), and (o). Possession under this paragraph may include any combination of dried usable, edible, or concentrate marijuana that when calculated for total aggregate equivalency amount to dried usable marijuana does not exceed the maximum limit of this paragraph. Possession limits for marijuana possessed in mixed forms shall be calculated as a total equivalent to the maximum limit of dried usable marijuana in pounds in accordance with the equivalency conversion factors delineated in Appendix A of the DOH Regulations. This paragraph was developed jointly with DOH.
3. Pursuant to R.I. Gen. Laws § 21-28.6-14(6)(ii), possession of wet marijuana by a licensed residential cooperative cultivation is limited to the lesser of: (a) fifty (50) ounces of wet marijuana (which, based on the conversion factors adopted in Appendix A of the DOH Regulations, is the equivalent of ten (10) ounces of dried usable marijuana as capped by R.I. Gen. Laws § 21-28.6-14(6)(ii)); and (b) the aggregate total maximum amount of wet marijuana that all members of the cooperative cultivation are permitted to possess. This paragraph was developed jointly with DOH.

K. Licensed Non-Residential Cooperative Cultivation Possession Limits

1. Marijuana plants possessed by a licensed non-residential cooperative cultivation are limited to the number of plants that are properly tagged in compliance with all provisions of § 1.9 of this Part and as specifically capped in accordance with § 1.9(D)(6) of this Part.

2. Possession of usable marijuana by a licensed non-residential cooperative cultivation is limited to the lesser of: (a) ten (10) ounces of dried usable marijuana as capped by R.I. Gen. Laws § 21-28.6-14(6)(i); and (b) the aggregate total maximum amount of dried usable marijuana or its edible or concentrate equivalent that all members of the cooperative cultivation are permitted to possess pursuant to R.I. Gen. Laws § 21-28.6-4(a), (e), and (o). Possession under this paragraph may include any combination of dried usable, edible, or concentrate marijuana that when calculated for total aggregate equivalency amount to dried usable marijuana does not exceed the maximum limit of this paragraph. Possession limits for marijuana possessed in mixed forms shall be calculated as a total equivalent to the maximum limit of dried usable marijuana in pounds in accordance with the equivalency conversion factors delineated in Appendix A of the DOH Regulations. This paragraph was developed jointly with DOH.
3. Pursuant to R.I. Gen. Laws § 21-28.6-14(6)(i), possession of wet marijuana by a licensed non-residential cooperative cultivation shall be limited to the lesser of: (a) fifty (50) ounces of wet marijuana (which, based on the conversion factors adopted in Appendix A of the DOH Regulations, is the equivalent of ten (10) ounces of dried usable marijuana as capped by R.I. Gen. Laws § 21-28.6-14(6)(i)); and (b) the aggregate total maximum amount of wet marijuana that all member of the cooperative cultivation are permitted to possess. This paragraph was developed jointly with DOH.

L. Odor Control and Mitigation

Licensed cooperative cultivations shall take any and all reasonable efforts to prevent marijuana plant odors from exiting the interior of the approved structure to an extent that would significantly alter the environmental odor outside. For example, such reasonable efforts may include ventilation and filtration systems.

M. Manufacturing

1. Pursuant to R.I. Gen. Laws § 21-28.6-4(s), patient and primary caregiver cardholders are prohibited from the manufacture of marijuana using a solvent extraction process that includes the use of a compressed,

flammable gas as a solvent. This prohibition extends to licensed cooperative cultivations.

2. Any other manufacturing method using a solvent extraction process must be approved by DBR. If the manufacturing method uses a flammable/combustible material or heat source, the method must also be approved by the State Fire Marshall and/or local fire department. The licensed cooperative cultivation must provide any information and documentation as required to consider any such requests for approval.

N. Safe Disposal of Medical Marijuana Waste and Safe Destruction of Usable Medical Marijuana

1. Marijuana and marijuana product waste (including all liquid, chemical, hazardous, pesticide, manufacturing solvent and chemical waste containing any traces of marijuana) must be stored, secured, and managed in accordance with all applicable federal, state, and local statutes, regulations, ordinances, or other legal requirements.
2. Prior to disposal, marijuana and marijuana product waste must be made unusable and any marijuana plant material made indistinguishable from other plant material. This may be accomplished by grinding and incorporating the marijuana plant waste with other non-consumable solid waste or other ground materials so the resulting mixture is at least fifty percent non-marijuana waste by volume. Other methods to render marijuana waste unusable must be approved by DBR before implementing. Marijuana waste rendered unusable following an approved method may be delivered to a licensed solid waste disposal facility in Rhode Island for final disposition or disposed of in an alternative manner approved by DBR.
3. Destruction of marijuana and marijuana materials other than waste generated in the regular course of processing and/or manufacturing (such as destruction of whole plants, wet, or usable marijuana that are found to be in excess of statutory possession limits or destruction of a contaminated batch of medical marijuana product) shall be in a manner acceptable to DBR, which may include consultation with law enforcement.

