

Cannabis Control Commission Study on Hemp-Derived THC Infused Beverages

Joint Resolution 2025 R388



Rhode Island Cannabis Control Commission

Robert Jacquard, Commissioner

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Letter from the Administrator

Dear Members of the General Assembly,

The Cannabis Control Commission respectfully submits the enclosed Study on Hemp-Derived Beverages, prepared pursuant to Joint Resolution 2025 R388, enacted on July 5, 2025.

As directed by the joint resolution, the report examines hemp-derived THC-infused beverages currently available in Rhode Island and evaluates regulatory safeguards, including dosage limits, packaging standards, labeling requirements, licensing conditions, age restrictions, and measures to prevent underage access. The report also reviews regulatory approaches adopted in other jurisdictions, including Massachusetts, Connecticut, and Minnesota, to inform Rhode Island policy considerations.

Since adoption of the joint resolution, federal law governing hemp and hemp-derived cannabinoid products has changed through new appropriations language amending the Agricultural Marketing Act of 1946. The amended language revises hemp definitions, separates industrial hemp from cannabinoid hemp products, establishes new THC measurement thresholds, and directs the U.S. Food and Drug Administration to publish additional classifications and definitions on a defined timeline. Certain federal guidance and implementation details are still pending.

As a result, the federal regulatory environment for hemp-derived cannabinoid products is evolving. The timing and practical effects of forthcoming federal agency guidance and enforcement are not yet known and are outside the Commission's control. Despite federal uncertainties, the Commission's enclosed recommendations are provided within the current landscape, which may be subject to change.

Rhode Island has an existing regulatory structure for hemp-derived consumable products. This report focuses specifically on hemp-derived THC beverages and outlines regulatory considerations and framework options based on current laws, regulations and market conditions.

We appreciate the General Assembly's attention to this matter and remain available to provide technical assistance and answer questions as you consider legislative options.

Sincerely,



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Cannabis Office Administrator
Rhode Island Cannabis Control Commission

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Introduction

I. Purpose and Legislative Authority

This report was prepared pursuant to Joint Resolution 2025 R388, a resolution of the Rhode Island General Assembly requesting that the Cannabis Control Commission (Commission) provide recommendations on legislation to regulate and license cannabinoids and hemp-derived beverages.

The resolution directs the Commission to study dosage limits, packaging standards, labeling requirements, licensing conditions, and age requirements and other safeguards to prevent underage access, as well as to review regulatory approaches adopted in other states governing ingestible hemp products.

The purpose of this report is to document Rhode Island's existing regulatory framework for hemp products, summarize relevant regulatory models in other jurisdictions, and establish the foundation for the Commission's policy recommendations to the General Assembly.

II. Scope and Methodology

This study focuses on hemp-derived THC-infused beverages, their availability in Rhode Island, their potential impacts on public health and safety, and the appropriate regulatory framework for such products within the State. The review includes applicable Rhode Island statutes and Cannabis Control Commission regulations governing hemp-derived consumable products.

Comparative analysis was conducted for Massachusetts, Connecticut, and Minnesota based on statutes, agency guidance, and regulatory frameworks currently in effect or recently enacted. Massachusetts and Connecticut were examined as neighboring states with regional market influence, while Minnesota was reviewed due to its comprehensive and well-developed regulatory framework governing hemp-derived consumable products.

In addition to statutory and regulatory review, Commission staff conducted policy discussions and regulatory analyses, as mandated by the joint resolution, with the Rhode Island Department of Health, the Department of Revenue's Division of Taxation, the Department of Business Regulation, and the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals to assess public health considerations, enforcement implications, and regulatory feasibility.

Commission staff also engaged community and industry stakeholders through one-on-one meetings and a public listening session. These engagements were conducted to gather information regarding market practices, consumer access, operational challenges, and perceived public health and safety considerations. Stakeholder input informed the Commission's understanding of current conditions and potential regulatory impacts.

This study is intended to establish a factual and regulatory foundation to support the Commission's development of policy recommendations pursuant to the General Assembly's directive.

