

STATE OF RHODE ISLAND  
DEPARTMENT OF BUSINESS REGULATION  
1511 PONTIAC AVENUE, BLDG. 68-1  
CRANSTON, RI 02920

Business Regulation  
Office of Cannabis Regulation

DEC 23 2020

RECEIVED

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IN THE MATTER OF

MMP NRC 002,

RESPONDENT.  
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DBR No. 20MM015

CONSENT AGREEMENT

Reference is made to The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, R.I. Gen. Laws § 21-28.6-1 *et seq.* (“the Act”) and the Rules and Regulations Related to the Medical Marijuana Program Administered by the Department of Business Regulation 230-RICR-80-05-1 (“the Regulations”).

The Department of Business Regulation (the “Department”) through its Office of Cannabis Regulation (“OCR”) and Respondent MMP NRC 002 (“Respondent”), a Medical Marijuana Cooperative Cultivator licensed pursuant to Section 1.8 of the Regulations, hereby agree to resolve the above-captioned matter in accordance with Section 9(d) of the Act.

It is hereby agreed by and between the Department and the Respondent that:

1. Respondent is a medical marijuana cooperative cultivator licensed by the Department.
2. Respondent submitted its medical marijuana cooperative cultivator renewal application (“Renewal Application”) for License No. MMP NRC 002 on or about October 30, 2020.
3. During the relevant time period, Respondent’s medical marijuana cooperative cultivator consisted of Primary Member [REDACTED] Primary Member’s Designee [REDACTED] Member [REDACTED] Member [REDACTED] and Member [REDACTED].
4. On or about November 24, 2020, OCR Chief Public Protection Inspector (“OCR Inspector”) conducted an inspection of the Respondent’s cultivation facility at [REDACTED] (“Facility”).
5. At the time of inspection, OCR Inspector confirmed that Primary Member [REDACTED] patient registry identification card had expired in June 2020 and had not been renewed.

6. At the time of inspection, OCR Inspector confirmed that Respondent did not purchase and display a sufficient number of active Medical Marijuana Plant Tags in relation to its number of plants being cultivated at the facility.
7. At the time of inspection, OCR Inspector discovered that an individual who is not a member of Respondent had been present in the Facility to assist with its operations.

#### **Applicable Law**

8. Section 1.8(C)(3) of the Regulations provides: “[t]he person identified as the primary applicant and the designee of the licensed cooperative cultivation shall be responsible for the verification that each member of the cooperative cultivation is the holder of a valid and active qualified patient or primary caregiver registry identification card. This includes keeping on the premise copies of the qualified patient or primary caregiver cardholder cards printed for the most recent renewal period.”
9. Section 1.12(B)(1) of the Regulations states that “[q]ualified patients and registered primary caregivers who have a valid registry identification card must apply to DBR for medical marijuana plant tag certificates in order to grow medical marijuana.”
10. Section 1.12(D)(4) of the Regulations states that “[a]ll registered primary caregiver cardholders must obtain a medical marijuana plant tag certificate showing they are growing at least one (1) set of plants for each qualified patient cardholder to whom the primary caregiver cardholder is connected through DOH’s or DBR’s registration process. The primary caregiver’s plant tag certificate must display the exact amount of plant sets ordered and in his/her possession.”
11. R.I. Gen. Laws § 21-28.6-14(a)(6)(iv) of the Act provides, in part, that “[e]very marijuana plant possessed by a cooperative cultivation must be accompanied by a valid medical marijuana tag issued by the department of business regulation pursuant to § 21-28.6-15.”
12. Section 1.8(J)(1) of the Regulations provides that “[m]arijuana plants possessed by a licensed cooperative cultivation are limited to the number of plants that are properly tagged in compliance with all provisions of § 1.12 of this Part and as specifically capped in accordance with § 1.12 of this Part.”
13. Section 1.8(C)(2) of the Regulations states that “[n]o person other than a ‘member’ may participate in the management or operation of the cooperative cultivation or exert any direct or indirect authority over the management or operations of the cooperative cultivation.”
14. R.I. Gen. Laws § 21-28.6-15(b)(3) provides: “[i]f a patient cardholder, primary caregiver cardholder, licensed cooperative cultivation, compassion center, licensed medical marijuana cultivator, or any other person or entity is found to have marijuana plants, or marijuana material without valid medical marijuana tags sets or which are not tracked in accordance with regulation, the department of business regulation shall impose an administrative penalty in accordance with regulations promulgated by the department on the patient cardholder, primary

caregiver cardholder, licensed cooperative cultivation, compassion center, licensed medical marijuana cultivator, or other person or entity for each untagged marijuana plant or unit of untracked marijuana material.”

BASED ON THE FOREGOING, the Department has reason to believe that the Respondent has violated the provisions of the Act and Regulations described in paragraphs 8-13 hereof and that the Department has sufficient cause to take enforcement action against Respondent pursuant to R.I. Gen. Laws §§ 21-28.6-9(e), 21-28.6-14 and Section 1.13 of the Regulations including imposition of administrative penalties under §21-28.6-15(b)(3) and Regulations §§ 1.12 (M)(1) and 1.13(D).

### **Conditions**

15. The Department and the Respondent have agreed to effect a timely and amicable resolution of this matter without an administrative hearing and its attendant time and costs and allowing Respondent to maintain its cooperative cultivation license. As such, the Respondent represents and agrees to the following:
  - a. Respondent shall not permit any person other than a “member” of the cooperative to participate in the management or operation of the cooperative cultivation or exert any direct or indirect authority over the management or operations of the cooperative cultivation;
  - b. Respondent has cured the aforementioned deficiencies, including renewal of all member registration cards and procuring of all required plant tags and Respondent’s operations are now in full compliance with the Act and the Regulations;
  - c. Respondent shall pay to the Department an administrative penalty in the amount of one-thousand and eight-hundred dollars (\$1,800) made payable to the “Rhode Island General Treasurer.”
16. The parties agree that this Consent Agreement and its terms represent the final determination of this matter.

### **Legal Effects of Consent Agreement**

17. *Waiver of Hearing and Appeal.* By agreeing to resolve this matter through the execution of this Consent Agreement, Respondent knowingly and voluntarily waives any right to an administrative hearing and waives any right to pursue an appeal to the Superior Court under the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1 *et seq.*
18. *Enforcement.* If the Respondent fails to comply with any term or condition of this Consent Agreement within any applicable time period set forth herein, the Respondent will be in violation hereunder and the Department shall be entitled to immediately take enforcement or other action in accordance with applicable law.

19. *Compliance; Laws.* Compliance with the terms of this Consent Agreement does not relieve the Respondent of any obligation to comply with other applicable laws or regulations administered by or through the Department or any other governmental agency.

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For the Division:



*Signature*

Date: 12-23-2020

Erica Ferrelli  
Senior Policy & Economic Analyst  
Department of Business Regulation  
Office of Cannabis Regulation

For Respondent:



*Signature*

Date: 12/17/2020

MMP NRC 002