

560-RICR-10-20-1

TITLE 560 – CANNABIS CONTROL COMMISSION

CHAPTER 10 – CANNABIS

SUBCHAPTER 20 – INDUSTRIAL HEMP

PART 1 – RHODE ISLAND INDUSTRIAL HEMP PROGRAM

1.1 Authority

- A. This Part is promulgated by the Cannabis Control Commission, with the assistance of the Department of Environmental Management, Division of Agriculture, in accordance with R.I. Gen. Laws § 2-26-1, et seq., The Hemp Growth Act (the "Act"), and 7 U.S.C.A. § 1639o-s, The Agriculture Improvement Act of 2018 ("AIA 2018").

1.2 Purpose

- A. The purpose of this Part is to describe the licensing and regulation of industrial hemp growth, production, distribution and retail sales as an agricultural product as provided for in R.I. Gen. Laws § 2-26-4 and AIA 2018, § 297 as it pertains to the hemp growers and handlers, and the employees of each, as participants in the state's Industrial Hemp Program.

1.3 Scope

- A. This Part applies to the growth, production, distribution and retail sale of industrial hemp by industrial hemp growers, handlers, retailers and distributors and the employees of each. This Part shall apply only to applicants and licensees under this Part and not to other Parts of these regulations.

1.4 Incorporated Materials

- A. The regulations in this Part hereby adopt and incorporate 40 C.F.R. § 152.25(f) (2018) by reference, not including any further editions or amendments thereof and only to the extent that the provisions therein are not inconsistent with these regulations.
- B. The regulations in this Part hereby adopt and incorporate Environmental Protection Agency's "Active Ingredients Eligible for Minimum Risk Pesticide Products" (2015) by reference, not including any further editions or amendments thereof and only to the extent that the provisions therein are not inconsistent with the regulation in this Part.

- C. The regulations in this Part hereby adopt and incorporate Environmental Protection Agency's "Inert Ingredients Eligible for FIFRA 25(b) Pesticide Products" (November 2016) by reference, not including any further editions or amendments thereof and only to the extent that the provisions therein are not inconsistent with the regulations in this Part.
- D. The regulations in this Part hereby adopt and incorporate 7 C.F.R. § 990 (1-1-2023 edition), *Domestic Hemp Production Program*, by reference, not including any further editions or amendments thereof and only to the extent that the provisions therein are not inconsistent with the regulations in this Part.

1.5 Definitions

- A. "Acceptable Hemp THC level" or ".n% THC" as used throughout this Part means:
 - 1. Prior to Harvest: The level of THC in a given hemp sample reported by the laboratory conducting the testing in accordance with Licensing Analytical Laboratories for Sampling and Testing Cannabis 216-RICR-60-05-6.21, which applies the measurement of uncertainty, reported in conjunction with a confidence level of at least 95% in accordance with the USDA's Testing Guidelines for Identifying Delta-9 Tetrahydrocannabinol (THC) in Hemp, to the total reported delta-9 tetrahydrocannabinol content concentration and which complies with § 1.5(R) of this Part; and
 - 2. Post Harvest: The level of total THC, including THCa, all isomers and derivatives thereof in a given hemp-derived consumable product sample with results reported by an approved testing facility shall not exceed, unless otherwise permitted by the Commission: 1 mg of total THC per serving, 5 mg of total THC per package, or .3% total THC on a dry weight basis pursuant to the applicable product type.
- B. "Agent" as used in this Part means any individual who is authorized to act for or in place of the licensee.
- C. "Approved Testing Facility" or "approved testing facility as determined by the commission" pursuant to R.I. Gen. Laws § 2-26-6(a) means:
 - 1. Within the State of Rhode Island, an analytical laboratory that is licensed by RIDOH pursuant to the rules and regulations promulgated by it for Licensing Analytical Laboratories for Sampling and Testing Cannabis (216-RICR-60-05-6); and
 - 2. Outside the State of Rhode Island, an analytical laboratory that is licensed by its state of residence to test hemp and hemp-derived consumable CBD and/or has received accreditation to test hemp and hemp-derived consumable CBD in accordance with the International Standards Organization ("ISO") ISO/IEC 17025:2017.

- D. "CBD" or "Cannabidiol" as used in this Part means cannabidiol (CBD) derived from a hemp plant as defined in R.I. Gen. Laws § 2-26-3, not including products derived from exempt cannabis plant material as defined in 21 C.F.R. § 1308.35.
- E. "Certified" means:
1. With respect to hemp including hemp derivatives, is produced from plants that were tested within thirty (30) days of harvest or after processing as applicable and found to produce industrial hemp having a total THC concentration that does not exceed 0.3% on a dry weight basis or per volume basis regardless of moisture content as demonstrated through relevant documentation; and
 2. With respect to hemp-derived consumable CBD products, is compliant with the Act and the regulations of this Part as demonstrated through relevant documentation and/or as approved by the Commission.
- F. "Child-Resistant" as used in this Part means packaged in accordance with the Poison Prevention Packaging Act of 1970 (15 U.S.C.A. § 1471-75) and 16 C.F.R. Part 1700, et seq.
- G. "Commission" means the Cannabis Control Commission or its designee.
- H. "Consumable" and any of its grammatical derivatives means intended for ingestion by inhalation or oral intake by a human or animal.
- I. "Distributor" or "Licensed CBD Distributor" means a person licensed to distribute at wholesale to a Licensed hemp-derived consumable CBD retailer hemp-derived consumable CBD products as defined in R.I. Gen. Laws § 2-26-3(11).
- J. "Division" or "DEM" means the Rhode Island Department of Environmental Management Division of Agriculture.
- K. "Extraction" means a process by which cannabinoids, terpenes, or any other compound are separated from cannabis plant material through chemical or physical means.
- L. "Growing area" means the land on which a licensee cultivates, produces or plans to cultivate or produce industrial hemp.
- M. "Grower" means a person or entity who or that cultivates hemp for commercial purposes.
- N. "Handler" means a person or entity who or that processes or manufactures hemp into commodities, products, or agricultural hemp seed.

- O. "Hemp derivative" means any compound or substance collected or extracted from industrial hemp including but not limited to Cannabidiol, other cannabinoids or terpenes.
- P. "Hemp-derived consumable CBD product" means any product meant for ingestion by a human or animal, including, but not limited to, concentrates, extracts, and cannabis-infused foods and products, which are certified pursuant to § 1.5(E) of this Part and may contain cannabidiol derived from a hemp plant as defined in R.I. Gen. Laws § 2-26-3, which shall only be sold to persons age twenty-one (21) or older, which shall not include products derived from exempt cannabis plant material as defined in 21 C.F.R. § 1308.35.
- Q. "Hemp products" or "industrial hemp products" means all products made from the plants, including, but not limited to, concentrated oil, cloth, cordage, fiber, food, fuel, hemp-derived consumable CBD products, paint, paper, construction materials, plastics, seed, seed meal, seed oil, and seed certified for cultivation, which satisfy the requirements of the Act as defined in R.I. Gen. Laws § 2-26-3(10).
- R. "Industrial hemp" or "hemp" means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a total delta-9 tetrahydrocannabinol concentration distribution range of not more than three-tenths percent (.3%) on a dry weight or per volume basis regardless of moisture content, and which satisfies the requirements of the Act as defined in R.I. Gen. Laws § 2-26-3(8).
- S. "Institution of higher education" shall have the meaning set forth in 20 U.S.C. § 1001 and consistent with R.I. Gen. Laws § 2-26-9.
- T. "Key participants" means an entity's officers, directors, owners, shareholders, managers, members, agents or any other person with executive managerial control of or within the entity.
- U. "Law enforcement agency" means a federal, state or local agency responsible for maintaining public order and enforcing the law, particularly activities involving prevention, detection and investigation of crime and the apprehension of violators.
- V. "License" as used in this Part means an industrial hemp grower, industrial hemp handler, CBD distributor and/or CBD retailer license issued by the Commission pursuant to the Act and the regulations of this Part.
- W. "Licensed cardholder" as used in this Part means and includes all officers, directors, owners, shareholders, managers, members, employees, and agents who have been issued a registry identification for their association with the licensee.