Existing Rhode Island Regulatory Framework for Hemp Products

I. Retail Licensing Requirements

Rhode Island requires a valid hemp-derived consumable retail license issued by the Cannabis Control Commission to compliantly offer for sale hemp-derived THC beverages.¹ Applicants are required to comply with detailed application requirements, including disclosures related to ownership, recall procedures, zoning compliance, and laboratory testing verification. Businesses that operate online and offer compliant hemp-derived beverages for sale via mail to locations and/or individuals within Rhode Island are also required to hold a valid hemp-derived consumable distributor and/or retail license issued by the Cannabis Control Commission.² The annual licensing fee is \$500.³

Currently, there is no statutory limit on how many retail licenses can be issued. However, in July 2025 the Cannabis Control Commission voted to impose a moratorium on issuing any new hemp-derived consumable retail licenses to establishments that hold a license that permits them to serve alcohol for onsite consumption. The Commission supported its decision to prevent any additional establishments from offering alcohol and hemp-derived intoxicating products for on-site consumption in the same locations, in furtherance of public health and safety, and to more closely align cannabis regulations with those governing hemp-derived consumable products.

Lastly, a licensed cannabis hybrid retailer, or dispensary, may be issued a hemp-derived consumable retail license for use at their licensed cannabis retail location.

II. Dosage Limits

Rhode Island currently permits hemp-derived consumable products, including hemp-derived THC-infused beverages, subject to established dosage limits under state regulations. The THC limits described below were adopted within a public health and safety framework. Dosage limits for intoxicating cannabinoids are commonly used across the cannabis industry, including in Rhode Island, to reduce the risk of adverse effects if products are unintentionally consumed and to help mitigate potential harm, particularly among minors.

Hemp-Derived THC Products:

Under Commission regulations, post-harvest testing must demonstrate that hemp-derived THC-infused beverages do not exceed 1 mg of total THC per serving and 5 mgs of total THC per package unless otherwise permitted by the Commission.⁴

Cannabis-Derived THC Products:

For comparison, the THC limits for cannabis-derived edible products sold at licensed Hybrid Cannabis Retailers, such as THC-infused beverages, are 10 mgs of total THC per serving, and 100 mgs of THC per package.⁵ Currently, licensed Hybrid Cannabis Retailers must adhere to strict requirements for selling cannabis, including but not limited to real-time video surveillance, accurately

¹ R.I. Gen. Laws § 2-26-5

² *Id.*; 560-RICR-10-20-1.7

³ 560-RICR-10-20-1.8(A)(2)

⁴ 560-RICR-10-20-1.5(A)(2)

⁵ 560-RICR-10-10-2.2; 560-RICR-10-10-2.6

tracking and tracing product from seed to sale, reporting, and in-state third-party laboratory testing for contaminants, pesticides, heavy metals, residual solvents, etc. of such products, all of which is accompanied by a \$500,000 annual licensing fee and an additional \$30,000 annual Hybrid Retailer license fee.

Significantly, these are strict requirements and license fees that are not present in the hemp-derived consumables' regulatory structure. Because hemp-derived consumables' THC content and adult-use edibles' THC content are not intended to be equivalent, the Commission has proposed a necessary and appropriate distinction between the intoxicating limits of each product.

III. Packaging Standards

Rhode Island requires that all hemp-derived THC beverages be packaged in containers that are opaque, light-resistant, and fully enclosed.⁶ Packaging must protect against contamination and may not impart toxic or deleterious substances to the product.⁷ All packaging is also required to be certified child-resistant to mitigate the risk of unintentional ingestion by a minor or child.⁸ Additionally, packages that contain multiple servings must be resealable.⁹

IV. Labeling Requirements

Rhode Island mandates comprehensive labeling requirements for hemp-derived THC infused beverages. Labels must include all licensed entities involved in the production and sale of the product, a unique product identifier, the total THC and other advertised cannabinoids per serving and per package, and clearly state serving size and number of servings.¹⁰ THC content disclosures must be presented prominently in bold, underlined text to ensure consumer awareness.¹¹ Additional requirements include extraction methods, instructions for use, and safe storage guidance.¹²

