



STATE OF RHODE ISLAND
DEPARTMENT OF BUSINESS REGULATION
Office of Cannabis Regulation
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Hybrid Cultivator License Frequently Asked Questions

Version Date: August 1, 2022. The Office of Cannabis Regulation will continue to update this document as more questions are received via DBR.Hybridlicensing@dbr.ri.gov.

1. Will the recording of the webinar be made available to the public?

Yes, we are working with IT to post the recording on our website. Please continue to check our [website](#) for the most up to date information, including the [Hybrid Preliminary Guidance Document](#).

2. Will there be a central place where you will be posting updates?

Yes, please continue to check our [website](#) for the most up to date information.

3. Will the list of applicants for retail be public? If so, where could one find that?

Yes, we will continue to update the website with approved applicants. Note that per the enacted law, hybrid retail applications will only be available to existing licensed medical marijuana Compassion Centers.

4. When can licensed hybrid cultivators start selling adult use products to Compassion Centers?

Upon the issuance of your Hybrid Cultivator license, you may begin to transfer product intended for medical use or adult-use to a licensed Compassion Center. All transportation activities must be compliant with existing regulations under the MMP. . Before a Compassion Center can accept product intended for adult-use sales, a Compassion Center must notify OCR of the intended area designated for adult-use product storage. The designated area must be located on their licensed premises, be completely on camera and only contain product intended for adult-use sales. Adult-use product will be stored in this designated area until such time that the Compassion Center is permitted to sell such products.

5. What is the difference between the 3 types of license(s) available for hybrid cultivation?

Cultivation classes are based on "facility size." "Facility size" shall be determined as a total of any area where marijuana will be cultivated, stored, processed, packaged, and/or manufactured. Note that these cultivation classes already exist pursuant to the MMP.

<i>License Class</i>	<i>Size of Facility</i>
<i>Micro-license</i>	<i>0– 2,500 sq. ft.</i>
<i>Class A</i>	<i>0 – 5000 sq. ft.</i>
<i>Class B</i>	<i>5,001 – 10,000 sq. ft.</i>

6. What are the requirements as far as school zones and licensed hybrid cultivators?

Regulations relating to the proximity of cultivation facilities already exist in law and regulation and will not change during the hybrid period. As a reminder, you must hold a current Medical Marijuana Cultivator License to apply for a Hybrid Cultivator License. No new licenses are available at this point in time.

7. Will cultivators that are in “temporary suspension of cultivation activities” be considered in good standing?

Licensed cultivators who have a current and active variance for "temporary discontinuance of business" issued by the Department shall be considered in Good Standing unless there are other enforcement action(s) or matters of noncompliance currently pending before the Office of Cannabis Regulation.

8. Will only products produced after being approved for a hybrid license be allowed to be sold on the adult use market?

Product that was grown, processed or manufactured prior to the issuance of the hybrid license will be allowed to be transferred at wholesale to a licensed Compassion Center so long as all transportation requirements are met and so long as the Compassion Center has a designated space for storage of adult-use until such time that sales can commence. For further detail, refer to Question 4 above.

9. Our annual renewal is in September. Should I submit the hybrid Application and fee now or submit both the Hybrid Cultivator Application and my Renewal Application and fee?

The Application may be submitted at any point once it becomes available.

10. Are growing plants required to be separated into medical or adult-use in a cultivation facility?

Plants are not required to be separated.

11. When is product required to be separated for adult use or medical?

Product will be separated either at the finished product state (ingestible products above 10mgs of THC will be available to be sold ONLY to a registered patient population) or at wholesale transfer from a cultivator to a Compassion Center. Product that does not fall

into the above "ingestible" category may be designated as "medical" or "adult-use." This designation is required to be documented on the required Transport Manifest.

12. Will cultivations be expected to have separate rooms for adult use and medical?

No.

13. Will it be required to have a location prior to applying for the hybrid cultivation license?

All applicants for hybrid cultivator licensure must be in good standing with the Department. Good Standing means an active license in which an approved location is required.

14. Do you have to have had a previous medical license to apply for the hybrid cultivation license?

Yes.

15. Can a hemp handler, grower or dual license holder apply for a Hybrid Cultivator License?

No. Applicants for the hybrid cultivation license must currently possess an active Medical Marijuana Cultivator License issued by the Office of Cannabis Regulation.

16. Will testing requirements and failure thresholds be the same for medical and adult-use product?

Yes, current enforced testing requirements are applicable to both medical and adult-use products.

17. Is there any plan for a new inventory tracking system for the transitional period?

Inventory tracking including required reports will not change until such time that METRC has been implemented later this year. All questions related to METRC will be addressed in a separate webinar and subsequent guidance documents.

18. How will potency be regulated in the adult use market?

All adult-use products will adhere to the requirements of current medical products including potency limits. All edible products may contain a maximum THC allowance of 10 mgs per serving and 100 mgs per package. These same limits apply to adult-use products as well. Products designated as "ingestible" may have THC limits that exceed the 10 mgs of THC per serving and 100 mgs of THC per package. These product types will only be allowed to be sold to registered patients.

19. Will there be a surtax on the marijuana that is held in inventory? Will there be a tax comparable to cigarettes?

The Rhode Island Division of Taxation is currently developing rules and regulations to that will communicate precise details on the applicability of adult use tax provisions during the transitional period.

20. Is canopy considered mature flowering tables? Or still the plant touching rooms? When does that change occur?

During the transitional period, facility size shall be determined as a total of any area where marijuana will be cultivated, stored, processed, packaged, and/or manufactured. The 10,000SF canopy cap introduced in the enacted legislation does not apply during the transitional period and may be implemented following the finalization of full adult use rules and regulations.

21. Why would the OCR feel there's a need to separate adult-use and medical products?

Separation of product between medical and adult-use is required by statute.

22. When can a Compassion Center start purchasing product for adult use?

Product that was grown, processed or manufactured prior to the issuance of the hybrid license will be allowed to be transferred at wholesale to a licensed Compassion Center so long as all transportation requirements are met and so long as the Compassion Center has a designated and approved space for storage of adult-use until such time that sales can commence.

23. Do we need a letter of good standing from the Division of Taxation?

If you do not have a current Letter of Good Standing on file with the Office of Cannabis Regulation, you must submit one.

24. Is the Current Inventory Document going to be used for the one-time transfer of product from med to adult use?

No, please refer to Question #8 and Question #11.

25. Is there additional guidance the OCR can provide as to Question #1 of the Hybrid Cultivator Application?

Question #1 is asking licensed medical cultivators who have been supplying Rhode Island's medical marijuana market to demonstrate via certain product types, strains, discounts etc., how they will ensure the medical needs of Rhode Island's patients are met during the rollout of adult use cultivation and sales. These proposals will look different from cultivator to cultivator as each facility is unique in both products produced and inventory sold up until this point.