4. Destruction of marijuana and marijuana materials upon revocation or abandonment of the license shall be specifically governed by DBR order or agreement and/or coordinated efforts with law enforcement.
5. In addition to the above requirements, non-residential cooperative cultivations must also maintain accurate and comprehensive records regarding waste material that accounts for, reconciles, and evidences all waste activity related to the disposal of marijuana and marijuana products (including any waste material produced through the trimming or pruning of a marijuana plant prior to harvest).

O. Prohibited and Permitted Sales and Transfers

1. Pursuant to R.I. Gen. Laws § 21-28.6-4(c) and (i), a qualifying patient cardholder or primary caregiver is prohibited from selling, giving, or distributing marijuana to a compassion center after December 31, 2016. This prohibition extends to sales and transfers by licensed cooperative cultivations.
2. Clone Cutting Procurement
  - a. § 1.7(C)(4)(b) of this Part permits a licensed cultivator to acquire from a “non-affiliated licensed cooperative cultivation” not more than twelve (12) marijuana plant cuttings in a single monthly transaction to use as clones for plant development (“clone cuttings”). Such clone cuttings may be no longer than eight (8) inches in length, and may not contain observable buds or flower.
  - b. For purposes of the provisions of these regulations regarding clone cutting procurement, a “non-affiliated licensed cooperative cultivation” shall refer to a licensed cooperative cultivation that does not have any members who are also officers, directors, managers/members, employees, or agents of the licensed cultivator which the licensed cooperative cultivation would be supplying with clone cuttings.
  - c. Each licensed cooperative cultivation that elects to supply clone cuttings as permitted by these regulations is limited to supplying no more than two (2) licensed cultivators per month and must keep records of all clone cutting procurements as required by DBR.

3. Except for clone cutting procurements as permitted above, transfer of medical marijuana and medical marijuana products for consideration by the licensed cooperative cultivation or any of its members is strictly limited to transfer amongst members of that cooperative cultivation and to transfer by caregiver members to their associated patients.

P. Documentation Required to be Posted on the Premises

1. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(7)(iii), the cooperative cultivation license issued by DBR must be displayed prominently on the premises. The license displayed shall be the document printed for the most recent renewal period.
2. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(5), each member of the licensed cooperative cultivation shall sign a written acknowledgement of the limitations of the right to use and possess marijuana for medical purposes in Rhode Island. Said acknowledgment shall be on such forms as directed by DBR. This documentation must be displayed prominently in the cooperative cultivation premises.
3. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(7)(i), a licensed non-residential cooperative cultivation must have the municipal inspection/compliance documentation (as further described in § 1.8(F)(4) of this Part) displayed prominently on the premises.
4. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(7)(ii), a licensed residential cooperative cultivation must have the licensed electrician inspection/compliance affidavit (as further described in § 1.8(F)(3) of this Part) displayed prominently on the premises.
5. As used in this section, the requirement of documentation being “displayed prominently” shall be deemed satisfied by posting the documentation on a wall with clear visibility and access within or immediately outside the premises.

Q. Compliance Standards

1. Licensed cooperative cultivations must be organized and operated in a manner to ensure compliance with all relevant state and local laws and

regulations and to safeguard against diversion of marijuana to illicit markets.

2. The person identified as the primary applicant and the designee of the licensed cooperative cultivation shall each be responsible for the verification that each member of the cooperative cultivation is the holder of a valid and active qualified patient or primary caregiver registry identification card. This includes keeping on the premises copies of the qualified patient or primary caregiver cardholder cards printed for the most recent renewal period.