Hemp-derived THC infused beverages may not be packaged to contain or labeled with medical claims, any images that appear to target individuals under the age of twenty-one (21), including but not limited to animal characters, toys, cartoon characters or similar images, false or misleading statements including false or misleading statements regarding health or physical benefits or as to the composition and profiles of the product, 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, images of children or minors, words, a design or brand that resembles a product that is commonly associated with children or minors or marketed to children or minors, symbols or celebrities that are commonly used to market products to minors, and/or the words "candy" or "candies."¹³

⁶ 560-RICR-10-20-1.11(I)(1)

⁷ *Id.*

⁸ *Id.*

⁹ 560-RICR-10-20-1.5(F)

¹⁰ 560-RICR-10-20-1.11(I)(2)

¹¹ *Id.*

¹² *Id.*

¹³ 560-RICR-10-20-1.11(I)(3)

V. Product Prohibitions

Hemp-derived THC infused beverages cannot be combined with alcohol, tobacco, nicotine, cause a reasonable consumer confusion as to whether the product is a trademarked product or violate any state or federal trademark law or regulation.¹⁴

VI. Age Restrictions and Retail Safeguards

Retail sales of hemp-derived THC infused beverages in Rhode Island are restricted to individuals 21-years of age or older.¹⁵ Licensed retailers are required to verify the purchaser's age using government-issued identification.¹⁶ This requirement extends to online sales to consumers within Rhode Island as well.

Hemp-derived THC infused beverages in Rhode Island along with all other hemp-derived consumable products at retail stores must be stored in a location separate from all other products sold by that retail store.¹⁷ Further, that location must prominently identify as containing hemp-derived consumable products.¹⁸

VII. Product Testing Requirements

Hemp-derived THC infused beverages are required to be tested by an approved testing facility as determined by the Commission which means 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).¹⁹ Laboratories outside the State of Rhode Island must be licensed by its state of residence to test hemp and hemp-derived consumable CBD and/or have received accreditation to test hemp and hemp-derived consumable CBD in accordance with the International Standards Organization (“ISO”) ISO/IEC 17025:2017.²⁰

¹⁴ 560-RICR-10-20-1.11(H)

¹⁵ R.I. Gen. Laws § 2-26-3(10)

¹⁶ 560-RICR-10-20-1.11(K)

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ 560-RICR-10-20-1.5(C)(1); 560-RICR-10-20-1.9

²⁰ 560-RICR-10-20-1.5(C)(2)

Review of Other State Regulatory Approaches

I. Massachusetts

The Massachusetts Department of Agricultural Resources (MDAR) licenses hemp growers and processors. As opposed to Rhode Island, Massachusetts requires that any hemp-derived product be sold through licensed cannabis dispensaries, regulated by the Massachusetts Cannabis Control Commission, through a MDAR hemp licensee. This approach effectively consolidates oversight of both hemp and cannabis intoxicating ingestible products to within the adult-use cannabis system. Rhode Island has a limited licensing structure as opposed to Massachusetts, which has unlimited retail licenses. Unlike Massachusetts, in Rhode Island, a standalone hemp-derived retail license is required in order to sell hemp-derived products including hemp-derived THC beverages. This creates a regulated hemp-derived market without limiting the retail sale of these products solely to cannabis Hybrid Retailers.

II. Connecticut

Only Cannabis retail establishments (dispensary facilities, hybrid retailers and retailers) and package stores via liquor wholesalers with a waiver can offer THC-infused beverages (beverages containing THC) for retail sale. In order to sell these products, vendors are required to submit a Certificate of Registration.

Infused beverages may contain 3mgs of THC or less per container, and each container must hold at least 12 oz.²¹ Beverages that contain greater than 3mgs of THC, but no more than 5mgs of THC, are considered “moderate-THC hemp products” and require a different license type which are very limited.

