It is enacted by the General Assembly as follows:

SECTION 1. Chapter 21-28.6 of the General Laws entitled "The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act" is hereby amended by adding thereto the following sections:


(a) (1) Cannabis prohibition has had a devastating impact on communities across Rhode Island and across the United States. Persons convicted of a cannabis-related offense and their families suffer the long-term consequences of prohibition. These individuals have a more difficult time entering the newly created adult-use cannabis industries due, in part, to a lack of access to capital, business space, technical support, and regulatory compliance assistance. In partial recognition of this, the general assembly decriminalized possession of small amounts of marijuana in 2013. Since 2006, medicinal use of marijuana has been permitted in Rhode Island.

(2) During the era of cannabis prohibition in Rhode Island, the burdens of arrests, convictions, and long-term collateral consequences arising from a conviction related to cannabis fell disproportionately on Black and Latinx people, even though people of all races used and sold cannabis at nearly identical rates. A policy report issued by Open Doors in 2010 reported that in 2008, people of color were arrested for possession of marijuana and sentenced to prison at a rate eight (8) times higher than white persons. A report released by the American Civil Liberties Union in 2013 found that in Rhode Island in the years 2001 through 2010, black persons were
arrested for marijuana possession at a rate nearly three (3) times the rate of white persons. The collateral consequences associated with cannabis law violations, coupled with generational poverty and a lack of access to resources, made it extraordinarily difficult for persons of color, especially those with prior convictions, to enter the newly regulated cannabis industries.

(3) Offering technical support, regulatory compliance assistance, and assistance with securing the capital necessary to begin a business in the emerging new cannabis industries will help to reduce barriers to licensure and employment of persons of color.

(4) Offering these supports will also aid the state in eliminating or reducing the illicit cannabis market by bringing more people into the legal marketplace.

(5) It is the intent of this act to ensure that persons most harmed by cannabis criminalization be offered assistance to enter the cannabis industries as entrepreneurs or as employees with high quality and well-paying jobs. It is also the intent of this act to ensure that barriers to persons of color entering the cannabis industries are reduced or eliminated.

(b) As used in this chapter, the term "persons of color" means people who are citizens or permanent residents of the United States and who are:

(1) Black (a person having origins in any of the black racial groups of Africa); or

(2) Hispanic (a person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race); or

(3) Asian American (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands); or

(4) American Indian and Alaskan Native (a person having origins in any of the original peoples of North America).


(a) Notwithstanding any provisions of this chapter to the contrary, effective July 1, 2019, and thereafter, the department of business regulation (the "department") shall implement policies to increase participation in the marijuana industry of people of color or persons found to be disproportionately impacted by marijuana prohibition based on the 2019 legislative analysis entitled "the Rhode Island cannabis equity act" hereinafter referred to as the "2019 legislative analysis" conducted to determine whether a disparity exists in the arrest or conviction rate for marijuana arrests. Policies implemented pursuant to this section shall pursue a goal of ensuring that half (1/2) of all new compassion center registration certificates issued, including, but not limited to, certificates issued pursuant to the provisions of § 21-28.6-12, are issued to persons of color or those persons found by the 2019 legislative analysis to be disproportionately impacted by marijuana prohibition. In promulgating these policies, the department shall consider factors and
goals identified in § 21-28.6-18(a), the conclusions reached in the 2019 legislative analysis, and
other factors designed to promote the entry of persons of color and persons found by the 2019
legislative analysis to be disproportionately impacted by marijuana prohibition into the cannabis
industries.

(b) Notwithstanding any provisions of this chapter to the contrary, effective July 1, 2019,
and thereafter, the department shall implement policies to increase participation of people of color
or persons found to be disproportionately impacted by marijuana prohibition based on the 2019
legislative analysis. Policies implemented pursuant to this section shall pursue a goal of ensuring
that half (1/2) of all new cultivator licenses issued, including, but not limited to, licenses issued
pursuant to the provisions of § 21-28.6-16, are issued to persons of color or persons found by the
2019 legislative analysis to be disproportionately impacted by marijuana prohibition who are also
residents of Rhode Island. In issuing these licenses, the department shall consider factors and
goals identified in § 21-28.6-18(a), the conclusions reached in the 2019 legislative analysis and
other factors designed to promote the entry of persons of color or persons found by the 2019
legislative analysis to be disproportionately impacted into the cannabis industries.

(c) In issuing any certificate or license pertaining to the cannabis industries, the
department shall also consider the number of the persons of color or those persons found by the
2019 legislative analysis to be disproportionately impacted by marijuana prohibition who the
applicant for the certificate or license will employ under or pursuant to the certificate or license.
The department shall encourage applicants who commit to ensuring that at least a quarter (1/4) of
their staff are persons of color or among those persons found by the 2019 legislative analysis to
be disproportionately impacted by marijuana prohibition.


(a) Fund established.

(1) Effective July 1, 2019, there is hereby established a restricted receipt account entitled
the "cannabis economic opportunity fund" (the “fund”).

(b) Funding.

(1) Thirty percent (30%) of all monies and revenues generated by sales, licensure, fines,
taxes and fees charged pursuant to this chapter and any other provisions related to the
marijuana/cannabis industries, and thirty percent (30%) of all monies collected as a fine for a
violation of a law or rule pertaining to marijuana/cannabis, shall be deposited into the fund. The
fund shall be administered by the department of business regulation (the "department”).

(c) Distribution of fund.

(1) Eighty percent (80%) of the fund shall be used to provide interest free loans to
persons of color or persons found by the 2019 legislative analysis to be disproportionately impacted by marijuana prohibition who are seeking entry into the cannabis industries. Applicants for these loans shall set forth in detail the proposed use of the funds and, if a loan is approved, the applicant shall be required to use the funds in accordance with the applicant’s application. The approval process for these loans shall be established by rules and regulations promulgated by the department. The department shall provide assistance to persons of color or persons found by the 2019 legislative analysis to be disproportionately impacted by marijuana prohibition in the completion of these loan applications.

(2) Twenty percent (20%) of the fund shall be used to provide job training to assist persons of color or persons found by the 2019 legislative analysis to be disproportionately impacted by marijuana prohibition in gaining entrance into the cannabis industries.


To facilitate greater equity in business ownership and employment in the cannabis market, the department of business regulation (the "department") shall do all of the following:

(1) Serve as a point of contact for and to assist persons of color or persons found by the 2019 legislative analysis to be disproportionately impacted by marijuana prohibition interested in gaining access to the cannabis industries.

(2) On or before July 1, 2020, publish the findings or conclusions reached by the legislative analysis.

(3) To the extent feasible, assist and provide guidance to persons of color or persons found by the 2019 legislative analysis to be disproportionately impacted by marijuana prohibition seeking to enter the cannabis industries in regard to appearances before and dealings with local municipal agencies, including, but not limited to, planning and zoning boards, and municipal governing councils.

SECTION 2. This act shall take effect upon passage.
This act would seek to remove barriers to persons of color or persons found to be disproportionately impacted by marijuana prohibition from entering into the cannabis industries. The act would ensure that a policy is implemented to promote an equitable distribution of licenses and certificates related to these industries. The act would also establish a loan program, to be administered by the department of business regulation, to assist persons of color or persons found to be disproportionately impacted by marijuana prohibition to gain access into the cannabis industries.

This act would take effect upon passage.