R. Inspections and Enforcement

1. Pursuant to R.I. Gen. Laws § 21-28.6-14(a)(6)(v), cooperative cultivations are subject to reasonable inspection by DBR for the purposes of enforcing applicable provisions of the Act, the DBR Regulations, and the DOH Regulations. Because the Act and the DBR Regulations require inspections for compliance with applicable state and local zoning, housing, and fire codes, DBR may be accompanied by state or local officials authorized to determine compliance with said codes as part of its inspection pursuant to this section.
2. Pursuant to R.I. Gen. Laws § 21-28.6-14(b), any violation of any applicable provision of the Act, the DBR Regulations, or the DOH Regulations may result in the revocation or suspension of the cooperative cultivation license. Administrative fines may also be assessed in accordance with R.I. Gen. Laws § 21-28.6-15 (entitled “Medical Marijuana Plant Tags”) and § 1.9(N) of this Part herein.
3. Nothing in this section shall alter or impair the ability of law enforcement to confiscate excess, untagged, and/or invalidly tagged marijuana plants and revoked and/or otherwise invalid plant tags in accordance with applicable criminal law and procedures.

S. Medical Marijuana Plant Tag Procedures Upon Termination of Cooperative Cultivation License

1. Subject to paragraph 2 below, upon termination of a cooperative cultivation license, whether by voluntary dissolution and surrender of license or by revocation of the license by DBR, the cooperative cultivation

shall destroy all medical marijuana and plants and return each and every medical marijuana plant tag associated with the cooperative cultivation within ten (10) business days of license termination.

2. If an individual registered patient or primary caregiver cardholder has medical marijuana, plants and associated tags tied to a cooperative cultivation grow location and the cooperative cultivation license for that location is surrendered or revoked, the individual can only retain the medical marijuana, plants and associated tags that are associated with their individual registration (up to the individual maximum number of plants) if the individual's registration as a patient or caregiver is still in good standing with DOH. A qualifying individual shall follow the following steps prior to transportation of any marijuana plants.
  - a. The individual must apply to DBR for transfer of the marijuana plant tags to a new location, on such forms and through such mechanisms as DBR designates.
  - b. Then, DBR will verify with DOH the continued validity of the registry identification card(s) for which the tags were issued as well as confirm the registration of the new grow location.
  - c. Once the change of location application is processed, the transport shall be conducted in the time period prescribed and be accompanied by a DBR receipt.

## **1.9 Medical Marijuana Plant Tag Program**

### **A. Scope of Section**

1. This section applies to patient cardholders who have chosen to grow medical marijuana for themselves as an alternative to use of a caregiver or compassion center and to all caregiver cardholders.
2. Eligibility for medical marijuana plant tags: only persons for whom DOH has approved an application as a qualified patient or primary caregiver and issued a registry photo identification card to the applicant; or, for qualified patients and primary caregivers who are renewing their medical marijuana registration, for whom DOH has approved the renewal

application of the qualified patient or primary caregiver and issued a registry photo identification card to the applicant.

3. Patient and caregiver cardholders who have elected to cooperatively cultivate are further subject to all requirements of § 1.8 of this Part regulating licensed cooperative cultivations.
4. Medical marijuana tagging and tracking requirements for licensed cultivators are set forth in § 1.7(D) of this Part.

B. Administration of Plant Tag Program

DBR and DOH have jointly determined that DBR will primarily administer all aspects of the medical marijuana plant tag program in order to fulfill the state obligation to monitor and verify compliance with the statutory requirements that cardholders electing to grow do not exceed plant limits, properly tag all permitted plants, and do not grow at more than one location. This Section shall be deemed to be promulgated jointly with DOH. See R.I. Gen. Laws § 21-28.6-15 and § 21-28.6-4; DOH Regulations 216-RICR-20-10-3.6.3(B)(1).

C. Plant Tag Program Timeline and Basic Guidelines

1. Pursuant to § 21-28.6-15(a) of the Act, effective April 1, 2017, every marijuana plant possessed by a qualified patient or primary caregiver cardholder must be accompanied by a physical medical marijuana plant tag purchased through DBR and issued by DOH. Plant tags being issued by DOH shall mean the following:
  - a. DOH has approved the application of the qualified patient or primary caregiver and issued a registry photo identification card to the applicant; or for qualified patients and primary caregivers who are renewing their medical marijuana registration, DOH has approved the renewal application of the qualified patient or primary caregiver and issued a registry photo identification card to the applicant.
  - b. DBR verifies with DOH the status of the card and any information submitted on the DBR plant tag purchasing form in accordance with § 21-28.6-15(a)(2) of the Act. For plant tags issued to qualified patient cardholders after January 1, 2019, DBR will verify both the

status of the card and the election to grow with DOH in accordance with § 21-28.6-15(a)(3).

