

3. Compliance Issue #1. By investigating entries in the 2019 Visitor Logs with terms such as “trim,” the Department discovered that 19 individuals were conducting marijuana activities on the premises without having obtained the prerequisite registry identification card in violation of the following provisions of the Regulations:
- A. Section 1.6(B)(1), providing that “all officers, directors or managers/members, employees, and agents of the licensed cultivator must apply for cultivator registry identification cards;” and
 - B. Section 1.5(E)(6) entitled “Registry Identification Card Requirements,” providing that no individual is permitted to “begin engagement in medical marijuana cultivation, storage, processing, packaging, manufacturing, transport, or other medical marijuana activities requiring a licensed cultivator license pursuant to the Act until receipt of the card.”
4. Compliance Issue #2. The 2019 Visitor Logs show 173 visits where the Respondent failed to document the name of the licensed cultivator registry identification cardholder escorting the visitor. Such documentation is mandated by § 1.7(F)(6)(c) in order to demonstrate compliance with § 1.7(F)(2)(d), which specifically provides:
- Within any area where marijuana and marijuana products are grown, cultivated, stored, weighed, packaged, processed, or manufactured, any person who does not have a valid licensed cultivator registry identification card shall be considered a “visitor” and must be escorted at all times by a licensed cultivator registry identification card holder.
5. Compliance Issue # 3. Additionally, the 2019 Visitor Logs show 41 instances where the visit is described as “volunteer.” Nothing in the Regulations authorizes a licensed cultivator to allow a “volunteer” to be a visitor on the licensed premises.¹ Rather, §

¹ In contrast to licensed cultivators, the Regulations only permit registered compassion centers to have “volunteers,” which “volunteers” must have a compassion center registration identification card and for which “eligibility” is “limited to persons whose volunteer activities and use of compassion center resources is strictly limited to participation

1.7(F)(6)(c) lists examples of a properly documented “reason for the listed” such as “maintenance, authorized pickup.”

6. BASED ON THE FOREGOING, the Department has reason to believe that Respondent violated the Act and Regulations as described previously herein. Accordingly, the Department has sufficient cause to take enforcement action against Respondent pursuant to §§ 21-28.6-9(e) of the Act and Section 1.7(J) of the Regulations.

7. In an effort to effect a timely and amicable resolution of the compliance issues raised in this Consent Agreement without administrative hearing and to allow Respondent to maintain its license in good-standing, Respondent represents and agrees to the following

Compliance Terms and Administrative Penalty:

A. Respondent represents and warrants to the Department that Respondent shall hereafter comply in all respects with the requirements under the Act and the Regulations, including specifically:

- (i) Obtaining proper registry identification cards for any person who will conduct any marijuana activity before admitting them into the licensed premises;
- (ii) Refusing to admit onto the licensed premises any person without a legitimate permitted business purpose (no “volunteers”);

in educational programming conducted for compassion center cardholders and registered qualifying patients, primary caregivers, and authorized purchasers.” See § 1.3(B)(1) and (6) (“Volunteers shall not be permitted to be otherwise involved in the growth, cultivation, weighing, packaging or labeling, manufacturing, processing, dispensing or sale of medical marijuana.”).

- (iii) Assuring that all visitors are escorted by a person with the proper registry identification at all times;
- (iv) Assuring that the “visitor logs” are properly maintained with documentation of all fields required by the Regulations, including specifically documentation of proper escorting as described in (A)(iii) above.

B. The Respondent shall produce copies of the all visitor logs maintained pursuant to the Regulations and this Agreement to the Department on a quarterly basis for the review period of calendar year 2020.²

C. On account of the violations cited in paragraph 4 herein, Respondent shall pay to the Department an administrative penalty in the amount of \$5,500.³

8. By agreeing to resolve this matter through the execution of this Consent Agreement Respondent voluntarily waives its right to the administrative hearing process, voluntarily waives its right to appeal any finding therefrom to the superior court, and agrees to take all necessary action as delineated in this Consent Agreement to maintain its license in good standing.

9. Respondent hereby acknowledges and agrees that failure to abide by any of the requirements of this Consent Agreement shall be grounds for the Department to initiate further administrative proceedings to impose penalties against Respondent including, but

² Such reports may be submitted to the Department by mail or e-mail and shall be due on March 2, June 1, September 1, and December 31 of 2020.

³ Payment of the administrative fine shall be made by check payable to the “Rhode Island General Treasurer” within ten days of the execution of this Consent Agreement.

not limited to: (i) revocation and/or suspension, and (ii) such additional administrative penalties that the Department deems appropriate.

THIS AGREEMENT IS INTENTIONALLY BLANK UNTIL THE SIGNATURE PAGE.

SIGNATURE PAGE

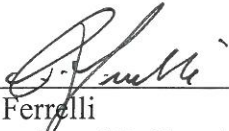
THE DEPARTMENT AND RESPONDENT HEREBY CONSENT AND AGREE TO THE FOREGOING AS TO FORM AND SUBSTANCE:


Department:

Respondent:

Department of Business Regulation

Canna Pharm RI, LLC

By: 
Erica Ferrelli
Economic and Policy Analyst

By: 
Print Name: Scott Scofield
Its duly authorized (print title): Pres

DATE: 1-27-2020

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