

2014 -- H 7862

=====  
LC004997  
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

—————  
A N A C T

RELATING TO FOOD AND DRUGS - COMPASSION CENTERS

Introduced By: Representative Scott Slater

Date Introduced: March 04, 2014

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 21-28.6-12 of the General Laws in Chapter 21-28.6 entitled "The  
2 Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act" is hereby amended to read as  
3 follows:

4 **21-28.6-12. Compassion centers.** -- (a) A compassion center registered under this  
5 section may acquire, possess, cultivate, manufacture, deliver, transfer, transport, supply, or  
6 dispense marijuana, or related supplies and educational materials, to registered qualifying patients  
7 and their registered primary caregivers who have designated it as one of their primary caregivers.  
8 A compassion center is a primary caregiver. Except as specifically provided to the contrary, all  
9 provisions of the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, sections 21-  
10 28.6-1 -- 21-28.6-11, apply to a compassion center unless they conflict with a provision contained  
11 in section 21-28.6-12.

12 (b) Registration of compassion centers--department authority:

13 (1) Not later than ninety (90) days after the effective date of this chapter, the department  
14 shall promulgate regulations governing the manner in which it shall consider applications for  
15 registration certificates for compassion centers, including regulations governing:

16 (i) The form and content of registration and renewal applications;

17 (ii) Minimum oversight requirements for compassion centers;

18 (iii) Minimum record-keeping requirements for compassion centers;

19 (iv) Minimum security requirements for compassion centers; and

1 (v) Procedures for suspending, revoking or terminating the registration of compassion  
2 centers that violate the provisions of this section or the regulations promulgated pursuant to this  
3 subsection.

4 (2) Within ninety (90) days of the effective date of this chapter, the department shall  
5 begin accepting applications for the operation of a single compassion center.

6 (3) Within one hundred fifty (150) days of the effective date of this chapter, the  
7 department shall provide for at least one public hearing on the granting of an application to a  
8 single compassion center.

9 (4) Within one hundred ninety (190) days of the effective date of this chapter, the  
10 department shall grant a single registration certificate to a single compassion center, providing at  
11 least one applicant has applied who meets the requirements of this chapter.

12 (5) If at any time after fifteen (15) months after the effective date of this chapter, there is  
13 no operational compassion center in Rhode Island, the department shall accept applications,  
14 provide for input from the public, and issue a registration certificate for a compassion center if a  
15 qualified applicant exists.

16 (6) Within two (2) years of the effective date of this chapter, the department shall begin  
17 accepting applications to provide registration certificates for two (2) additional compassion  
18 centers. The department shall solicit input from the public, and issue registration certificates if  
19 qualified applicants exist.

20 (7) Any time a compassion center registration certificate is revoked, is relinquished, or  
21 expires, the department shall accept applications for a new compassion center.

22 (8) If at any time after three (3) years after the effective date of this chapter, fewer than  
23 three (3) compassion centers are holding valid registration certificates in Rhode Island, the  
24 department shall accept applications for a new compassion center. No more than three (3)  
25 compassion centers may hold valid registration certificates at one time.

26 (9) Any compassion center application selected for approval by the department prior to  
27 January 1, 2012, shall remain in full force and effect, notwithstanding any provisions of this  
28 chapter to the contrary, and shall be subject to state law adopted herein and rules and regulations  
29 adopted by the department subsequent to passage of this legislation.

30 (c) Compassion center and agent applications and registration:

31 (1) Each application for a compassion center shall include:

32 (i) A non-refundable application fee paid to the department in the amount of two  
33 hundred fifty dollars (\$250);

34 (ii) The proposed legal name and proposed articles of incorporation of the compassion

1 center;

2 (iii) The proposed physical address of the compassion center, if a precise address has  
3 been determined, or, if not, the general location where it would be located. This may include a  
4 second location for the cultivation of medical marijuana;

5 (iv) A description of the enclosed, locked facility that would be used in the cultivation of  
6 marijuana;

7 (v) The name, address, and date of birth of each principal officer and board member of  
8 the compassion center;

9 (vi) Proposed security and safety measures which shall include at least one security  
10 alarm system for each location, planned measures to deter and prevent the unauthorized entrance  
11 into areas containing marijuana and the theft of marijuana, as well as a draft employee instruction  
12 manual including security policies, safety and security procedures, personal safety and crime  
13 prevention techniques; and