Cannabis manufacturers may make beverages with 5mg of THC or less in a single-serving 8oz+ can/bottle for sale in the Adult Use market through Cannabis Retailers. Exceeding 5mg of THC in the can would cause the product to be classified as “medical only” for sale to patients and caregivers through a hybrid retailer or dispensary; this is the same for Rhode Island. Bars are not currently allowed to sell infused beverages.²²

III. Minnesota

To sell Lower-Potency Hemp Edibles (LPHE) a business must have a lower-potency hemp edible retail license or a cannabis business license with the ability to conduct retail sales from the Office of Cannabis Management (OCM).²³

Lower-Potency Hemp Edibles can be sold in liquor stores and at bars. For a bar to serve LPHE drinks on site they are also required to have an on-site consumption endorsement which is elected when completing an application. LPHEs can also be sold at places like grocery stores, tobacco shops, and gas stations provided they have an LPHE retail license. Minnesota has closed their application to sell, manufacture, and wholesale LPHEs at this time.

²¹ Connecticut Department of Consumer Protection, *Frequently Asked Questions: THC-infused, hemp, or hemp derived beverages*, (January 2024), https://portal.ct.gov/dcp/liquor-control-division/january-2024-hemp-thc-guidelines?language=en_US

²² CT.Gov, *THC-Infused Beverages: New Restrictions*, (May 13, 2024), https://portal.ct.gov/cannabis/knowledge-base/articles/thc-infused-beverages?language=en_US

²³ Minn. Stat. § 342.46

Comparative Regulatory Observations

The reviewed jurisdictions reflect varying regulatory schemes. Rhode Island emphasizes very low potency limits and broad retail restrictions, while Massachusetts channels intoxicating ingestibles exclusively through cannabis dispensaries. Connecticut and Minnesota permit limited hemp-derived THC beverages but impose explicit statutory caps, licensing regimes, and robust testing and labeling requirements.

Common elements across states include age restrictions, child-resistant packaging, mandatory testing, and prohibitions on marketing that appeal to minors. The following table summarizes key similarities and differences among Rhode Island, Massachusetts, Connecticut, and Minnesota.

Regulatory Category	Rhode Island	Massachusetts	Connecticut	Minnesota
Retail Availability	Permitted with strict limits	Cannabis dispensaries only	Permitted	Permitted
THC Per Serving	1 mg	Cannabis rules apply	3 mg per container	5 mg
THC Per Package	5 mg	Cannabis rules apply	3 mg per container	10 mg
Packaging	Child-resistant, opaque	Cannabis standards	Child-resistant, warning symbol	Child-resistant
Labeling	Detailed THC disclosure	MDAR warning labeling	Warning symbol and COA	THC disclosure and lot ID
Age Restriction	21+	21+	21+	21+
Licensing	CCC-licensed retailers	Licensed dispensaries	Licensed manufacturers/vendors	OCM licensing
Testing	Third-party COA required	Cannabis testing	Batch testing	Licensed lab testing
Taxes	7% sales tax	10.75% excise tax 6.25% sales tax 3% local tax	\$1 per can	15% state cannabis gross receipts tax 6.875% state sales tax Varying local sales taxes

Recommendations

The following sections detail Commission recommendations pursuant to Joint Resolution 2025 R388.

I. Dosage Limits

The Commission recommends a standard 1 mg per container total THC limit for all hemp-derived THC beverages sold in a can, pouch or in a sealed bottle. The Commission recommends using the current definition of THC pursuant to 560-RICR-10-20-1.5(LL).

II. Packaging Standards

The Commission recommends that all hemp-derived THC beverages sold in a can, pouch or sealed bottle should not be permitted, even if the can or bottle is certified child-resistant and resealable, to contain multiple servings. The Commission also recommends that all hemp-derived THC beverages must be in compliant packaged form and labeled prior to being offered for sale to a consumer and cannot be combined with alcohol. The Commission also recommends removing the requirement that packaging must be opaque and light resistant which is consistent with the Commission's current regulations for cannabis packaging.