- c. The plant tag set fee is paid to DBR and the plant tag is distributed by DBR to the qualified patient or primary caregiver cardholder.
2. Pursuant to R.I. Gen. Laws § 21-28.6-15(a)(1), medical marijuana plant tags will be sold in “tag sets” of one plant tag for a mature plant and one plant tag for a seedling.
3. No later than April 1, 2017, all qualified patient cardholders who choose to grow for themselves must obtain at least one (1) medical marijuana plant tag set and enough plant tag sets to properly tag every marijuana plant in their lawful possession (up to the maximum number of tags that may be issued pursuant to § 1.9(D)(2) of this Part below).
4. No later than April 1, 2017, all primary caregiver cardholders must obtain at least one (1) medical marijuana plant tag set for each qualified patient cardholder to whom the primary caregiver cardholder is connected through DOH’s registration process and enough plant tag sets to properly tag every marijuana plant in their lawful possession (up to the maximum number of tags that may be issued pursuant to § 1.9(D)(3) and (D)(4) of this Part below).
5. Qualified patient cardholders who register with DOH after April 1, 2017 and who choose to grow for themselves must obtain at least one (1) medical marijuana plant tag set within ten (10) business days of receiving their registry identification card from DOH. Such patients are further responsible for obtaining any additional medical marijuana plant tag sets necessary and may not legally possess medical marijuana plants until such time as the plant tags are obtained.
6. Primary caregiver cardholders who register with DOH after April 1, 2017, must obtain at least one (1) medical marijuana plant tag set for each qualified patient cardholder to whom the primary caregiver cardholder is connected through DOH’s registration process within ten (10) business days of receiving their registry identification card from DOH. Such caregivers are further responsible for obtaining any additional medical

marijuana plant tag sets necessary and may not legally possess medical marijuana plants until such time as the plant tags are obtained.

7. Any primary caregiver cardholder who becomes connected with any additional qualified patient cardholder(s) through DOH's registration process after April 1, 2017, must obtain at least one (1) medical marijuana plant tag set for each additional qualified patient cardholder within ten (10) business days of said connection. Such caregivers are further responsible for obtaining any additional medical marijuana plant tag sets necessary and may not legally possess any additional medical marijuana plant(s) until such time as the plant tags are obtained.
8. Every member of a licensed cooperative cultivation must be in compliance with the above minimum tag requirements as a condition of the cooperative cultivation license.

#### D. Maximum Number of Plant Tag Sets

1. The maximum number of medical marijuana plant tag sets that can be purchased from DBR corresponds to the maximum number of mature plants that may be possessed by the purchaser under the Act.
2. A qualified patient cardholder may purchase no more than twelve (12) medical marijuana plant tag sets (comprised of twelve (12) mature plant tags and twelve (12) seeding tags for a total of twenty-four (24) medical marijuana plant tags), which corresponds to the possession limits of twelve (12) mature plants and twelve (12) seedlings set by R.I. Gen. Laws § 21-28.6-4(a) and § 21-28.6-4(f), respectively.
3. A primary caregiver cardholder connected with one (1) qualified patient cardholder through DOH's registration process may purchase no more than twelve (12) medical marijuana plant tag sets (comprised of twelve (12) mature plant tags and twelve (12) seedling tags for a total of twenty-four (24) medical marijuana plant tags), which corresponds to the possession limits of twelve (12) mature plants per qualified patient cardholder and twelve (12) seedlings derived from R.I. Gen. Laws § 21-28.6-4(e) and § 21-28.6-4(f), respectively.
4. A primary caregiver cardholder connected with at least two (2) and up to five (5) qualified patient cardholders through DOH's registration process

may purchase no more than twenty-four (24) medical marijuana plant tag sets (comprised of twenty-four (24) mature plant tags and twenty-four (24) seedling tags for a total of forty-eight (48) medical marijuana plant tags), which corresponds to the possession limits of twenty-four (24) mature plants and twenty-four (24) seedlings set by R.I. Gen. Laws § 21-28.6-4(e) and § 21-28.6-4(f), respectively.