- X. "Licensee" as used in this Part means an individual or entity holding a License.
- Y. "Licensing agreement" means an agreement executed by the licensee agreeing to abide by the regulations of this Part and any other terms and conditions the Commission deems necessary for enforcing the Act.
- Z. "Licensing period" as used in this Part means the time during which an industrial hemp grower, handler, CBD distributor and/or CBD retailer License is valid. Licenses are issued for two-year terms (grower/handler) and one-year terms (CBD distributor/CBD retailer).
- AA. "Lot" means a contiguous area in a field, greenhouse or indoor growing structure containing the same variety or strain of Cannabis throughout the area.
- BB. "Negligence" as used in § 1.15(A) of this Part and pursuant to the AIA 2018 and 7 C.F.R. § 990.1 means failure to exercise the level of care that a reasonably prudent person would exercise in complying with the regulations set forth under this Part and includes:
1. Failing to provide a legal description of land on which the producer produces hemp;
 2. Failing to obtain a license or other required authorization from the Commission;
 3. Growing, distributing or selling at retail Cannabis sativa L. with a total delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis; and
 4. Failing to comply with the Act or the regulations of this Part.
 5. "Negligence" as used in this Part does not include the production of plants that exceed .3% total THC concentration but are less than 1.0% total THC concentration on a dry weight basis if the licensee used reasonable efforts to cultivate plants with a .3% or lower total THC concentration on a dry weight basis.
- CC. "Non-contiguous growing area" means a growing area on which a licensee grows or plans to grow industrial hemp that is separated from other growing areas by more than a mile. Partial acreage should be rounded up to the next whole acre.
- DD. "Person" as used in this Part means a natural person, corporation, association, partnership or other legal entity.
- EE. "Program" means the state's Industrial Hemp Program established pursuant to the Act, the regulations of this Part and compliant with the AIA 2018.

- FF. “Program Tracking System” means any system(s) approved by the Commission to record and track all “seed to sale” activities and transactions in accordance with §§ 1.11(A)(1) and 1.6(E)(4) of this Part.
- GG. “Research” means the growth, cultivation and handling of industrial hemp either by an institution of higher education or otherwise under the Program for purposes of agricultural or academic research.
- HH. “Retailer” or “licensed CBD retailer” as used in this Part means a person licensed to sell hemp-derived consumable CBD products directly to consumers as defined in R.I. Gen. Laws § 2-26-3(12).
- II. “RIDOH” means the Rhode Island Department of Health.
- JJ. “Sample” means plant parts taken as representative of an individual plant or the combined total plants in the growing area, or a production batch of hemp or hemp derivatives, and/or final form hemp-derived consumable products.
- KK. “Testing Agent” as used in this Part shall mean an employee of an approved testing facility who performs independent testing of the licensee's hemp in accordance with § 1.9(D)(1) of this Part.
- LL. “THC” as used in this Part means THC as defined in R.I. Gen. Laws § 2-26-3(13) and includes delta 9-tetrahydrocannabinol, the principal psychoactive constituent of cannabis, tetrahydrocannabinol acid and the natural or synthetic equivalents of the substances contained in the plant, or in the resinous extractives of, cannabis sativa L., or any synthetic substances, compounds, salts, or derivatives of the plant or chemicals and their isomers.
- MM. “The Hemp Growth Act” or “Act” as used in this Part means R.I. Gen. Laws § 2-26-1, et seq.
- NN. “Tracking Certificate” means a registration certificate authorized or issued by the Commission or which the Commission requires be used for the compliant possession and cultivation of hemp plants in accordance with the Act and the regulations of this Part.
- OO. “Volunteer Plant” means any cannabis plant which is self-propagated and grows of its own accord from seeds or roots in the years following an intentionally planted industrial hemp crop. Volunteer plants are not intentionally planted.

1.6 Application Process – Grower and Handler

- A. Each applicant for an industrial hemp grower, handler or dual license must submit to the Commission:
1. A signed, complete, accurate and legible application in the form prescribed by the Commission;

2. A non-refundable application fee of two-hundred and fifty dollars (\$250); and
 3. Any other information as required by the Commission.
- B. Applicants applying to renew a license must submit a renewal application along with the applicable renewal licensing fee and must submit any other information as required by the Commission.
- C. Applications for initial and for renewal licenses must include, on the application, the licensing numbers of any previous licenses held and year of issuance of those licenses.
- D. The Commission will consider applications for industrial hemp grown outdoors or indoors.
- E. The industrial hemp grower, handler or dual license applicant must provide:
 1. Name, mailing address, e-mail address and telephone number of:
 - a. The applicant who will supervise, manage, or direct the growing, and/or handling of hemp or hemp products;
 - b. Any person partnering or providing consulting services regarding the growing and/or handling, of hemp or hemp products; and
 - c. The applicant's employees and, if the applicant is an entity, the applicant shall provide the title and e-mail address of the applicant's key participants.
 2. If the applicant is an entity, the applicant must also provide its full name, the address of its principal place of business, and its Internal Revenue Service Employer Identification Number.
 3. A detailed description of the land area (including street address, assessor's plat and lot number, square footage and if the land does not abut a public road, the nearest public road of access) or facility location to be used for the growth, production, distribution and/or sales of industrial hemp including, but not limited to a map or aerial photograph and Global Positioning System ("GPS") coordinates sufficient for locating production fields and showing the boundaries, dimensions and size of the growing area, total acreage of the growing area, and a description of the building including approximate dimension or square feet of the growing area if cultivation occurs indoors.
 4. A description of how the applicant will track hemp growth from seed to sale, including the policies and procedures for handling voluntary and mandatory recalls of all hemp, hemp derivatives and hemp products.

- a. Such procedures shall be adequate to deal with recalls due to any action initiated at the request or order of the Commission, and any voluntary action by a grower, handler, or dual licensee to remove defective or potentially defective hemp, hemp derivatives or hemp products from the market, as well as any action undertaken to promote public health and safety.
5. A signed statement that the applicant is the owner or lessee of the growing area, land area and any building to be used for cultivation, and/or handling, of industrial hemp and/or hemp products or a statement, signed by the owner of the growing area, land area and any building consenting to that use.
6. An attestation that:
 - a. Upon receipt of the industrial hemp seeds the licensee shall submit a copy of the certificate of analysis to the Commission showing the industrial hemp seeds for cultivation are from a certified source and is of a type or variety that do not exceed the maximum concentration of delta-9 THC as set forth in the Act, as applicable;
 - b. If a licensed grower or handler, the licensee will submit to required sampling and testing pursuant to § 1.9 of this Part; and
 - c. If a licensed handler, upon receipt of the industrial hemp plants, flower or product, the licensee shall retain and submit a copy of the certificate of analysis from an approved testing facility to the Commission, if requested, showing the plants, flower or product does not exceed the maximum concentration of THC as defined by § 1.5(LL) of this Part and set forth in the Act, as applicable.
7. A detailed description of the applicant's cultivation or production method, as applicable, specifically including a description of how the applicant will keep lots from being commingled.
8. A detailed description of the applicant's extraction method, if applicable.
9. A statement of intended end use for all industrial hemp to be grown or produced including parts or derivatives of any hemp plants or hemp that will be grown or produced by the applicant, if applicable.
10. Documentation that the applicant has or will enter into sale agreements or otherwise transact with another licensee or such other persons who are in compliance with applicable laws regarding the possession, processing and sale of industrial hemp.
11. Applicant's desired license type, whether grower, handler, or dual grower and handler.

