

1 (8) "Hemp" means the plant of the genus cannabis and any part of such plant, whether
2 growing or not, with a delta-9 tetrahydrocannabinol concentration that does not exceed three-
3 tenths percent (.3%) on a dry weight basis of any part of the plant cannabis, or per volume or
4 weight of marijuana product, or the combined percent of delta-9 tetrahydrocannabinol and
5 tetrahydrocannabinolic acid in any part of the plant cannabis regardless of moisture content.

6 (9) "Hemp and CBD-rich hemp products" means all products made from the plants,
7 including, but not limited to, concentrated oil, cloth, cordage, fiber, food, fuel, paint, paper,
8 construction materials, plastics, seed, seed meal, seed oil, and certified seed for cultivation.

9 (10) "Thc" means tetrahydrocannabinol, the principal psychoactive constituent of
10 cannabis.

11 (11) "Thca" means tetrahydrocannabinol acid.

12 **2-26-3. Hemp and CBD-Rich Hemp; an agricultural product. --** Hemp and CBD-rich
13 hemp are agricultural products which may be grown as a crop, produced, possessed, distributed,
14 and commercially traded pursuant to the provisions of this chapter.

15 **2-26-4. Authority over licensing and sales. --** (a) (1) The division of agriculture in the
16 department of environmental management shall promulgate rules and regulations for the licensing
17 and regulation of hemp or cbd-rich cultivators and shall be responsible for the enforcement of
18 such licensing and regulation.

19 (2) A person or entity who intends to cultivate hemp or cbd-rich hemp shall file for a
20 license to cultivate with the division of agriculture at the department of environmental
21 management. All applicants shall file a national criminal background check with the bureau of
22 criminal identification through the attorney general's office. All such applicants shall also register
23 as applicants with the state police. The applicant shall pay the costs of such national background
24 check.

25 (i) Information produced by a national criminal records check pertaining to a conviction
26 for any felony offense under chapter 28 of title 21 ("Rhode Island Controlled Substances Act"),
27 murder, manslaughter, rape, first-degree sexual assault, second-degree sexual assault, first-degree
28 child molestation, second-degree child molestation, kidnapping, first-degree arson, second-degree
29 arson, mayhem, robbery, burglary, breaking and entering, assault with a dangerous weapon,
30 assault or battery involving grave bodily injury, and/or assault with intent to commit any offense
31 punishable as a felony or a similar offense from any jurisdiction shall result in a letter to the
32 applicant and the division disqualifying the applicant.

33 (ii) For purposes of this section, "conviction" means, in addition to judgements of
34 conviction entered by a court subsequent to a finding of guilty, or a plea of guilty, those instances

1 where the defendant has entered a plea of nolo contendere and has received a sentence of
2 probation, and those instances where a defendant has entered into a deferred sentence agreement
3 with the attorney general.

4 (3) The division shall charge a non-refundable application fee of twenty-five thousand
5 dollars (\$25,000) for each application to obtain a cultivator's license. Thereafter the cultivator's
6 license may be renewed every three (3) years upon payment of the renewal fee of twenty-five
7 thousand dollars (\$25,000). No licensee shall be eligible to have their license renewed if the
8 licensee is subsequently disqualified for committing any offense under this section.

9 (b) The department of health shall promulgate regulations for the sales, storage,
10 manufacturing, and testing of CBD-rich hemp products and plants as set forth herein. Applicants
11 must demonstrate that the CBD-rich hemp to be grown will be a cannabidiol-rich product with a
12 cannabidiol no less than fifteen percent (15%) and a THC-concentration of less than one percent
13 (1%) during the growing of the plant. The final product must have a THC-concentration of less
14 than three tenths percent (0.3%).

15 (i) The department, in promulgating such rules and regulations, shall include a testing
16 schedule to adequately monitor the THC levels of the plants throughout the cultivation process,
17 from seed to final product.

18 (ii) All such testing shall be performed by or at the direction of the department, and shall
19 be paid for by the licensee.

20 **2-26-5. Rulemaking authority.** -- The division and the department shall adopt rules to
21 provide for the implementation of this chapter, which shall include rules to require CBD-rich
22 hemp and standard hemp to be tested during growth for tetrahydrocannabinol levels and to
23 require inspection of CBD-rich hemp and standard hemp during sowing, growing season, harvest,
24 storage, and processing. The division and the department shall not adopt under this or any other
25 section a rule that would prohibit a person or entity to grow or distribute hemp based on the legal
26 status of hemp and CBD-rich hemp under federal law.

