

## Marijuana Is Now Legal In Rhode Island!!!

With a stroke of his pen on Wednesday, Governor McKee signed the bill that dramatically changes the landscape for marijuana cultivation, possession, sale and use in Rhode Island. Many of the changes are effective immediately. There have been many failed attempts at such legislation over the past decade, but momentum has grown over the past year once the State Senate passed a version in 2021.

The new law contains provisions that affect consumers, medical marijuana patients, cultivators, retailers, and those who have been convicted of marijuana-related crimes in the past. We will feature various aspects of the new law in separate blog posts over the next few months. But some of the highlights include:

- Adults over 21 may now possess (and eventually will be able to purchase) up to one ounce of marijuana and may store up to 10 ounces in a household. Adults may also grow up to 3 mature plants and 3 immature plants, subject to security requirements to be developed. Possession of more than one ounce but less than two ounces of marijuana is decriminalized and will only be subject to a civil fine without the threat of jail time.
- The law does not permit smoking marijuana in a public place or any other place where smoking or vaporizing of tobacco is prohibited by federal, state, or local laws, nor on school buses, public transportation, on school grounds, or in a correctional facility.
- The new law establishes a three member “cannabis control commission” (CCC) to regulate the marijuana industry in Rhode Island. The CCC, with the help of an advisory board, will create rules and regulations to implement the new law, and will review and approve applications for retail licenses.
- The state courts will automatically expunge and erase from the court records any prior civil violation, misdemeanor, or felony conviction for possession of amounts of marijuana that would now be decriminalized. The courts have until July 1, 2024, to do this, but there is an opportunity to petition the courts for expedited expungement.
- The sale of adult-use marijuana is expected to start December 1 (although if the Massachusetts experience is a guide, this date may be delayed). Initially, sales can be made by the 3 existing retail medical marijuana “compassion centers” and the 6 new compassion centers recently awarded licenses, if they apply for the new “hybrid” license and pay the license fee. Up to 24 additional licenses will be issued, divided up equally among 6 geographic zones, with 6 of those reserved for social equity applicants, and 6 reserved for worker-owned cooperatives.
- Adult-use sales will be subject to the State’s 7% sales tax, a 10% excise tax, and a local 3% tax for cities and towns that host marijuana businesses.
- Cities and towns that do not currently host one of the 9 compassion centers can vote to opt-out of allowing retail marijuana establishments only by holding a voter referendum on or before November 8, 2022. If the city or town opts out, existing cultivators and laboratories can continue to operate, but no new adult-use licenses can be issued by the CCC, and the city or town will not be able to participate in the revenue from recreational sales. If a city or town opts out, it can only have a vote to opt back in with a joint resolution of the general assembly approving the opt in.
- As of December 1, 2022, medical marijuana patients and their caregivers will no longer have to pay a fee to grow their own medical marijuana but will still need to register with the CCC.
- The bill contains a 2-year moratorium on new cultivation licenses. Effective August 1, 2022, any existing medical marijuana cultivator can cultivate, manufacture and process as a “hybrid cannabis cultivator” for both adult and medical use, upon payment of a license fee. But cultivators would be prohibited from making sales directly to consumers.
- The bill prevents consolidation of the industry by prohibiting any entity from owning, directly or indirectly, more than one business license. But individuals can invest in more than one licensee.
- Employees can still be disciplined for using marijuana in the workplace or being impaired while working

(in the workplace or remotely) but cannot be disciplined solely for using marijuana lawfully outside the workplace, with some exceptions for federal contractors and hazardous occupations (where the employer can implement policies to prohibit adult use marijuana within 24 hours prior to a scheduled work shift or assignment).

Significant details remain to be developed over the months ahead, among them: the makeup of the CCC, what the rules of the road will be for licensure, whether the existing medical marijuana compassion center license holders will transition to hybrid licensees so that they can sell adult-use marijuana, and if so, when that will actually start, and whether any cities or towns choose to opt out this fall.

[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. If you have any questions or would like guidance regarding the new law, please contact a member of our [Cannabis Advisory Practice](#), or your regular attorney at the [Firm](#).

**Date Created**

May 26, 2022