12. Documentation demonstrating that the applicant's grower and/or handler activities will comply the city/town's applicable zoning ordinances.
 13. Any other information the Commission determines is necessary for enforcing the Act, the Program and the regulations of this Part.
- F. All grower applications will be submitted to DEM for its review before the issuance of any license. As a result of DEM review, the applicant may be asked to provide additional information as needed by the Commission or DEM. Failure to provide such additional information or otherwise respond may result in the denial of the license.
 - G. Incomplete grower, handler, dual license applications are deficient and will not be processed.
 - H. False, inaccurate or misleading information provided on an application is grounds for license denial. Licenses may be denied to applicants who have previously had an industrial hemp license revoked, suspended or denied. Any applicant that materially falsifies information contained in their application shall be deemed ineligible to participate in the Industrial Hemp Program.
 - I. In conformity with 7 C.F.R. § 990.7, the Commission will maintain and transmit the information in §§ 1.6(E)(1) and (3) of this Part to the United States Department of Agriculture through its HeMP online system within thirty (30) days of the Commission's approval of an application, or the licensee's notice to the Commission of a change to said information.

1.7 Application Process – Distributor and Retailer

- A. Each applicant for a hemp-derived consumable CBD distributor or retailer license must submit to the Commission:
 1. A signed, complete, accurate and legible application in the form prescribed by the Commission; and
 2. Any other information as required by the Commission.
- B. Applicants applying to renew a license must submit a renewal application along with any additional information as requested by the Commission.
- C. The applicant must provide:
 1. The name and address of the applicant who will supervise, manage, and direct the distribution or sale of hemp-derived consumable CBD products;
 2. The names and addresses of any person or entity partnering or providing consulting services regarding the distribution or sale of hemp-derived CBD products;

3. The location of the facility and other information as may be required by the Commission as to where the distribution and/or sale of hemp-derived consumable CBD products will occur;
 4. Documentation that the applicant and/or its agents have entered into a purchase agreement with a hemp handler, distributor or retailer;
 5. A description of how the applicant will track hemp distribution and sale from purchase to sale, including the policies and procedures for handling voluntary and mandatory recalls of all hemp-derivatives and hemp-derived consumable CBD products;
 - a. Such procedures shall be adequate to deal with recalls due to any action initiated at the request or order of the Commission, and any voluntary action by a hemp-derived CBD distributor and/or retailer to remove defective or potentially defective hemp derivatives or hemp-derived CBD products from the market, as well as any action undertaken to promote public health and safety;
 6. Documentation demonstrating that the applicant's retailer and/or distributor activities will comply the city/town's applicable zoning ordinances;
 7. An attestation that upon receipt of industrial hemp-derived consumable products, the licensee shall retain and if requested submit a copy of the certificate of analysis from an approved testing facility to the Commission, showing the product has undergone all required and enforced testing pursuant to § 1.9 of this Part and does not exceed the Acceptable Hemp THC Level as defined in § 1.5(A) of this Part, as set forth in the Act; and
 8. Any other information requested by the Commission.
- D. Incomplete distributor or retailer applications are deficient and will not be processed.
- E. False, inaccurate, omitted or misleading information provided on an application is grounds for license denial. Licenses may be denied to applicants who have previously had an industrial hemp license revoked, suspended or denied.

1.8 Issuance of Licensing Agreement and License

- A. Upon approval of an application,
1. A grower, handler or dual license applicant must pay the license fee of two thousand five hundred dollars (\$2,500).
 2. A distributor or retailer must pay a license fee of five-hundred dollars (\$500).

3. License fees must be paid prior to license issuance, unless a grower or handler is otherwise eligible for a distributor or retailer license at no additional cost pursuant to R.I. Gen. Laws § 2-26-5(f).
- B. A license is issued only for one (1) location and the type of activity(ies) listed on the license.
 1. Non-contiguous growing areas require separate licenses.
- C. Each applicant must sign a licensing agreement. The failure of the licensee to comply with any term or condition of the licensing agreement shall be grounds for license revocation, suspension or other enforcement action.
- D. By signing the licensing agreement, the licensee agrees to the following terms and conditions:
 1. The licensee will allow the inspection and sampling of the industrial hemp and hemp products, including crops, any derivatives and hemp-derived consumable CBD products, at any and all times that the Commission deems necessary, including but not limited to sowing, growing, production, harvest, storage, distribution and retail sale.
 2. All records relating to planting, growth, cultivation, harvest, production, processing, destruction, distribution, sales and marketing of industrial hemp and hemp products must be kept for a period of five (5) years. The records must be made available to the Commission upon request.
 3. The Commission may require reporting of any information or data associated with the planting, growth, cultivation, harvest, production, processing, distribution, sales and marketing of industrial hemp and hemp products. The licensee must submit all required reports by the due dates specified by the Commission.
 4. Information provided to the Commission and data collected by the Commission through the industrial hemp licensing and regulation process may be publicly disclosed and may be provided to DEM and other government agencies and law enforcement agencies without notifying the licensee.
 5. Licensees shall comply with the Act, the regulations of this Part, all other terms and conditions the Commission determines necessary for enforcement thereof and all other laws applicable to the applicant and its operations, including requirements under any applicable DEM and RIDOH regulations.
 6. Any failure to comply with the licensing agreement, the Act or the regulations of this Part may be enforced by the Commission as an

administrative violation and shall be grounds for license suspension or revocation.

- E. All grower and handler licenses shall be valid for two (2) years. Licensees must re-apply to participate in the program every two (2) years through timely renewal of their license. All industrial hemp plant material must be planted and harvested within the licensing period unless otherwise approved by the Commission.
- F. All distributor and retailer licenses shall be valid for one (1) year. Licensees must re-apply to participate in the program every year through timely renewal of their license.
- G. No industrial hemp plants shall be included in any licensed marijuana production programs, without the prior approval of the Commission in its discretion. No growing area may contain cannabis plants which the licensee knows or has reason to know are of a variety that will produce a plant that when tested will contain more than 0.3% total THC on a dry weight basis.
- H. Amendments to an existing license may be limited to reduction in the number of acres planted or square footage used within the original growing area and changes to contact information.