5. A residential cooperative cultivation formed by two (2) or more qualified patient and/or primary caregiver cardholders may purchase no more than twenty-four (24) medical marijuana plant tag sets (comprised of twenty-four (24) mature plant tags and twenty-four (24) seedling tags for a total of forty-eight (48) medical marijuana plant tags), which corresponds to the possession limits of twenty-four (24) mature plants and twenty-four (24) seedlings set by R.I. Gen. Laws § 21-28.6-14(a)(6)(ii).
6. A non-residential cooperative cultivation may purchase plant tag sets of no more than the lesser of: (a) forty-eight (48) medical marijuana plant tag sets (comprised of forty-eight (48) mature plant tags and forty-eight (48) seedling tags for a total of ninety-six (96) medical marijuana plant tags), which corresponds to the maximum possession limits for a non-residential cooperative cultivation of forty-eight (48) mature plants and forty-eight (48) seedlings set by R.I. Gen. Laws § 21-28.6-14(a)(6)(i); and (b) the number of medical marijuana plant tag sets which would correspond to the total maximum amount of mature plants that each individual qualified patient cardholder and each individual primary caregiver cardholder growing at the cooperative cultivation is permitted to grow under the mature plant and seedling possession limits delineated above.

#### E. Plant Tag Fees

1. R.I. Gen. Laws § 21-28.6-15(a)(1) mandates that DBR charge an annual fee for each medical marijuana plant tag set which shall include one plant tag for a mature medical marijuana plant and one plant tag for a seedling. Pursuant to the mandate, DBR hereby establishes the below annual fee schedule.
2. Qualifying patient cardholder – Twenty-five dollars (\$25) per plant tag set.

3. Reduced-registration patient – The fee shall be waived for patients for which DOH has determined qualification for reduced-registration due to income or disability status, as may be periodically determined by DOH.
4. Primary caregiver cardholder – Twenty-five dollars (\$25) per plant tag set.
5. Caregiver registered with DOH to grow for reduced-registration patient(s) - The fee shall be adjusted for caregivers registered with DOH to grow for one (1) to five (5) qualifying patient cardholder(s) for which DOH has determined qualification for reduced- registration due to income or disability status. Specifically:
  - a. If a primary caregiver is registered with DOH to grow for reduced-registration patients only, the plant tag fees shall be waived entirely.
  - b. If a primary caregiver is registered with DOH to grow for one (1) or more reduced-registration patients and one (1) or more full-registration patients, the primary caregiver shall be required to purchase at least one (1) plant tag set per full-registration patient at the rate of twenty-five dollars (\$25) per plant tag set. In this case, the remainder of the plant tag sets up to the numerical limits delineated herein may be obtained with a fee waiver; provided, however, that no more than twelve (12) fee-waived plant tag sets may be obtained per reduced-registration patient.
  - c. If a primary caregiver has used the plant tag fee reductions cited above and then at any point prior to the next plant tag renewal date that primary caregiver is in the position of having no associations with any reduced-registration patients, the primary caregiver shall take one of the following actions within ten (10) business days:
    - (1) Register with DOH to grow for one (1) or more other reduced-registration patients;
    - (2) Register with DOH to grow for one (1) or more full-registration patients and pay the balance of what would have been paid had the plant tag sets been obtained or renewed with no reduced-registration patients; or

- (3) If not registered with DOH to grow for any other existing or new patients within ten (10) business days, destroy the marijuana plants and then also return the plant tags within an additional ten (10) business day period.

F. Applications and Processes for Obtaining and Renewing Plant Tags

1. Applications to obtain medical marijuana plant tags pursuant to this Section and to renew said plant tags shall be on such forms and through such submission mechanisms as directed by DBR.
2. Required application information shall include, but is not necessarily limited to, the registry identification number of the applicant, and, if the applicant is a caregiver, the registry identification number(s) of the patient(s) the caregiver applicant is authorized to grow for, a sufficiently specific identification of the single grow location selected by the applicant, and current contact information.
3. Before issuing medical marijuana plant tags, DBR will verify with DOH the validity of the applicant's registry identification card and, if the applicant is a caregiver, the validity of the registry identification card(s) of the patient(s) the caregiver applicant is authorized to grow for as well as confirm the registration of the grow location in accordance with R.I. Gen. Laws § 21-28.6-15(a)(2) and R.I. Gen. Laws § 21-28.6-15(a)(3).
4. DBR will provide further guidance on the mechanism for paying the plant tag set fees for initial applications and annual renewal.
5. DBR will provide further guidance on the mechanism for receiving plant tags from DBR, including information about pick up schedule and authorization.

