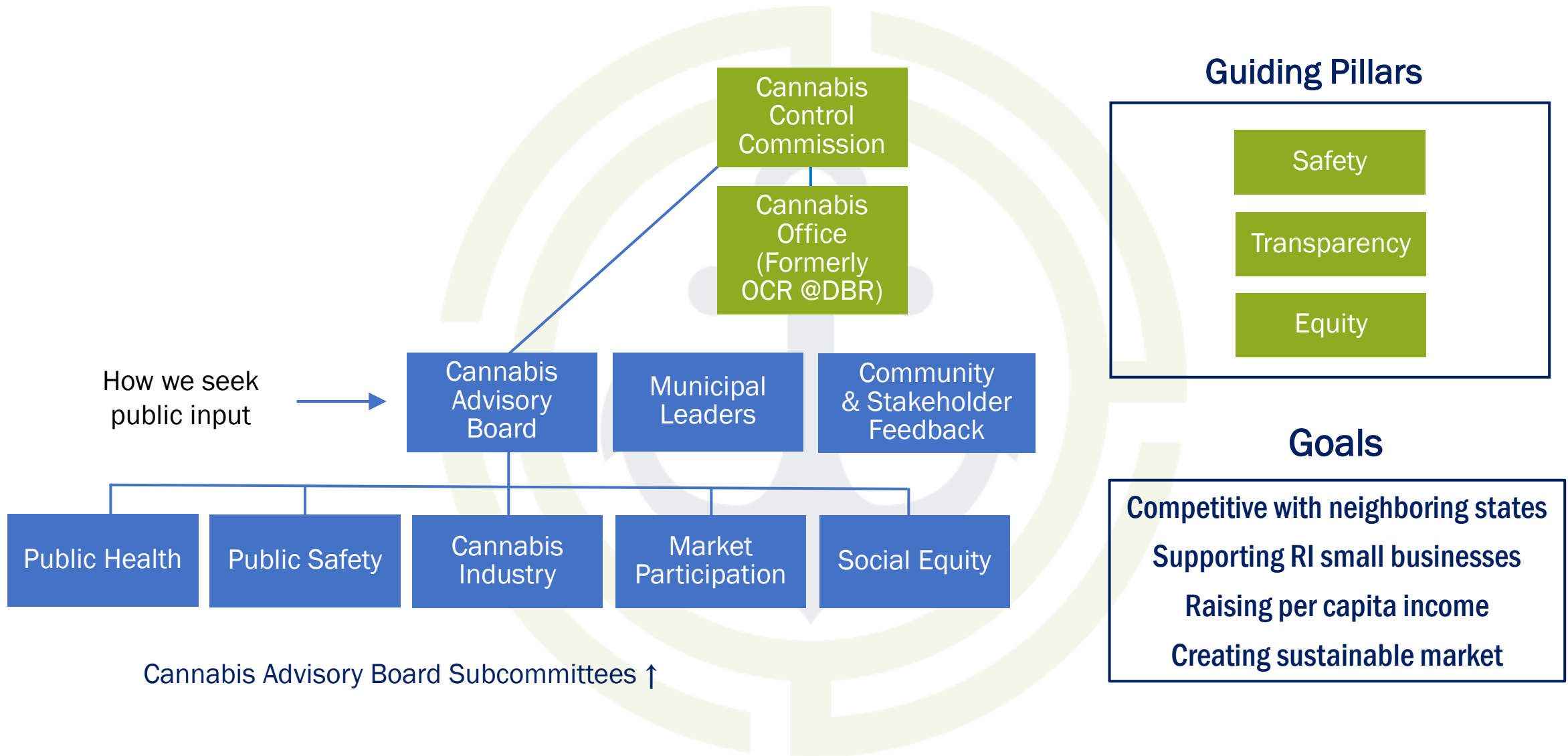




2024 Regulatory Update

March 15, 2024

CCC Organizational Chart, Goals & Source Information



2023: Where We've Been

Key appointments:

- May: Governor appointed inaugural three members of the Cannabis Control Commission (CCC)
- June: State Senate gave Commission members Advice & Consent
- August: The Governor, House Speaker and Senate President named appointed members to the Cannabis Advisory Board (CAB)

Accomplishments:

- July through November: CCC held five listening sessions across the state in various formats (zoom, in-person, Spanish speaking) to receive input from the community and industry professionals
- September- December: CCC hired essential staff to assist with operational and regulatory goals
- November: The CAB held its first public meeting and has since held numerous open meetings. The CAB formed its five statutorily mandated subcommittees in January 2024 and has begun receiving matters from the CCC.

Industry Snapshot:

- Adult-use cannabis sales in Rhode Island have steadily increased nearly every month since being legalized in December 2022. This growth is due in part to the State's efforts to create a safe and regulated market that is accessible to adult consumers over the age of 21. There are currently 7 hybrid retailers selling medical and adult use cannabis, over 60 cultivators, and 3 testing laboratories.

Helping Small Businesses:

- With the recommendation of the Department of Business Regulation (DBR), the General Assembly passed an amendment to the state's advertising regulations allowing RI retailers to advertise their products in the state. The change has helped retailers effectively compete in the growing market. There is a bill currently pending to allow cultivators to advertise as well.

2024: Where We Are Going

- In process of drafting regulations
- **Key provision of the regulations include designing our Social Equity Program**
 - We are working with the EOHHS Ecosystem team to map key demographic data for Rhode Island's disproportionately impacted areas
- **Assigned key topics for consideration to the Cannabis Advisory Board, and will receive feedback and advice from them as they report back up to the CCC**
- **Allow for Public Comment and Feedback on key topics**
 - Public will have opportunity to provide input and public comment on regulatory provisions before final adoption, through the CCC's open meetings
- **Follow the Administrative Procedures Act to finalize and promulgate first set of regulations**
- **Comply with statutory mandates in the Cannabis Act, including the following required reports**

The Rhode Island Cannabis Act

§ 21-28.11-10.4

Medical marijuana program parity

No later than April 1, 2024, the commission shall, in collaboration with the department of health and the office of management and budget, conduct and deliver to the governor, the speaker of the house of representatives, and the president of the senate a study relating to the impact of the implementation of adult use cannabis in Rhode Island on the existing medical marijuana program (MMP) established pursuant to chapter 28.6 of this title. This study shall examine and make recommendations relating to, without limitation, the following:

- (1) The extent to which the introduction of adult use cannabis has diminished or eliminated the availability of certain medical marijuana products or product types;**
- (2) The extent to which patient cardholders in Rhode Island have experienced new or greater obstacles to obtaining medical marijuana, including on the basis of price, quantity, product type, or geographic location;**
- (3) The extent to which the number of caregiver registrations and/or the number of plant tag certificates issued by the commission increases or decreases; and**
- (4) The extent to which the introduction of the new adult use cannabis tax and license fee structure requires a realignment of the existing medical marijuana tax and license fee structure**

The Rhode Island Cannabis Act

§ 21-28.11-8

Moratorium Report

(b) No later than May 1, 2024, the commission shall conduct and deliver to the governor, the speaker of the house and the president of the senate, a study relating to the impact of the moratorium imposed pursuant to § 21-28.11-7 on the availability of cannabis for medical marijuana and adult use sales, and the projected need for the issuance of additional cultivator licenses to satisfy projected market needs.