 - 1. Any licensee who wishes to reduce the growing area on which the licensee will conduct industrial hemp cultivation or production must submit to the Commission at least ten (10) days prior to the planting or commencement of production, an updated detailed description of the growing area including GPS location and map and building description with approximate square footage of growing area, if applicable, for review and approval by the Commission.
 - 2. Requests to expand the original growing area are subject to review and approval by the Commission, in its sole discretion, and if granted may require a separate application and license.
 - 3. No reimbursements of license fees shall be made notwithstanding any reduction in the growing area during any licensing period.
 - 4. Any changes to the information required under §§ 1.6(E) or (F) of this Part must be approved by the Commission prior to the change.
- I. Any conversion of cannabidiol or any other cannabinoid to delta9-tetrahydrocannabinol, any derivative form of THC, or any other cannabinoid by any licensee and/or the subsequent sale of such synthetic cannabinoids in the Program is strictly prohibited unless an approved variance for such a process and/or sale is approved and issued by the Commission.

1.9 Inspection, Sampling and Testing

A. During inspection and sampling, the licensee or its authorized representative must be present and must allow complete and unrestricted access to all industrial hemp, including plants, parts, seeds, derivatives and products within a licensed area whether growing, producing, harvested or stored, and all land, buildings and other structures used for the cultivation, production, manufacturing or storage of industrial hemp derivatives and hemp products, including retail and distribution facilities, and all documents and records pertaining to the licensee's industrial hemp operations.

B. Inspection

1. Consistent with the AIA 2018 § 10113, Sec. 297B(a)(2)(A)(v) all licensees are subject to and will undergo mandatory annual inspections that may be conducted randomly by the Commission in its discretion, and include but are not limited to:

a. License application inspection: Prior to issuing a license, the Commission may schedule a site visit to the applicant's location. The purpose of this visit will be to inspect the location, to review information that was provided during the application process and to review the proposed industrial hemp and/or consumable CBD operations.

b. Records inspections: the Commission may conduct reasonable inspections of a licensee's books and records to ensure that the licensee is complying with applicable law including the Act and the regulations of this Part.

c. Periodic Inspections: Pursuant to R.I. Gen. Laws §§ 26-6-6 and 2-26-7(b) all licensees are subject to periodic inspection to verify compliance with the requirements of the Act and the regulations of this Part including inspection during sowing, growing season, harvest, storage, production, distribution and/or sales.

C. Sampling

1. The Commission will require testing of industrial hemp and hemp products to ensure that it does not exceed the 0.3% total THC level, as required by R.I. Gen. Laws § 2-26-3(8) and is in compliance with other provisions of the Act and the regulations of this Part.

2. For all hemp growers, sampling of lots must be conducted thirty (30) days prior to harvest by a testing agent and with the licensee and, if applicable, a Commission representative present. Sampling will be scheduled in advance with the licensee or an authorized representative of the licensee.

3. All industrial hemp, hemp derivatives and/or hemp-derived CBD products being distributed, sold at retail, grown and/or produced within a licensed area, are subject to sampling by a licensed testing facility agent with the licensee and, if applicable, a Commission representative present to ensure compliance with the Act and the regulations of this Part. The licensee shall be responsible for the cost and expense of all sampling.
4. The Commission may require samples from hemp plants, hemp derivatives or hemp-derived CBD products from any licensee at any time if the Commission has reason to believe a violation of the Act or the regulations of this Part may be occurring or has occurred.
5. In conformity with § 1.9(C)(2) of this Part, a hemp grower will be directed to abstain from harvesting its hemp crop until sampling occurs.
6. Samples from hemp plants, hemp derivatives or hemp-derived products from one lot may not be comingled with any sample from any other lot.
7. Any sample collected from a licensee must be representative of a homogenous composition of the lot.
8. Samples must be gathered by a sampling agent trained using USDA or state methods, not by the licensee.
9. Information on trained sampling agents will be made publicly available by the state, which will keep training information for a minimum of three (3) years.
10. Every lot must be sampled and tested, except for those subject to performance-based sampling.
11. Field sample collection procedures must conform to the protocols and final chart in 7 C.F.R. 990.
12. RIDOH and/or the Commission shall issue procedures for collecting samples from the flowering tops of plants, which shall be approximately five to eight inches in length from the "main stem" (that includes the leaves and flowers), "terminal bud" (that occurs at the end of the stem), or "central cola" (cut stem that could develop into a bud).

D. Testing

1. Upon direction from the Commission, DEM or RIDOH as applicable, testing, including but not limited to testing for THC, THCa, CBD, CBDa and/or other material characteristics such as pesticides, heavy metals, and microbial concentration on a dry weight or per volume basis, will be performed by an approved testing facility on hemp or hemp-derived products.

- a. All testing performed by an approved testing facility for a licensee shall conform to the requirements set forth in Licensing Analytical Laboratories for Sampling and Testing Cannabis, including but not limited to 216-RICR-60-05-6.21. The licensee shall be responsible for the cost and expense of such testing.
2. A test result greater than 0.3% total THC on a dry weight or per volume basis shall be prima facie evidence that at least one cannabis plant or part of a plant or a derivative batch or derivative product in the licensee's location contains total THC above the Acceptable Hemp THC Level and that the licensee is not in compliance with the Act and the regulations of this Part.
3. The licensee may request a retest of any retained portion of a sample. Any request for retesting must be made to the Commission, in writing, within ten (10) days of the date of notification of test results. The licensee must pay all analysis costs and expenses associated with any retest.
4. Any hemp plants, materials, derivatives or hemp products as to which testing results reflect total THC content above the Acceptable Hemp THC Level and the lot to which said plants, materials, derivatives or hemp products belong are prohibited from entering the hemp stream of commerce and the Commission may require that any hemp plants, materials, derivatives or hemp products as to which testing results reflect total THC content above the Acceptable Hemp THC Level be destroyed at the licensee's expense pursuant to § 1.11(N) of this Part.
 - a. Any lab used by the Grower must report non-compliant hemp plants, disposal of those plants from the lot(s) where representative samples were taken, and the non-compliant hemp plants' test results to the United States Department of Agriculture.
5. Upon completion of testing, any remaining samples may be destroyed thirty (30) days after the date of notification of test results.
6. Pursuant to 7 C.F.R. § 990.70(d), the licensee is responsible for ensuring that the laboratory conducting testing in conformity with this Part reports each sample's test results with all required information, including but not limited to the total THC content concentration level on a dry weight basis and the measurement of uncertainty, to the USDA.
7. Testing methods include but are not limited to:
 - a. Post decarboxylation or other similarly reliable method approved by the USDA;
 - b. Consideration of potential conversion of delta-9 THCA into THC and the test result measure total available THC (THC + THCA);

- c. Gas or liquid chromatography with detection; and/or
 - d. Procedures to determine total THC concentration reported on a dry weight basis, including but not limited to a determination of moisture content.
8. Labs shall not commingle sample material from different lots.

1.10 Program Registry Identification Cards

- A. Before issuance of the license all officers, directors, owners, shareholders, managers, members and agents of the licensee must apply for a registry identification card and all officers, directors, owners, shareholders, managers, members and agents must submit to a national criminal background check as provided in the Act and § 1.10(C) of this Part. Such individuals may be hired, appointed, or retained prior to receiving a registry identification card, but may not begin engagement in hemp cultivation, production, distribution, retail sales or other license activities until receipt of the card.
- B. Registry Identification Card Requirement, Eligibility, Annual Fee and Application
- 1. All officers, directors, owners, shareholders, managers, members, and agents of the grower and handler licensee must apply for registry identification cards.
 - 2. All employees of the grower and handler licensee must apply for registry identification cards.
 - 3. For distributors and retailers, the licensee's compliance officer may apply for a registry identification card and may be designated by the licensee as its sole registry identification card holder.
 - 4. Each licensee shall maintain a current list of all licensed cardholders associated with the licensee.
 - 5. There shall be a fifty-dollar (\$50.00) non-returnable, non-refundable annual fee for each Program registry identification card initial application and subsequent annual renewal.
 - 6. Applications pursuant to § 1.10 of this Part shall be on such forms and through such submission mechanisms as directed by the Commission.
- C. Criminal Background Checks
- 1. Pursuant to R.I. Gen. Laws § 2-26-5(c)(7), all applicants are subject to a national criminal background check. This shall include all officers, directors, owners, shareholders, managers, members, and agents of the licensee (hereinafter also referred to in this Section as "applicants").