14 (vii) Proposed procedures to ensure accurate record keeping;

15 (2) Any time one or more compassion center registration applications are being  
16 considered, the department shall also allow for comment by the public and shall solicit input from  
17 registered qualifying patients, registered primary caregivers; and the towns or cities where the  
18 applicants would be located;

19 (3) Each time a compassion center certificate is granted, the decision shall be based upon  
20 the overall health needs of qualified patients and the safety of the public, including, but not  
21 limited to, the following factors:

22 (i) Convenience to patients from throughout the state of Rhode Island to the compassion  
23 centers if the applicant were approved;

24 (ii) The applicants' ability to provide a steady supply to the registered qualifying patients  
25 in the state;

26 (iii) The applicants' experience running a non-profit or business;

27 (iv) The interests of qualifying patients regarding which applicant be granted a  
28 registration certificate;

29 (v) The interests of the city or town where the dispensary would be located;

30 (vi) The sufficiency of the applicant's plans for record keeping and security, which  
31 records shall be considered confidential health care information under Rhode Island law and are  
32 intended to be deemed protected health care information for purposes of the Federal Health  
33 Insurance Portability and Accountability Act of 1996, as amended; and

34 (vii) The sufficiency of the applicant's plans for safety and security, including proposed

1 location, security devices employed, and staffing;

2 (4) After a compassion center is approved, but before it begins operations, it shall submit  
3 the following to the department:

4 (i) A fee paid to the department in the amount of five thousand dollars (\$5,000);

5 (ii) The legal name and articles of incorporation of the compassion center;

6 (iii) The physical address of the compassion center; this may include a second address  
7 for the secure cultivation of marijuana;

8 (iv) The name, address, and date of birth of each principal officer and board member of  
9 the compassion center;

10 (v) The name, address, and date of birth of any person who will be an agent of, employee  
11 or volunteer of the compassion center at its inception;

12 (5) The department shall track the number of registered qualifying patients who  
13 designate each compassion center as a primary caregiver, and issue a written statement to the  
14 compassion center of the number of qualifying patients who have designated the compassion  
15 center to serve as a primary caregiver for them. This statement shall be updated each time a new  
16 registered qualifying patient designates the compassion center or ceases to designate the  
17 compassion center and may be transmitted electronically if the department's regulations so  
18 provide. The department may provide by regulation that the updated written statements will not  
19 be issued more frequently than twice each week;

20 (6) Except as provided in subdivision (7), the department shall issue each principal  
21 officer, board member, agent, volunteer and employee of a compassion center a registry  
22 identification card or renewal card within ten (10) days of receipt of the person's name, address,  
23 date of birth; a fee in an amount established by the department; and notification to the department  
24 by the state police that the registry identification card applicant has not been convicted of a felony  
25 drug offense or has not entered a plea of nolo contendere for a felony drug offense and received a  
26 sentence of probation. Each card shall specify that the cardholder is a principal officer, board  
27 member, agent, volunteer, or employee of a compassion center and shall contain the following:

28 (i) The name, address, and date of birth of the principal officer, board member, agent,  
29 volunteer or employee;

30 (ii) The legal name of the compassion center to which the principal officer, board  
31 member, agent, volunteer or employee is affiliated;

32 (iii) A random identification number that is unique to the cardholder;

33 (iv) The date of issuance and expiration date of the registry identification card; and

34 (v) A photograph, if the department decides to require one;

1 (7) Except as provided in this subsection, the department shall not issue a registry  
2 identification card to any principal officer, board member, agent, volunteer, or employee of a  
3 compassion center who has been convicted of a felony drug offense or has entered a plea of nolo  
4 contendere for a felony drug offense and received a sentence of probation. The department shall  
5 notify the compassion center in writing of the purpose for denying the registry identification card.  
6 The department may grant such person a registry identification card if the department determines  
7 that the offense was for conduct that occurred prior to the enactment of the Edward O. Hawkins  
8 and Thomas C. Slater Medical Marijuana Act or that was prosecuted by an authority other than  
9 the state of Rhode Island and for which the Edward O. Hawkins and Thomas C. Slater Medical  
10 Marijuana Act would otherwise have prevented a conviction;

11 (i) All registry identification card applicants shall apply to the state police for a national  
12 criminal identification records check that shall include fingerprints submitted to the federal  
13 bureau of investigation. Upon the discovery of a felony drug offense conviction or a plea of nolo  
14 contendere for a felony drug offense with a sentence of probation, and in accordance with the  
15 rules promulgated by the director, the state police shall inform the applicant, in writing, of the  
16 nature of the felony and the state police shall notify the department, in writing, without disclosing  
17 the nature of the felony, that a felony drug offense conviction or a plea of nolo contendere for a  
18 felony drug offense with probation has been found.