27 **2-26-6. Registration.** -- (a) Except as provided in this section, beginning thirty (30) days
28 after the effective date of this act, the division shall accept applications for licensure to cultivate
29 CBD-rich hemp and hemp.

30 (b) A person or entity who intends to cultivate hemp and CBD-rich hemp shall register
31 with the division of agriculture as a cultivator, and shall also submit on a form provided by the
32 department of health an application for a license to manufacture and sell hemp and CBD-rich
33 hemp products. The application for a license to manufacture and sell shall contain the following:

34 (1) The name and address of the person or entity;

1 (2) A certificate of analysis that the seeds or plants obtained for cultivation are of a type
2 and variety that do not exceed the maximum concentration of delta-9 tetrahydrocannabinol set
3 forth in this chapter;

4 (3) The location of the cultivation facility and other field reference information as may be
5 required by the department; Provided, that at a minimum, each applicant shall provide the
6 department of health and the division with a tracking program and security layout to indicate all
7 agriculture grown is tracked and monitored from seed to distribution outlets;

8 (4) An explanation of the seed to sale tracking, cultivation method, extraction method,
9 and cbd-rich certificate of analysis or certificate of analysis for the standard hemp seeds; and

10 (5) The division and the department shall review each application for the appropriate
11 license to determine whether the applicant meets the criteria in this chapter and qualifies for
12 licensure.

13 (c) A person registered with the department or the division pursuant to this section shall
14 allow hemp and CBD-rich hemp crops, throughout sowing, year-long growing seasons, harvest,
15 storage, and processing, to be inspected and tested by and at the discretion of the department or
16 division.

17 **2-26-7. CBD-rich hemp products. Methods of extraction. --** (a) No butane method of
18 extraction of oil shall be allowed for any hemp or CBD-rich hemp product. The only permitted
19 method of extraction of oil for CBD-rich hemp products shall be the C02 extraction, also known
20 as supercritical fluid extraction, as described in this section.

21 (1) C02 extraction, also known as supercritical fluid extraction (SFE), is the process of
22 separating one component (the extractant) from another (the matrix) using supercritical fluids as
23 the extracting solvent. Extraction is usually from a solid matrix, but can also be from liquids. SFE
24 can be used as a sample preparation step for analytical purposes, or on a larger scale to either strip
25 unwanted material from a product or collect a desired product.

26 **2-26-8. Product testing and labeling. --** (a) The tetrahydrocannabinol concentration of
27 CBD-rich hemp shall be determined and tested by the department from the final product after
28 manufacturing and processing.

29 (b) All final products must be properly tested by national accredited testing facilities,
30 which must include testing of cbd, cbdA Cbn, thc, and thca. All such products shall be properly
31 labelled as having been tested successfully. Products must also be tested and labeled as
32 contaminant free.

33 (c) Any products containing thc in excess of the allowable limits shall be destroyed on-
34 site by the licensee, under the observation and authority of the department.

1 **2-26-9. Exemption from state penalties.** -- (a) It is not a violation of state or local law
2 for a person to plant, grow, harvest, possess, process, sell, and buy CBD-rich hemp if that person
3 does so in compliance with this chapter and rules adopted in accordance with it.

4 (b) It is not a violation of state or local law for a person to purchase and possess industrial
5 CBD-rich hemp or CBD-rich hemp products.

6 **2-26-10. Transfer of licenses prohibited.** -- No license or registration issued pursuant to
7 the terms of this chapter may be assigned, transferred, or sold to any other person or entity.

8 SECTION 2. This act shall take effect upon passage.

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LC002590/SUB A
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO AGRICULTURE AND FORESTRY - CBD-RICH HEMP ACT

1 This act would allow for the growth of hemp or cbd-rich hemp as an agricultural product
2 in Rhode Island. Growers would be subject to registration as a cultivator with the division of
3 agriculture in the department of environmental management. The sales or manufacture of hemp
4 and cbd-rich hemp products would be under the regulation of the department of health.

5 This act would take effect upon passage.

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LC002590/SUB A
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