2. Pursuant to R.I. Gen. Laws § 2-26-5(c)(7)(iv), disqualifying information is defined as a conviction for any felony offense under R.I. Gen. Laws Chapter 21-28, or murder, manslaughter, first-degree sexual assault, second-degree sexual assault, first-degree child molestation, second-degree child molestation, kidnapping, first-degree arson, second-degree arson, mayhem, robbery, burglary, breaking and entering, assault with a dangerous weapon, or any assault and battery punishable as a felony or assault with intent to commit any offense punishable as a felony.
3. Consistent with the AIA 2018 § 297(B)(e)(3)(B), disqualifying information includes the ten (10) year period following the conviction of any felony drug offense described in § 1.10(C)(2) of this Part and excludes a controlled substance felony conviction for participation in a state hemp pilot program authorized under the AIA 2014 before December 20, 2018, pursuant to 7 C.F.R. § 990.6(d).
4. Pursuant to R.I. Gen. Laws § 2-26-5(c)(7)(i), 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 Rhode Island State Police ("RISP").
5. Pursuant to R.I. Gen. Laws § 2-26-5(c)(7)(i), upon the discovery of any disqualifying information, RISP shall send written notification to the applicant disqualifying the applicant and informing the applicant of the nature of the disqualifying information.
6. Pursuant to R.I. Gen. Laws § 2-26-5(c)(7)(i), upon discovery of any disqualifying information, the RISP shall notify the Commission in writing of the fact that disqualifying information has been discovered.
7. Pursuant to R.I. Gen. Laws § 2-26-5(c)(7)(ii), in those situations in which no disqualifying felony as defined in R.I. Gen. Laws §§ 2-26-5(7)(iv)-(v) has been found, the RISP shall inform the applicant and the Commission, in writing, of this fact.
8. Pursuant to R.I. Gen. Laws § 2-26-5(c)(7)(vi), the applicant shall be responsible for any expense associated with the national criminal background check with fingerprints.
9. The Commission shall evaluate an applicant's disqualifying information pursuant to R.I. Gen. Laws § 28-5.1-14, except where superseding law requires otherwise, including but not limited to § 1.10(C)(3) of this Part.

D. Issuance of the Program Registry Identification Card

1. Once the licensee application is approved by the Commission, each approved officer, director, owners, shareholder, manager, member, or

agent of the licensee is responsible for obtaining a registry identification card.

2. The registry identification card shall contain:

- a. The name, address and date of birth of the person.
- b. The legal name of the licensee that the individual is affiliated with.
- c. The category of the person's affiliation; officer, director, owner, shareholder, 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 Registry Identification Cards

- 1. Program registry identification cards shall expire one year after issuance. Renewal applications shall be on such forms and through such submission mechanisms as directed by the Commission.

F. Termination of Registry Identification Card

- 1. If a Program registry identification cardholder violates R.I. Gen. Laws §§ 2-26-5(c)(7)(iv)-(v), or any portion of the regulations of this Part which apply to such cardholder, his or her registry identification card may be suspended/revoked as determined by the Commission pursuant to R.I. Gen. Laws § 2-26-5(e).
- 2. When a Program registry identification cardholder ceases work or other association with a licensee for any reason the cardholder's registry identification card shall be null and void and the licensee and/or the cardholder shall notify the Commission and shall return the registry identification card to the Commission within ten (10) business days of the separation. No hearing shall be necessary to render the card null and void.

1.11 Operational Requirements

A. Traceability

- 1. Licensees shall track hemp from seed to sale in accordance with their approved application and § 1.6(E)(4) of this Part.

2. Plant material from one lot is prohibited from being commingled with plant material from any other lot.

B. Limitation on Sales and Transfers

1. Licensed growers, handlers and distributors shall only, transfer and transport hemp including hemp derivatives, hemp-derived consumable CBD products and seeds to another licensee or such other persons who are in compliance with applicable laws regarding the possession, processing and sale of industrial hemp. A licensee may only receive hemp including hemp derivatives, hemp-derived consumable CBD products and seeds from another licensee or certified source whether intrastate or interstate, provided the licensee's or certified source's products comply with the Act, the regulations of this Part, and all other applicable laws.
2. Any transfer to or from an approved testing facility shall be in accordance with transfer procedures adopted by the licensee and the approved testing facility and which comply with any applicable rules and regulations contained in Licensing Analytical Laboratories for Sampling and Testing Cannabis, 216-RICR-60-05-6.
3. Nothing in this Part shall be construed to prohibit wholesale or retail sale of hemp, hemp seeds, hemp derivatives and/or products provided the hemp, hemp seeds, hemp derivatives and/or products comply with the Act, the regulations of this Part, and all other applicable laws.
4. Licensees may only send, sell, buy and/or receive industrial hemp, hemp seeds, hemp derivatives and hemp-derived consumable CBD products from another licensee or a certified source whether interstate or intrastate provided the sender and/or recipient's products comply with the Act, the regulations of this Part and other applicable laws.
5. § 1.11(B)(4) of this Part shall not be construed as a prohibition on the transportation or shipment of hemp, hemp derivatives, or hemp products through the State of Rhode Island, nor shall it be construed to prevent the sale of hemp products or hemp-derived consumable CBD products from a retail licensee to a consumer.

C. Inventory Tagging

1. Pursuant to R.I. Gen. Laws § 2-26-5(c)(3), every hemp crop or production batch possessed by a licensee must be tracked from seed to sale. A unique identifier must accompany industrial hemp through any production the licensee is undertaking, from harvest through packaging, distribution and sale to a consumer.
2. Upon direction by the Commission, labels and any other tracking method required shall be placed in a manner to clearly display their association

with a particular parcel of land, plant material, or product. This may include but is not limited to affixing the label/other tracking display to a post or sign on the parcel of land where hemp is grown, affixed to a drying rack, affixed to a container, or package containing product.

3. Each acre or parcel of land, as defined by the Commission, containing hemp must be labeled with the following information:
 - a. Commission license number;
 - b. Unique identifier;
 - c. Licensed premises location; and
 - d. Any other information or technical functions the Commission deems appropriate (such as radio frequency identification).
4. Any container intended for the storage and/or transport of hemp and/or hemp derivatives must:
 - a. Protect the product from contamination;
 - b. Not impart any toxic or deleterious substance to the hemp or hemp product;
 - c. Be labeled with the following information:
 - (i) Commission license number;
 - (ii) Unique identifier that tracks hemp through each stage of growth, production, distribution and sale;
 - (iii) Quantity;
 - (iv) Licensed premises location; and
 - (v) Any other information or technical functions the Commission deems appropriate (such as radio frequency identification).
5. Seed to sale tracking, payment of the biennial license fee, and compliance with the requirements of § 1.11(C) of this Part shall be deemed to satisfy the requirements of R.I. Gen. Laws § 2-26-5(c)(3).