G. Conditions for Obtaining and Maintaining Plant Tags

1. The rules in this subsection are deemed to be continuing conditions for obtaining and maintaining medical marijuana plant tags.
2. A medical marijuana plant tag holder may not grow marijuana at more than one location. R.I. Gen. Laws § 21-28.6-4(q).

3. Medical marijuana plant tags will only be issued under the express and continuing condition that they will only be used for plants that are stored in a “secure indoor structure.” The secure indoor structure shall satisfy the following parameters:
  - a. Enclosed area with four walls and a roof.
  - b. Equipped with locks and any other appropriate security devices that limit access to the individual authorized to grow the marijuana. Locks must be sufficient to discourage theft and unauthorized entrance.
  - c. Marijuana is not visible from the street or other public areas.
  - d. Reasonable efforts must be taken to prevent marijuana plant odors from exiting the building to an extent that would significantly alter the environmental odor outside.
  - e. For licensed cooperative cultivations, consult § 1.8(F) of this Part, for any additional location restrictions and/or security requirements.
4. Medical marijuana plant tags may only be used by the individual and/or licensed cooperative cultivation to whom and at the location for which they were issued. They may not be transferred or assigned.
5. Medical marijuana plant tags shall not be altered or duplicated.
6. As a continuing condition of holding plant tags, plant tag holders may not pursue any marijuana transaction that is in violation of the Act, including pursuing such a transaction by online advertising.

#### H. Plant Tag Data

1. Medical marijuana plant tags shall be printed with, electronically embedded with, or otherwise contain the following plant tag data:
  - a. Unique numerical or alpha-numerical identifiers:
    - (1) For a qualified patient cardholder who is growing individually, the identifier shall correspond to his or her DOH patient registry identification card number.

- (2) For a primary caregiver cardholder who is growing individually, the identifier shall correspond to his or her DOH caregiver registry identification card number and the number(s) of the qualified patient cardholder(s) he or she is registered with DOH to grow for.
- (3) For cooperative cultivations, the medical marijuana plant tag shall contain identifiers that correspond to both the DBR license number for the cooperative cultivation as well as the DOH registry identification card numbers for the qualified patient cardholders and/or primary caregiver cardholders and their associated patients forming the cooperative cultivation.

- b. Expiration date of the plant tag.
- c. Registered or licensed grow location.
- d. Designation as to whether the medical marijuana plant tag is for a mature plant or seedling.
- e. Any other information DBR deems appropriate that is not subject to the patient privacy provisions of the Act.

2. DBR and DOH will have access to the above medical marijuana plant tag data, through the Medical Marijuana Program Tracking System, or, if the System is not available, through other data sharing mechanisms.

#### I. Placement of Plant Tags

Plant tags shall be placed in a manner so as to clearly display their association with a particular plant, such as affixed to the plant itself, on the growing receptacle, or in the growing medium.

#### J. Duty to Update Application Information; Approved Transports of Tagged Medical Marijuana Plants

1. The medical marijuana plant tag holder has a continuing obligation to update all application information in a timely manner. Contact information (legal name, physical and mailing address, phone number, e-mail

address, etc.) must be updated no later than three (3) business days after the change.

2. Change of information regarding the grow location must be provided to DBR at least ten (10) business days before the change.
3. Medical marijuana plant tags do not authorize transport of marijuana plants outside the borders of the state of Rhode Island under any circumstances.
4. Medical marijuana plant tags are non-transferrable to another location within the state of Rhode Island unless the steps outlined in this section are followed.
5. If an individual qualified patient cardholder or primary caregiver cardholder who is not growing as part of a cooperative cultivation needs to change his or her registered grow location, the individual shall follow the following steps prior to transportation of any marijuana plants:
  - a. The individual must apply to DBR for transfer of the marijuana plant tags, on such forms and through such mechanisms as DBR designates.
  - b. Then, DBR will verify with DOH the continued validity of the registry identification card(s) for which the tags were issued as well as confirm the registration of the new grow location.
  - c. Once the change of location application is processed, the transport shall be conducted within the time period prescribed and accompanied by a DBR receipt.
6. The medical marijuana plant tag procedures surrounding any change in grow location for a cooperative cultivation and transportation of the plants of an individual patient or caregiver upon dissolution or disassociation with the cooperative cultivation is addressed in § 1.9(R) of this Part.