19 (ii) In those situations in which no felony drug offense conviction or plea of nolo  
20 contendere for a felony drug offense with probation has been found, the state police shall inform  
21 the applicant and the department, in writing, of this fact.

22 (iii) All registry identification card applicants shall be responsible for any expense  
23 associated with the criminal background check with fingerprints.

24 (8) A registry identification card of a principal officer, board member, agent, volunteer,  
25 or employee shall expire one year after its issuance, or upon the expiration of the registered  
26 organization's registration certificate, or upon the termination of the principal officer, board  
27 member, agent, volunteer or employee's relationship with the compassion center, whichever  
28 occurs first.

29 (d) Expiration or termination of compassion center:

30 (1) A compassion center's registration shall expire two (2) years after its registration  
31 certificate is issued. The compassion center may submit a renewal application beginning sixty  
32 (60) days prior to the expiration of its registration certificate;

33 (2) The department shall grant a compassion center's renewal application within thirty  
34 (30) days of its submission if the following conditions are all satisfied:

1 (i) The compassion center submits the materials required under subdivision (c)(4),  
2 including a five thousand dollar (\$5,000) fee;

3 (ii) The compassion center's registration has never been suspended for violations of this  
4 chapter or regulations issued pursuant to this chapter;

5 (iii) The legislative oversight committee's report, if issued pursuant to subsection (4)(j),  
6 indicates that the compassion center is adequately providing patients with access to medical  
7 marijuana at reasonable rates; and

8 (iv) The legislative oversight committee's report, if issued pursuant to subsection (4)(j),  
9 does not raise serious concerns about the continued operation of the compassion center applying  
10 for renewal.

11 (3) If the department determines that any of the conditions listed in paragraphs (d)(2)(i) -  
12 - (iv) have not been met, the department shall begin an open application process for the operation  
13 of a compassion center. In granting a new registration certificate, the department shall consider  
14 factors listed in subdivision (c)(3) of this section;

15 (4) The department shall issue a compassion center one or more thirty (30) day  
16 temporary registration certificates after that compassion center's registration would otherwise  
17 expire if the following conditions are all satisfied:

18 (i) The compassion center previously applied for a renewal, but the department had not  
19 yet come to a decision;

20 (ii) The compassion center requested a temporary registration certificate; and

21 (iii) The compassion center has not had its registration certificate revoked due to  
22 violations of this chapter or regulations issued pursuant to this chapter.

23 (5) A compassion center's registry identification card shall be subject to revocation if the  
24 compassion center:

25 (i) Possesses an amount of marijuana exceeding the limits established by this chapter;

26 (ii) Is in violation of the laws of this state;

27 (iii) Is in violation of other departmental regulations; or

28 (iv) Employs or enters into a business relationship with a medical practitioner who  
29 provides written certification of a qualifying patient's medical condition.

30 (e) Inspection. - Compassion centers are subject to reasonable inspection by the  
31 department of health, division of facilities regulation. During an inspection, the department may  
32 review the compassion center's confidential records, including its dispensing records, which shall  
33 track transactions according to qualifying patients' registry identification numbers to protect their  
34 confidentiality.

1 (f) Compassion center requirements:

2 (1) A compassion center shall be operated on a not-for-profit basis for the mutual benefit  
3 of its patients. A compassion center need not be recognized as a tax-exempt organization by the  
4 Internal Revenue Services;

5 (2) A compassion center may not be located within one thousand feet (1000') of the  
6 property line of a preexisting public or private school;

7 (3) A compassion center shall notify the department within ten (10) days of when a  
8 principal officer, board member, agent, volunteer or employee ceases to work at the compassion  
9 center. His or her card shall be deemed null and void and the person shall be liable for any  
10 penalties that may apply to any nonmedical possession or use of marijuana by the person;

11 (4) A compassion center shall notify the department in writing of the name, address, and  
12 date of birth of any new principal officer, board member, agent, volunteer or employee and shall  
13 submit a fee in an amount established by the department for a new registry identification card  
14 before that person begins his or her relationship with the compassion center;