D. Inventory Control

1. A licensee shall follow inventory control measures, which may include but are not necessarily limited to the licensee being directed to:

- a. Conduct an initial comprehensive inventory of all hemp, including hemp plants, hemp seedings, hemp-derived products and hemp-derived consumable CBD products.
 - b. Conduct subsequent comprehensive inventories at intervals not to exceed twelve (12) months from the date of the previous comprehensive inventory.
 - c. Conduct a monthly inventory review of hemp plants, stored hemp, hemp-derived products and hemp-derived consumable CBD products.
2. Licensees shall conduct and provide the results of the inventory control measures specified in § 1.11(D)(1) of this Part if required by the Commission regardless of the availability and use of the Program Tracking System.

E. Security

1. General Security Requirements

- a. Use or carry of firearms on the premises and/or perimeter of the licensee 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 Chapter 5-5.1 and who are under written contract to provide security services to the licensee and by law enforcement personnel during duty.

2. Emergency Plan

- a. The licensee 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 Program Tracking System. The plan shall include training for employees on crime prevention and personal safety techniques.

3. Record-Keeping

- a. The licensee shall maintain the following documentation on-site and with digital back-up for a period of at least thirty-six (36) months as applicable:
 - (1) 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.

(2) Testing results, all certificates of analysis and sampling records;

(3) Any pesticide use as required by § 1.11(L)(4) of this Part.

(4) Emergency notification reports as required by § 1.11(E)(4) of this Part.

(5) A description of the land on which licensee's hemp is grown including the requirements of § 1.6(D) of this Part.

(6) All sales.

(7) All documentation for the intrastate transfer and receipt of hemp, hemp-derivatives and hemp-derived consumable CBD products demonstrating the products' compliance with the sending or receiving state's licensing of industrial hemp and/or hemp-derived products, including but not limited to any document regarding certification as defined in § 1.5(E) of this Part.

(8) Any documentation of or relating to the destruction of hemp plants or hemp material.

4. Emergency Notifications and Reports

a. Licensees shall provide notification of emergency events to the Commission and municipal and/or state law enforcement as outlined below.

b. Immediately upon discovery of the event, the licensee 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 hemp or hemp products.

(4) Any other event which requires response by law enforcement or public safety personnel.

- c. The licensee shall provide e-mail notification to the Commission immediately upon discovery of any data breach or cybersecurity threat to the 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 the Commission shall be provided not later than the next business day.
- d. The licensee shall submit a follow-up written report to the Commission 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 the Commission pursuant to the regulations of this Part shall be made using the mailing address, telephone number, and/or e-mail address provided by the Commission to approved licensees.
- f. Upon written direction to the licensee, the Commission may require that the written and telephone notifications and reporting must be replaced or supplemented by notifications and reporting through the Program Tracking System or any other electronic system or means the Commission mandates the licensee to utilize.

F. Food Safety

- 1. Any hemp-derived product or hemp-derived consumable CBD product that may be used for consumption purposes must be produced and distributed consistent with any applicable state or local food processing and safety regulations, and the applicant shall be responsible to ensure its compliance with such regulations and any applicable licensing requirements.

G. Allowable Product Types

- 1. Licensees shall be permitted to produce, manufacture distribute and/or dispense at retail to a consumer:
 - a. Raw hemp flower which may include raw hemp in pre-roll form;
 - b. Infused Pre-Packaged Products intended to be consumed orally;
 - c. Infused Unpackaged Products intended to be consumed orally; and
 - d. Concentrates intended for inhalation.

- e. Any other product type designated as allowable for sale by the Commission.

H. Product Prohibitions

- 1. No hemp-derived consumable CBD product intended for retail sale shall:
 - a. Be in the shape of a human, animal, fruit, cartoon character, or any other shape that is especially attractive to children as determined by the Commission;
 - b. Be in the shape of a cannabis plant or leaf;
 - c. Be combined with alcohol, tobacco, nicotine, and/or any synthetic cannabinoids;
 - d. Cause a reasonable consumer confusion as to whether the product is a trademarked product;
 - e. Violate any state or federal trademark law or regulation; and/or
 - f. Contain more than the Acceptable Hemp THC level, as applicable based on product type.

I. Packaging and Labeling Requirements for allowable Hemp-Derived Consumable CBD Products available for sale to a consumer at retail.

1. Packaging Requirements.

- a. Any container or packaging containing hemp-derived consumable CBD products must:
 - (1) Be opaque and light resistant;
 - (2) Fully enclose the product;
 - (3) Protect the product from contamination;
 - (4) Be Child-Resistant as defined in § 1.5(F) of this Part; and
 - (5) Not impart any toxic or deleterious substance to the hemp product.

2. Labeling Requirements

- a. Any container or packaging containing hemp-derived consumable CBD products must be labeled with the following information:

- (1) The business(es) or tradename(s) and license number(s) of the licensee(s) who produced the product;
- (2) The business or tradename and license number of the licensee selling the product;
- (3) Unique identifier;
- (4) 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;
- (5) Total contents of total THC, CBD and any other advertised naturally occurring cannabinoid, if applicable, must be stated per serving unit and per package in milligrams (mgs) as determined by an approved testing facility and in font larger than size 6, bolded, underlined and in red, so as to stand out from surrounding text to the consumer;
- (6) The serving size;
- (7) The number of servings per package;
- (8) If solvents were used in production, 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;
- (9) Any applicable instructions for use and safe storage; and
- (10) If dispensing unpackaged hemp-derived consumable products, the information required by § 1.11(l)(2) of this Part must be prominently displayed and made directly available to the consumer prior to purchase.

b. Labeling text must be:

- (1) No smaller than size 6 font, unless otherwise specified.
- (2) In Times New Roman, Calibri, Arial, Helvetica or any other font determined by the Commission to be easily readable.
- (3) Clearly written or printed in the English language. In addition to the required English label, licensees may include an additional, accurate foreign language translation on the label that otherwise complies with these rules.

3. Packaging and Labeling Prohibitions.

- a. Packaging and labeling of hemp-derived consumable CBD products shall not:
- (1) Make any medical claims;
 - (2) Reasonably appear to target individuals under the age of twenty-one (21), including but not limited to the use of animal characters, toys, cartoon characters or similar images;
 - (3) Make any false or misleading statements including false or misleading statements regarding health or physical benefits or as to the composition and profiles;
 - (4) 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, produced or manufactured by the State of Rhode Island or any agency thereof or municipality within;
 - (5) Include images of children or minors;
 - (6) Include words, a design or brand that resembles a product that is commonly associated with children or minors or marketed to children or minors;
 - (7) Include symbols or celebrities that are commonly used to market products to minors;
 - (8) Include the word or make any reference to "candy" or "candies."

4. Warnings

- a. All hemp-derived consumable CBD products intended for retail sale must include a label affixed to the package or an insert provided with the packaging containing the following warnings, prominently displayed and in a clear and legible English language font.
- (1) "Warning: This product is not certified to be free of contaminants, is derived from industrial hemp, and has not been analyzed or approved by the FDA."
 - (2) 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 FDA.

- (3) If dispensing unpackaged hemp-derived consumable products, the information required by § 1.11(I)(4) of this Part must be prominently displayed and made directly available to the consumer prior to purchase.