K. Lost and Stolen Tags and DBR-Mandated Tag Replacement

1. Any stolen or lost medical marijuana plant tags must be reported to DBR and law enforcement within one (1) business day that the tag holder becomes aware of the theft or loss of the tags.

2. The circumstances surrounding the loss or theft must be disclosed to DBR.
3. If DBR determines that the loss or theft of the tags is the result of improper tag use in violation of these regulations or the Act, then DBR may refuse to issue replacement tags.
4. For any periodic recall of tags by DBR (circumstances such as wearing out, new technology, etc.), no replacement cost will be assessed to the tag holder.

L. DBR Processes for Monitoring and Verifying Compliance with Tagging Requirements and Marijuana Plant Possession Limits

1. If DBR has reasonable grounds to believe that a medical marijuana plant tag holder, a primary caregiver who has not obtained or renewed tags, or a qualified patient cardholder who has made an election to grow who has not obtained or renewed tags, may be in violation of the tagging requirements and/or plant possession limits set forth in the Act and/or these regulations, the below steps may be taken to verify compliance or prompt the person to come into compliance.
2. **First Written Notice:** A written notice may be sent to the person explaining the tagging requirements and plant possession limits set forth in the Act and these regulations and why the DBR has reason to believe the person may be out of compliance and outlining the information the person may provide and/or the action(s) the person may take to verify or come into compliance. The recipient will have ten (10) business days from the date of mailing to reply to this notice.
3. **Second Written Notice:** If the recipient fails to respond to the first written notice with information that verifies compliance or fails to take the necessary actions to come into compliance, a second written notice may be sent and the recipient will have an additional ten (10) business days from the date of mailing to reply.
4. **Alternative Contact Attempt:** If the recipient fails to respond to the second written notice with information that verifies compliance or fails to take the necessary actions to come into compliance, the DBR may attempt to contact the person utilizing other contact methods through information

provided on any tag purchasing form submitted to DBR (e.g. telephone) or other contact information reasonably obtained by DBR (e.g. public telephone listings).

5. Reasonable Inspection: If an alternative contact attempt has been unsuccessful or, if after ten (10) business days following an alternative contact, the person has not yet provided information that verifies compliance or taken the necessary actions to come into compliance, then the person may be subject to reasonable inspection by DBR to ensure compliance with the tagging requirements and plant possession limits set forth in the Act and these regulations. DBR shall make an effort to schedule inspections in advance.

#### M. Revocation of Medical Marijuana Plant Tags

1. R.I. Gen. Laws § 21-28.6-15(b)(1) authorizes DBR to revoke medical marijuana plant tags for violation of any provision of the Act, the DBR Regulations, or the DOH Regulations.
2. Grounds for revocation of medical marijuana plant tags shall include, but are not limited to, failure to maintain or timely renew the required underlying qualifying patient, primary caregiver, or cooperative cultivation registration or license, as applicable, which is a legal prerequisite to obtaining the medical marijuana plant tag and being able to grow medical marijuana under the Act; having excess and/or untagged plants; misrepresentation in applying for plant tags; permitting unauthorized use of tags by another party; growing in more than one location; and transferring plants from the registered grow location without complying with the rules for said transport.
3. If DOH revokes the registration of a primary caregiver due to disqualifying criminal information as delineated in the Act or for any other reason, that primary caregiver's medical marijuana plant tags shall be automatically and immediately revoked by DBR.
4. If DOH revokes the registration of a patient for any reason, any medical marijuana plant tags issued to that patient and/or issued to any caregiver registered with DOH to grow for that patient shall be automatically and immediately revoked by DBR.

5. Before medical marijuana plant tags are revoked pursuant to this section, the tag holder will be given ten (10) business days advance notice to destroy the marijuana plants that were previously associated with the plant tags and to then return said plant tags within the 10 day timeframe.
6. The fact that a patient or primary caregiver is a member of a cooperative cultivation shall not in any way preclude revocation of their medical marijuana plant tags as provided in this subsection.