15 (5) A compassion center shall implement appropriate security measures to deter and  
16 prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana and  
17 shall insure that each location has an operational security alarm system. Each compassion center  
18 shall request that the Rhode Island state police visit the compassion center to inspect the security  
19 of the facility and make any recommendations regarding the security of the facility and its  
20 personnel within ten (10) days prior to the initial opening of each compassion center. Said  
21 recommendations shall not be binding upon any compassion center, nor shall the lack of  
22 implementation of said recommendations delay or prevent the opening or operation of any center.  
23 If the Rhode Island state police do not inspect the compassion center within the ten (10) day  
24 period there shall be no delay in the compassion center's opening.

25 (6) The operating documents of a compassion center shall include procedures for the  
26 oversight of the compassion center and procedures to ensure accurate record keeping;

27 (7) A compassion center is prohibited from acquiring, possessing, cultivating,  
28 manufacturing, delivering, transferring, transporting, supplying, or dispensing marijuana for any  
29 purpose except to assist registered qualifying patients with the medical use of marijuana directly  
30 or through the qualifying patient's other primary caregiver;

31 (8) All principal officers and board members of a compassion center must be residents of  
32 the state of Rhode Island;

33 (9) Each time a new registered qualifying patient visits a compassion center, it shall  
34 provide the patient with frequently asked questions sheet designed by the department, which

1 explains the limitations on the right to use medical marijuana under state law;

2 (10) Each compassion center shall develop, implement, and maintain on the premises  
3 employee, volunteer and agent policies and procedures to address the following requirements:

4 (i) A job description or employment contract developed for all employees and agents and  
5 a volunteer agreement for all volunteers, which includes duties, authority, responsibilities,  
6 qualifications, and supervision; and

7 (ii) Training in and adherence to state confidentiality laws.

8 (11) Each compassion center shall maintain a personnel record for each employee, agent  
9 and volunteer that includes an application and a record of any disciplinary action taken;

10 (12) Each compassion center shall develop, implement, and maintain on the premises an  
11 on-site training curriculum, or enter into contractual relationships with outside resources capable  
12 of meeting employee training needs, which includes, but is not limited to, the following topics:

13 (i) Professional conduct, ethics, and patient confidentiality; and

14 (ii) Informational developments in the field of medical use of marijuana.

15 (13) Each compassion center entity shall provide each employee, agent and volunteer, at  
16 the time of his or her initial appointment, training in the following:

17 (i) The proper use of security measures and controls that have been adopted; and

18 (ii) Specific procedural instructions on how to respond to an emergency, including  
19 robbery or violent accident;

20 (14) All compassion centers shall prepare training documentation for each employee and  
21 volunteer and have employees and volunteers sign a statement indicating the date, time, and place  
22 the employee and volunteer received said training and topics discussed, to include name and title  
23 of presenters. The compassion center shall maintain documentation of an employee's and a  
24 volunteer's training for a period of at least six (6) months after termination of an employee's  
25 employment or the volunteer's volunteering.

26 (g) Maximum amount of usable marijuana to be dispensed:

27 (1) A compassion center or principal officer, board member, agent, volunteer or  
28 employee of a compassion center may not dispense more than two and one half ounces (2.5 oz) of  
29 usable marijuana to a qualifying patient directly or through a qualifying patient's other primary  
30 caregiver during a fifteen (15) day period;

31 (2) A compassion center or principal officer, board member, agent, volunteer or  
32 employee of a compassion center may not dispense an amount of usable marijuana or marijuana  
33 plants to a qualifying patient or a qualifying patient's other primary caregiver that the compassion  
34 center, principal officer, board member, agent, volunteer, or employee knows would cause the



1 recipient to possess more marijuana than is permitted under the Edward O. Hawkins and Thomas  
2 C. Slater Medical Marijuana Act.