J. Advertising and Marketing.

1. No advertising and marketing of hemp, hemp derivatives or hemp-derived consumable CBD products shall without prior written approval of the U.S. Food and Drug Administration ("FDA"), be marketed for, or make claims regarding the use or benefit in diagnosis, cure, mitigation, treatment, or prevention of diseases, or any other therapeutic, dietary or medical benefits or claims.
2. No advertising and marketing of hemp, hemp derivatives or hemp-derived consumable CBD products shall contain any content that can reasonably be considered to target individuals under the age of twenty-one (21) years, including but not limited to images of persons under twenty-one (21) years of age, cartoons, toys or similar images and items typically marketed towards persons under twenty-one (21) years of age or references to products that are commonly associated with persons under twenty-one (21) years of age or marketed to persons under twenty-one (21) years of age.
3. No licensee shall advertise in any way which may lead a consumer to believe that the licensee is using marijuana or engaged in an activity which is illegal under state law.

K. Retail Sales

1. A retail licensee shall only allow persons twenty-one (21) years of age or older to purchase hemp-derived consumable CBD products, in accordance with R.I. Gen. Laws § 2-26-3(9).
2. Pursuant to the Commission's authority under R.I. Gen. Laws § 2-26-6(b), a retail licensee must verify that every purchaser of a hemp-derived consumable CBD product is compliant with § 1.11(K)(1) of this Part by a review of the intended purchaser's government-issued identification.
3. A retail licensee shall place and/or store all hemp-derived consumable CBD products in a location separate from all other products sold by that retail licensee and that location must be prominently identified as containing hemp-derived consumable CBD products. The Commission may, in its discretion approve alternative placement.

L. Pesticide Use and Record-Keeping

1. The cultivation process shall use best practices to limit contamination of industrial hemp and hemp products, including but not limited to mold, mildew, fungus, bacterial diseases, rot, pests, pesticides, and any other contaminant identified as posing potential harm.
2. The use of pesticides on industrial hemp plants in Rhode Island by licensed growers will not be considered a violation of the regulations of this Part, provided that the product is registered and properly labeled under Section 3 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) and satisfies §§ 1.11(L)(2)(b)(1) and 1.11(L)(2)(f) and (g) of this Part below; or the product must satisfy all of the following criteria:
 - a. The product must be a "minimum risk pesticide" under 40 C.F.R. § 152.25(f), incorporated above at § 1.4(A) of this Part.
 - b. The product must be labelled for use on either:
 - (1) "Cannabis," "hemp,"; or
 - (2) "All plants," "other plants," bedding plants, unspecified plants, or unspecified crops.
 - c. The label must not prohibit indoor or greenhouse use, as applicable.
 - d. All active ingredients must be eligible for food use as determined by the federal Environmental Protection Agency ("EPA") Active Ingredients Eligible for Minimum Risk Pesticide Products, incorporated above at § 1.4(B) of this Part.
<https://www.epa.gov/sites/production/files/2018-01/documents/minrisk-active-ingredients-tolerances-jan-2018.pdf>.
 - e. All inert/other ingredients must be eligible for food use. See EPA's Inert Ingredients Eligible for FIFRA 25(b) Pesticide Products, incorporated above at § 1.4(C) of this Part.
[https://www.epa.gov/sites/production/files/2016-11-16/documents/minrisk_inert_ingredients_w_tolerances_2016-11-16.pdf](https://www.epa.gov/sites/production/files/2016-11/documents/minrisk_inert_ingredients_w_tolerances_2016-11-16.pdf).
 - f. The product must be a currently registered pesticide product eligible for sale in Rhode Island as determined by DEM. 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. See http://npirspublic.ceris.purdue.edu/state/state_menu.aspx?state=RI.
 - g. The product must be used in accordance with any and all use instructions on the label.

3. Pesticides shall be identified, held, stored and disposed of in a manner that protects against contamination of industrial hemp and industrial hemp products and in a manner that is in accordance with any applicable local, state, or federal law, rule, regulation, or ordinance.
4. As a the Commission record-keeping requirement, licensees must keep detailed records of any pesticide products used and application regimens. This record-keeping requirement is independent of that required of commercial pesticide applicators by the DEM, and is intended to apply in addition to that requirement, where relevant.

M. Recalls

1. Licensed growers, handlers, distributors and retailers shall have policies and procedures for handling voluntary and mandatory recalls of all hemp, hemp derivatives and hemp-derived CBD products. Such procedures shall be adequate to deal with recalls due to any action initiated at the request or order of the Commission, and any voluntary action by a grower, handler, distributor or retailer to remove defective or potentially defective hemp, hemp derivatives or hemp-derived consumable CBD products from the market, as well as any action undertaken to promote public health and safety.
2. The Commission or RIDOH may require a licensee to recall any hemp, hemp derivatives or hemp products the licensee has sold or transferred upon a finding that circumstances exist that pose a risk to public health, safety and welfare.
 - a. The recall must be initiated by the licensee immediately as determined by their recall plan; and
 - b. The licensee must comply with any additional instructions made by the Commission.

N. Destruction

1. Prior to disposal, the hemp must be made unusable and indistinguishable from other plant material. This may be accomplished by grinding and incorporating the offending material with other non-consumable solid waste or other ground materials, so the resulting mixture is at least fifty percent non-hemp waste by volume.
 - a. Other methods to render the hemp unusable must be approved by the Commission before implementation.
 - b. Hemp that is 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 the Commission.

c. All destructions must be documented by the Licensee.

2. Grower licensees must submit to the Commission documentation of any destruction conducted, which may include photos or videos of, and/or Commission employee attendance at, the destruction.

1.12 Methods of Extraction

A. Pursuant to R.I. Gen. Laws § 2-26-8(b), no butane method of extraction shall be permitted.

B. Pursuant to RI. Gen. Laws § 2-26-8(a), only the following methods of extraction are permissible:

1. Mechanical extraction;

2. Chemical extraction using a nonvolatile solvent such as a nonhydrocarbon-based food grade solvent, or other nonvolatile solvent such as water, vegetable glycerin, vegetable oils, animal fats, or food-grade glycerin;

3. Chemical extraction using a professional closed loop CO2 gas extraction system;

4. Chemical extraction using a volatile solvent, provided the solvent and extraction method are authorized and approved by the Commission; and

5. Any other method authorized and approved by the Commission.

C. If any method uses a flammable/combustible material or heat source, the method must also be approved by DEM, the State Fire Marshal and/or local fire department.

D. Licensees shall not convert, transform, concentrate or distill cannabinoids in or into any form that would violate the Act or these regulations.

1.13 Reporting Requirements

A. The Grower shall submit an end-of-year report, on a form prescribed by the Commission, on or before the first day of December of each calendar year including but not limited to the following information:

1. Copies of certificates of analyses showing the industrial hemp flower required testing results from a certified laboratory.

2. Method(s) used to grow hemp;
3. Variety of hemp grown;
4. Purpose of crop;
5. Harvested amount and description of quality;
6. Destruction events and quantities;
7. End destination or use of crop;
8. Volunteer Plants, if any occurred, and how they were managed; and
9. A grower's hemp crop acreage, his/her state issued license number and any other required information to the Farm Service Agency on a yearly basis, if applicable.