N. Administrative Penalties

1. Pursuant to R.I. Gen. Laws § 21-28.6-15(b)(3), as to any patient cardholder, primary caregiver cardholder, or licensed cooperative cultivation who is found to have mature marijuana plants that are within the relevant possession limits of the Act but which do not have valid medical marijuana tags, DBR may impose an administrative penalty up to the total fee that would be paid by a cardholder or licensee who purchased medical marijuana plant tags for such plants in compliance with the Act.
2. Pursuant to R.I. Gen. Laws § 21-28.6-15(b)(4), as to any patient cardholder, primary caregiver cardholder, or licensed cooperative cultivation who is found to have mature marijuana plants that exceed the relevant possession limits of the Act, DBR may impose an administrative penalty of no less than the total fee that would be paid by a cardholder or licensee who purchased medical marijuana plant tags for such plants in compliance with the Act, which fee is twenty five dollars (\$25) assessed per plant. DBR hereby sets the maximum administrative penalty at five thousand dollars (\$5,000) assessed per plant. Within the \$25 - \$5000 fine which may be assessed per plant under this paragraph, DBR adopts the following schedule:

<b>Number of plants exceeding the relevant possession limits of the Act</b>	<b>Fine assessed per plant</b>
1 – 3 plants over limit	\$25 assessed per plant
4 – 8 plants over limit	\$100 assessed per plant

9 – 12 plants over limit	\$250 assessed per plant
13 – 15 plants over limit	\$1000 assessed per plant
16 – 24 plants over limit	\$2500 assessed per plant
25 or more plants over limit	\$5000 assessed per plant

O. Criminal Penalties and Law Enforcement

1. R.I. Gen. Laws § 21-28.6-15(b)(4) provides that any administrative penalties for possession of marijuana plants in excess of the numerical limits of the Act may be in addition to the criminal penalties provided for by § 21-33 28.6-9, subsection (c) of which provides for arrest and prosecution under Chapter 28 of Title 21 (the “Rhode Island Controlled Substances Act”).
2. Nothing in this section shall alter or impair the ability of law enforcement to confiscate excess, untagged, and/or invalidly tagged marijuana plants and revoked and/or otherwise invalid plant tags in accordance with applicable criminal law and procedures.
3. DBR may notify law enforcement if it reasonably believes a tag holder is engaged in a material violation of the Act or these regulations.
4. Law enforcement may be granted access to the Medical Marijuana Program Tracking System to verify the validity of plant tags and tag data, or, if the System is not available, through other data sharing mechanisms, in accordance with applicable law.

P. Return of Plant Tags

1. When return of tags is required by these regulations, the medical marijuana plants associated with those tags shall be destroyed prior to the required return date.
2. A patient shall return his or her medical marijuana plant tags to DBR within ten business (10) business days of any of the following occurrences: a) election to no longer grow medical marijuana for himself or herself, b)

voluntary surrender of the registry identification card, or c) revocation of the registry identification card.

3. A primary caregiver shall return all medical marijuana plant tags associated with a particular patient within ten (10) business days of any of the following occurrences concerning that patient: a) death, b) termination of the relationship with the primary caregiver, c) voluntary surrender of the registry identification card, or d) revocation of the registry identification card. If during such ten (10) business day period, the primary caregiver re-associates with another qualified patient cardholder through DOH and re-associates the tags to the other existing or new patient by registry identification number through DBR, the plant tags need not be returned.
4. A primary caregiver shall return each and every medical marijuana plant tag within ten (10) business days of his or her voluntary surrender of or DOH's revocation of his or her registry identification card.
5. The fact that a patient or primary caregiver is a member of a cooperative cultivation shall not in any way relieve his or her individual medical marijuana plant tag return obligations under this subsection.
6. DBR will provide a person returning medical marijuana plant tags with a receipt documenting the return.
7. For additional provisions regarding return of tags associated with licensed cooperative cultivations, consult § 1.8(S) of this Part.

### **1.10 Severability**

If any provision of the DBR Regulations, or the application thereof to any person or circumstance, is held to be invalid, such invalidity shall not affect other provisions or application of the DBR Regulations which can be given effect without the invalid provision or application, and to this end the provisions are declared to be severable.

**230-RICR-80-05-1**

**TITLE 230 - DEPARTMENT OF BUSINESS REGULATION  
(INCLUDES THE OFFICE OF THE HEALTH INSURANCE  
COMMISSIONER)**

**CHAPTER 80 - MARIJUANA**

**SUBCHAPTER 05 - MEDICAL MARIJUANA**

PART 1 - Rules and Regulations Related to the Medical Marijuana Program  
Administered by the Department of Business Regulation (230-RICR-80-05-1)

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Editorial Note: This Part was filed with the Department of State prior to the launch of the Rhode Island Code of Regulations. As a result, this digital copy is presented solely as a reference tool. To obtain a certified copy of this Part, contact the Administrative Records Office at (401) 222-2473.