3 (h) Immunity:

4 (1) No registered compassion center shall be subject to prosecution; search, except by  
5 the department pursuant to subsection (e); seizure; or penalty in any manner or denied any right  
6 or privilege, including, but not limited to, civil penalty or disciplinary action by a business,  
7 occupational, or professional licensing board or entity, solely for acting in accordance with this  
8 section to assist registered qualifying patients to whom it is connected through the department's  
9 registration process with the medical use of marijuana;

10 (2) No registered compassion center shall be subject to prosecution; seizure or penalty in  
11 any manner or denied any right or privilege, including, but not limited to, civil penalty or  
12 disciplinary action by a business, occupational, or professional licensing board or entity, for  
13 selling, giving or distributing marijuana in whatever form and within the limits established by the  
14 department to another registered compassion center;

15 (3) No principal officers, board members, agents, volunteers, or employees of a  
16 registered compassion center shall be subject to arrest, prosecution, search, seizure, or penalty in  
17 any manner or denied any right or privilege, including, but not limited to, civil penalty or  
18 disciplinary action by a business, occupational, or professional licensing board or entity, solely  
19 for working for or with a compassion center to engage in acts permitted by this section.

20 (4) No state employee shall be subject to arrest, prosecution or penalty in any manner, or  
21 denied any right or privilege, including, but not limited to, civil penalty, disciplinary action,  
22 termination, or loss of employee or pension benefits, for any and all conduct that occurs within  
23 the scope of his or her employment regarding the administration, execution and/or enforcement of  
24 this act, and the provisions of Rhode Island general laws, sections 9-31-8 and 9-31-9 shall be  
25 applicable to this section.

26 (i) Prohibitions:

27 (1) A compassion center ~~shall not possess an amount of marijuana at any given time that~~  
28 ~~exceeds the following limitations:~~

29 ~~(i) One hundred fifty (150) marijuana plants of which no more than ninety nine (99)~~  
30 ~~shall be mature; and~~

31 ~~(ii) One thousand five hundred ounces (1500 oz.) of usable marijuana~~ must limit its  
32 inventory of seedlings, plants, and usable marijuana to reflect the projected needs of registered  
33 qualifying patients.

34 (2) A compassion center may not dispense, deliver, or otherwise transfer marijuana to a

1 person other than a qualifying patient who has designated the compassion center as a primary  
2 caregiver or to such patient's other primary caregiver;

3 (3) A person found to have violated paragraph (2) of this subsection may not be an  
4 employee, agent, volunteer, principal officer, or board member of any compassion center;

5 (4) An employee, agent, volunteer, principal officer or board member of any compassion  
6 center found in violation of paragraph (2) above shall have his or her registry identification  
7 revoked immediately; and

8 (5) No person who has been convicted of a felony drug offense or has entered a plea of  
9 nolo contendere for a felony drug offense with a sentence or probation may be the principal  
10 officer, board member, agent, volunteer, or employee of a compassion center unless the  
11 department has determined that the person's conviction was for the medical use of marijuana or  
12 assisting with the medical use of marijuana in accordance with the terms and conditions of this  
13 chapter. A person who is employed by or is an agent, volunteer, principal officer, or board  
14 member of a compassion center in violation of this section is guilty of a civil violation punishable  
15 by a fine of up to one thousand dollars (\$1,000). A subsequent violation of this section is a  
16 misdemeanor:

17 (j) Legislative oversight committee:

18 (1) The general assembly shall appoint a nine (9) member oversight committee  
19 comprised of: one member of the house of representatives; one member of the senate; one  
20 physician to be selected from a list provided by the Rhode Island medical society; one nurse to be  
21 selected from a list provided by the Rhode Island state nurses association; two (2) registered  
22 qualifying patients; one registered primary caregiver; one patient advocate to be selected from a  
23 list provided by the Rhode Island patient advocacy coalition; and the superintendent of the Rhode  
24 Island state police or his/her designee.

25 (2) The oversight committee shall meet at least six (6) times per year for the purpose of  
26 evaluating and making recommendations to the general assembly regarding:

27 (i) Patients' access to medical marijuana;

28 (ii) Efficacy of compassion center;

29 (iii) Physician participation in the Medical Marijuana Program;

30 (iv) The definition of qualifying medical condition;

31 (v) Research studies regarding health effects of medical marijuana for patients.

32 (3) On or before January 1 of every even numbered year, the oversight committee shall  
33 report to the general assembly on its findings.

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

=====  
LC004997  
=====

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO FOOD AND DRUGS - COMPASSION CENTERS

\*\*\*

1           This act would replace the numerical limit on the number of marijuana plants and amount  
2 of marijuana a compassion center may possess with the requirement that it limit its inventory of  
3 seedlings, plants, and usable marijuana to reflect the projected needs of registered qualifying  
4 patients.

5           This act would take effect upon passage.

=====  
LC004997  
=====