

Cannabis Regulatory Updates

Rhode Island: Governor's Budget



Despite some very promising material in the initial draft of Governor Gina Raimondo's 2018-2019 budget, the rewrite released by the General Assembly in early June removes some key progressive aspects. The first version proposed adding 12 additional dispensaries, bringing the total for the state up to 15; the second version eliminates this proposal. New dispensaries in RI are direly needed, as many patients live in the western half of the state and have to travel more than an hour to get to a dispensary. While that may be feasible for some people, it excludes some of the sickest patients from accessing medication.

The revised version also allows for Massachusetts and Connecticut patients to shop at the Rhode Island dispensaries. While this will mean great things financially for the existing retailers, RI patients may find themselves waiting in longer lines with less time to spend with their budtenders.

Massachusetts: July 1 Recreational Market

It may be technically legal to purchase cannabis in Massachusetts, but as of our publication deadline, the state has yet to issue any recreational retail licenses. So far, one recreational provisional cultivation license has been given out, but they won't be able to sell their products until retail licenses are doled out. The most likely first recipients will be existing medical dispensaries, with separate areas in the storefront for medical and recreational shoppers, to ensure that medical patients still receive the same service and support, as well as products that won't be allowed for recreational customers. While medical patients can enjoy edible products with no potency limit, recreational products must have no more than 5mg THC per piece, and no more than 100mg per package. Recreational consumers also are subject to a 17% tax, whereas medical patients purchase tax-free.

State regulators are adamant that the recreational market in Massachusetts will not resemble that of Colorado. Seventy towns have already put a moratorium on recreational sales, with more expected to follow suit. The rollout of the program will be gradual, seemingly to curb the extreme canna-tourism that states like Colorado saw at the launch of their programs.

California: July 1 Regulation Implementation

With the legalization of cannabis in California last winter, new safety regulations took effect on July 1. The new regulations include additional checks for pesticides, chemicals and foreign material, as well as ingredient and batch number labeling requirements. The changes are good for the program overall, as they require a higher standard of quality and transparency from manufacturers, but coupled with the devastating wildfires in the state this past year, a sizable number of companies are expected to go out of business.