B. The Commission shall transmit the following information to the United States Department of Agriculture, Agriculture Marketing Service, pursuant to 7 C.F.R. §§ 990.3(a)(9) and 990.7:

1. License number;
2. Hemp crop acreage;
3. Total acreage of hemp planted, including greenhouse or indoor square footage, harvested, disposed, and remediated;
4. Street address;
5. Geospatial location(s) of each lot or greenhouse where hemp will be produced; and
6. Acreage of greenhouse or indoor square footage dedicated to the production of hemp; and
7. A legal description for land where hemp is produced.

C. The Grower shall also transmit the information contained in §§ 1.13(B)(1) and (B)(4)-(6) of this Part to the local office of the Farm Service Agency.

D. The Handler shall submit an end-of-year report, on a form prescribed by the Commission, on or before the last day of the calendar year including but not limited to the following information:

1. Variety and source of hemp used for production:

- a. Copies of certificates of analyses showing the industrial hemp obtained does not exceed the maximum concentration of THC as set forth in the Act, as applicable;
 2. Method(s) used to process hemp and produce hemp products;
 3. Amount of hemp used in production;
 4. Destruction quantities;
 5. A description of the end product resulting from the method(s) described in § 1.12(B) of this Part;
 6. A description of the quantity and quality of the hemp product that the handler produced; and
 7. End destination or use of hemp produced.
- E. The Distributor and Retailer shall submit an end-of-year report, on a form prescribed by the Commission, including but not limited to the following information:
1. Annual sales, including but not limited to details of product sold, quantity of each product sold and price per unit sold;
 2. Transportation manifests for product identified in § 1.13(D)(1) of this Part, including but not limited to product received and delivered; and
 3. Copies of certificates of analyses showing the industrial hemp and/or hemp products obtained does not exceed the maximum concentration of THC as set forth in the Act, as applicable.
 4. A list of venues, festivals, and/or other physical locations other than the licensed location where certified hemp-derived products were sold during the previous license year.
- F. The Commission shall provide to the USDA through its HeMP online system:
1. A monthly report containing the contact information and the status of each grower licensee by the first of each month or the next business day if the first falls on a weekend or a holiday;
 2. An annual report to the USDA by December 15th of each year; and
 3. Notice regarding a grower's non-compliant test results pursuant to § 1.9(D) of this Part, including the test results and destruction of any related hemp plants.

1.14 Institutions of Higher Education

- A. Pursuant to R.I. Gen. Laws § 2-26-9(a), the Commission will certify an institution of higher education to grow or handle, or assist in growing or handling, industrial hemp for the purposes of agricultural or academic research upon submission of the following:
1. The location where the institution of higher education intends to grow or cultivate, or provide assistance with growth and handling of the industrial hemp;
 2. The institution of higher education's research plan;
 3. The name and contact information of the employee of the institution of higher education who will supervise the hemp growth, cultivation, research and any record-keeping related to those activities;
 4. The name and contact information of the employee of the institution of higher education responsible for communicating research results and reports to the Commission; and
 5. Such other information as the Commission shall request to ensure compliance with the Act and these regulations.

1.15 Violations and Enforcement; Penalties

- A. Inspections and Audits; Enforcement Actions
1. Licensees are subject to reasonable inspection by the Commission, DEM and RIDOH. The Commission, DEM and RIDOH and their authorized representatives have authority to enter a licensee's 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. Nothing herein shall be interpreted to limit the real time access of the Commission, DEM and RIDOH to information stored in the Program Tracking System or any other tracking system approved by the Commission and consistent with the Act.
 3. Pursuant to the Act and consistent with AIA 2018, § 297(B)(e)(2)(A), any licensee who negligently violates the Act or the regulations of this Part, including the occurrence of "negligence" (as defined in this Part) on the licensee's part, is subject to a Commission administered corrective action plan to correct the application including:

- a. A reasonable date by which the licensee shall correct the negligent violation as approved by the Commission;
 - b. A requirement that the licensee shall periodically report to the Commission on the compliance of the licensee with these regulations for a period of not less than the next two (2) calendar years; and/or
 - c. Any other corrective terms, conditions or exclusions as required by the Commission or by 7 C.F.R. § 990.6.
 - d. A licensee that obtains a negligent violation three (3) times within a five (5) year period becomes ineligible to produce hemp for a period of five (5) years from the date of the third (3rd) violation.
4. Pursuant to the Act and consistent with AIA 2018, § 297(B)(e)(2)(A), any licensee who violates the Act or the regulations of this Part with a culpable mental state greater than “negligence” may be subject to suspension/revocation of his/her license, administrative penalties in accordance with § 1.15(B) of this Part and/or a combination of penalties as provided in R.I. Gen. Laws § 2-26-10. In the event of a violation performed with a greater culpable mental state, the Commission shall immediately report such licensee to the Rhode Island Office of Attorney General and the U.S. Attorney’s Office (District of Rhode Island) within thirty (30) days of the receipt of such information, in accordance with AIA 2018, § 297(B)(e)(2)(A).
5. Any hemp plant or hemp derivative that is determined to be in violation of the Act, these regulations and/or the AIA 2018 shall be destroyed by or at the direction of the Commission or duly authorized State or law enforcement personnel, at the licensee’s grow location, and pursuant to the following:
 - a. Prior to disposal, cannabis plant material must be made unusable and indistinguishable from other plant material pursuant to any disposal method specified in the *Remediation and Disposal Guidelines for Hemp Growing Facilities – U.S. Domestic Hemp Production Program Issued January 15, 2021* (“*Remediation and Disposal Guidelines*”).
 - b. Other methods to render hemp derivatives unusable must be approved by the Commission before implementation.
 - c. Cannabis that is 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 the Commission.

6. Pursuant to 7 C.F.R. § 990.6(c), violations of § 1.15(A)(3) of this Part are not subject to federal, state, tribal or local government criminal action.
7. Pursuant to 7 C.F.R. § 990.6(c), the Commission shall conduct inspections to determine if corrective action plans as discussed in § 1.15(A)(3) of this Part have been implemented.
8. Pursuant to R.I. Gen. Laws §§ 2-26-3 and -4, producing, manufacturing, distributing, or selling at retail cannabis sativa L. or derivatives thereof with a THC concentration as defined by § 1.5(LL) of this Part of more than .3% is a violation of the regulations of this Part and shall subject the violator to the penalties set forth in § 1.15(B) of this Part and R.I. Gen. Laws § 2-26-10.

B. Administrative Penalties

1. Pursuant to R.I. Gen. Laws § 2-26-10 and § 1.15(A)(4) of this Part, the Commission adopts the following schedule of administrative penalties with respect to violations of the Act and/or the regulations of this Part:

<u>Violation</u>	<u>Administrative Penalty</u>
<u>As to violations by a licensee, where the Commission determines that a violation does not pose an immediate threat to public health or public safety</u>	<u>A penalty of up to \$1,000.00, per violation per day</u>
<u>As to violations by a licensee, where the Commission determines that a violation poses an immediate threat to public health or public safety</u>	<u>A penalty of up to \$2,500.00, per violation per day</u>
<u>As to other violations by any person or entity who is conducting activities requiring licensure by the Commission under the Act or the regulations of this Part without such licensure or registration, or who is otherwise violating any provisions of the Act or these regulations</u>	<u>A penalty of up to \$2,500.00, per violation per day</u>

1.16 Severability

- A. If any provision of the regulations of this Part, 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 regulations of this Part which can be given effect

without the invalid provision or application, and to this end the provisions are declared to be severable.