III. Labeling Requirements

Currently, there is no requirement to include a symbol indicating the product is intoxicating, psychoactive or contains THC. Additionally, there are no required warnings for consumers like those required on cannabis products for operating motor vehicles, breastfeeding, or delayed onset on effects. The Commission, at a minimum, recommends adding a symbol to every package that indicates the product contains THC and/or has intoxicating/psychoactive effects and a secondary warning that indicates these products are "Not Safe for Kids" Additionally, the Commission recommends aligning warnings required for hemp-derived THC beverages with those required for cannabis which include warnings regarding operating motor vehicles, breastfeeding, or delayed onset on effects

IV. Licensing Conditions

The Commission recommends continuing the prohibition for establishments that hold a Class B, C, D, F-1, or B-M onsite liquor license from being issued a license from the Commission permitting them to sell hemp-derived THC beverages. The Commission does not recommend extending this prohibition to Class A liquor license holders which include liquor stores or establishments that possess a cannabis Hybrid-Retail, or Adult-Use Retail license. The Commission also recommends adding a new standalone license type or add-on license to better align with the specific product type that retailers are selling to be named hemp-derived THC beverage retail license or hemp-derived consumable THC retail license, which would go into effect following updated regulations to the Hemp Program.

V. Age Requirements and Additional Safeguards

The Commission recommends requiring that only consumers 21 years of age or older be permitted to purchase hemp-derived THC beverages. The Commission recommends retailers train employees to properly check and validate government identification. The Commission recommends every retail license holder display a sign at the counter/check-out stating that hemp-derived THC beverages are for consumers 21 years of age or older. The Commission also recommends that any advertisement for hemp-derived THC beverages contain "Must be 21 years of age or older to purchase." Lastly, the

symbol that should appear on all packages indicating the product has THC/intoxicating effects should also be required to be on any cooler, shelf, or space that holds and/or displays these beverages for sale to a consumer.

VI. Product Testing Requirements

The Commission recommends requiring out of state testing facilities that test hemp-derived THC beverages sold in Rhode Island hold ISO/IEC 17025 accreditation and be registered with the Rhode Island Department of Health which may include a registration fee. Additionally, the Commission recommends requiring all hemp-derived THC beverages be tested for pesticides, heavy metals, residual solvents, microbiological contaminants and cannabinoid profile, most of which are already required in the current hemp regulations and are required for all cannabis products sold in Rhode Island.

VII. Tax Restructuring

The Commission recommends that hemp-derived THC beverages be subject to a rate equivalent to thirteen percent (13%) of the wholesale cost of such beverages sold, or held for sale, within Rhode Island. The tax shall be imposed upon and remitted by distributors licensed under the laws of this state. Hemp-derived THC beverages manufactured outside of this state shall not be sold or distributed within this state unless they are sold or distributed by a distributor licensed in accordance with state law. Further, the standard state retail sales tax of seven percent (7%) would be applied to consumers. This recommendation is based on the Commission's intended goal to regulate hemp-derived THC beverages akin to cannabis products.

VIII. Licensing Fees

The Commission recommends establishing a revised license fee structure for hemp-derived THC beverage retailers that reflects the administrative, compliance, and enforcement costs associated with regulating these products. Regulation of this market requires licensing administration, routine inspections of licensed establishments, investigation of unlicensed sales, and coordination with the Division of Taxation and other enforcement partners. The Commission recommends that license fees be set at a level sufficient to cover these regulatory costs so that state agencies are not subsidizing private commercial activity. The Commission notes that the current annual license fee of \$500 is unlikely to cover the anticipated costs associated with expanded licensing, compliance oversight, and enforcement.

Conclusion

This report recommends additional requirements to enhance and bolster an already developed and regulated industry while preserving the nonlimited licensing structure that allows businesses that may be excluded or not financially able to enter the cannabis space an opportunity to participate in the hemp industry. The information contained herein is intended to support the development of clear, equitable, and enforceable recommendations to the General Assembly.