

Favorable Outlook for Legalization of Adult-Use Marijuana in Rhode Island in 2021

All signs look favorable for the legalization of adult-use marijuana in Rhode Island in 2021. For many years, the legislative session in January started out with the same optimism, but then hope would fade out as other concerns would prevail, or as other, more pressing issues took precedence. But 2021 feels different.

What makes this year feel different? Here is a brief round-up of some of the events of the past few weeks and months that seems to distinguish 2021 from past years:

- **A majority of U.S. states have legalized the use of marijuana for some purposes.** In the November 2020 elections, four states (New Jersey, Arizona, South Dakota and Montana) voted to legalize adult-use marijuana, and 2 states (South Dakota and Mississippi) voted to establish medical marijuana programs. This results in 15 states having legalized marijuana for use by all adults, and 36 states having legalized the use of marijuana for medical purposes.
- **Rhode Island has new legislative leaders, who state they are in favor of legalization.** With the imminent departure of Governor Gina Raimondo to Washington D.C. in her new role as Secretary of Commerce, Lieutenant Governor Dan McKee will step into the role of Governor. McKee, who as recently as 2019 said he did not favor legalization of marijuana, stated in January that “I think it’s time that [legalization] happens.” McKee also stated that he is leaning toward backing a system of privately owned retailers similar to the system operated in Massachusetts and other states, rather than the system of state-owned stores proposed by Governor Raimondo. House Speaker Joseph Shekarchi has stated that the House is “very close” to having majority support for legalization, and that he is “absolutely” open to the idea. Michael McCaffrey, the Senate majority leader, called on the state to legalize marijuana in January. “The time has come to legalize adult cannabis use,” he said. “We have studied this issue extensively, and we can incorporate the practices we’ve learned from other states.”
- **A ballooning State budget deficit for next year is likely to require additional revenue sources.** At the Greater Providence Chamber of Commerce annual *Legislative Leadership Forum*, Shekarchi noted that the budget projections for the next fiscal year “are not good, to be frank with you,” and that the shortfall could be as high as \$500 million. There are only so many places that the budget can be cut. As a result, the potential revenue that legalizing marijuana could bring to the State’s coffers will be particularly tempting this year to legislators who need to close that budget gap.

In most years, major legislation is not approved until the General Assembly is about to adjourn in June, so it will probably be several months before we have a clearer idea whether Rhode Island will approve legalization in 2021. Even if the law is passed, it is unlikely that regulations can be approved, retail licenses issued, and retail outlets opened before mid-2022 at the earliest.

Partridge Snow & Hahn’s [Cannabis Advisory Practice Blog](#) provides updates on marijuana law and policy, covering some of the risks and opportunities in the industry, and makes recommendations regarding best practices. **If you are interested in receiving these updates via email, please submit the form below:**

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