

QUESTIONS AND ANSWERS

LOCAL BALLOT QUESTION FOR GENERAL ELECTION TUESDAY, NOVEMBER 8, 2022

(Approved by the Town Council on June 6, 2022)

**BALLOT QUESTION #1: RI CANNABIS ACT: STATE ISSUED LICENSES
(Sec. 21-28.11-15(a) and (b) Cannabis Act)
Resolution of Town Council adopted June 6, 2022**

BALLOT QUESTION: Shall new cannabis related licenses for businesses involved in the cultivation, manufacture, laboratory testing and for the retail sale of adult recreational use cannabis be issued in the Town of Barrington?

- **Approve**
- **Reject**

- **1: What is the RI Cannabis Act?**

On May 25, 2022, legislation that legalized adult recreational use cannabis (marijuana) in Rhode Island (P.L. 2022, chs. 30 and 31) was signed into law by Governor McKee. The law is primarily codified at Title 21, Chapter 28.11 of the Rhode Island General Laws, known as the Rhode Island Cannabis Act (the “Act”). As defined under the Act, adult use/recreational cannabis is cannabis which may be legally possessed and consumed for non-medical purposes by a person who is at least 21 years old.

The Act creates a licensing and regulatory structure for various categories of cannabis facilities, including facilities for cultivation, manufacture, laboratory testing, and retail sale of cannabis.

A summary of the Act prepared by the Rhode Island League of Cities and Towns is attached.

- **2: How Many Retail Sales Licenses Are Available?**

The Act provides that the newly created Cannabis Control Commission (CCC) shall issue 24 new licenses for cannabis retail sales. These licenses will be divided among six geographic zones statewide, and no more than four (4) retail licenses shall be permitted in each geographic zone (exclusive of any hybrid cannabis retailers, which are presently licensed medical marijuana compassion centers that may also be licensed to sell recreational cannabis). In addition to the 24 new licenses that will be issued, the State’s existing compassion centers will be eligible for a hybrid license that will allow sales of recreational cannabis as well as medical marijuana.

- **3: Which municipalities are in the same licensing zone as Barrington?**

The Town of Barrington is assigned to Zone 6, which also includes the towns of Bristol, Jamestown, Little Compton, Middletown, New Shoreham, Portsmouth, Tiverton, and Warren, and the cities of East Providence, Newport, and Pawtucket.

- **4: Why is the ballot question being put before Barrington voters?**

The Barrington Town Council voted on June 6, 2022, to place the issue on the November ballot. Under the RI Cannabis Act, Barrington – since it is not a host community for an existing licensed medical cannabis treatment center – could ask its electors to decide whether the CCC shall issue cannabis licenses within the municipality.

The Act provides that once a city or town council has adopted a resolution to place that question before the voters, the CCC shall not issue any new cannabis licenses unless the electors so approve.

- **5: What happens if Barrington voters reject Ballot Question 1?**

If the referendum is rejected there are three major outcomes:

- 1) The CCC may not issue any new licenses relating to the sale of cannabis in Barrington; and
- 2) Barrington will not be eligible to receive revenue sharing pursuant to the Act.
- 3) Amendments to the Zoning Ordinance allowing cannabis-related uses in certain zones would not go into effect.

- **6: What happens if Barrington voters approve Ballot Question 1?**

Approval of the referendum means the CCC may issue cannabis licenses for businesses involved in the cultivation, manufacture, laboratory testing and for the retail sale of adult recreational use cannabis.

- **7: How does the Zoning Ordinance address cannabis-related uses?**

The Town’s Zoning Ordinance currently does not allow for any cannabis-related uses in any zoning district. **However**, the Town Council will be holding a public hearing on November 7th to consider adopting the Planning Board’s recommended zoning amendments, which if adopted by the Town Council would go into effect **only** if voters approve the referendum.

- **8: What are the proposed amendments to the Zoning Ordinance?**

The proposed zoning amendments (Ordinance No. 2022-25) would allow cannabis-related uses in certain zoning districts as a “special use.” This means a special use permit from the Zoning Board is required for any cannabis use, requiring the Board to find the proposal meets the Zoning Ordinance criteria for granting a special use permit. A decision on an application for a special use permit requires a public hearing before the Zoning Board, following notification of property owners within 200 feet of the proposed location.

Ordinance No. 2022-25 would add the following cannabis-related terms to the definitions section of the Zoning Ordinance and revise the Use Table to identify the zones in which these uses are permitted as a special use and where they are prohibited. The proposed definitions for the following are provided on the next page:

- Cannabis cultivator
- Cannabis product manufacturer
- Cannabis retailer
- Cannabis testing laboratory
- Hybrid cannabis retailer

The Use Table in Ordinance No. 2022-25 shows blanks for the business zones (Waterfront Business, Residence-Business Flex, Business, Neighborhood Business), as the Planning Board’s recommendation was not available by the deadline for filing the ordinance. These uses are proposed as “not permitted” in all other zones.

- **9: What is the Planning Board’s recommendation?**

The Planning Board on September 27th voted to recommend amendments to the Use Table to fill in the blanks in the ordinance that was introduced.

The Board’s recommended amendments to the Use Table would allow cannabis retail as a Special Use (requiring a special use permit) in the Business, Waterfront Business and Limited Manufacturing (LM) districts. The other cannabis-related uses would be permitted as a Special Use in the LM district.

The Planning Board’s recommended Use Table amendments are as follows:

- Cannabis cultivator – add as a special use in Limited Manufacturing (LM); not permitted in every other zone.
- Cannabis product manufacturer – add as a special use in Limited Manufacturing (LM); not permitted in every other zone.
- Cannabis retailer – add as a special use in Business (B), Waterfront Business (WB), and Limited Manufacturing (LM); not permitted in every other zone.
- Cannabis testing laboratory – add as a special use in Limited Manufacturing (LM); not permitted in every other zone.
- Hybrid cannabis retailer - add as a special use in Limited Manufacturing (LM); not permitted in every other zone.

A copy of the Zoning Map showing the location of these zoning districts is attached to this Q&A.

In general, the B zone is focused on County Road, and includes lots between Hilltop Road to Rumstick Road; the B zone also encompasses a portion of Maple Avenue, up to West Street.

The WB zones are located on Tyler Point, and in Bay Spring (the Lighthouse Marina and Cove Haven Marina properties).

The Town has just one LM zone, located off Bay Spring Avenue east of Adams Avenue. The one developable lot in that zone is Lot 154 on Assessor’s Plat 2, a 5.6-acre lot, of which just a portion near Adams Avenue is outside the flood zone and CRMC setbacks.

- **10: What are the definitions of the cannabis-related uses in the proposed Zoning Ordinance amendments?**

“Cannabis cultivator” means, as defined under Sec. 21-28.11-3(11) of the Rhode Island Cannabis Act, an entity licensed to cultivate, process and package cannabis, to deliver cannabis to cannabis establishments and to transfer cannabis to other cannabis establishments, but not to consumers.

“Cannabis product manufacturer” means, as defined under Sec. 21-28.11-3(14) of the Rhode Island Cannabis Act, an entity licensed to obtain, manufacture, process and package cannabis and cannabis products, to deliver cannabis and cannabis products to cannabis establishments and to transfer cannabis and cannabis products to other cannabis establishments, but not to consumers.

“Cannabis retailer” means, as defined under Sec. 21-28.11-3(16) of the Rhode Island Cannabis Act, an entity licensed pursuant to § 21-28.11-10.2 to purchase and deliver cannabis and

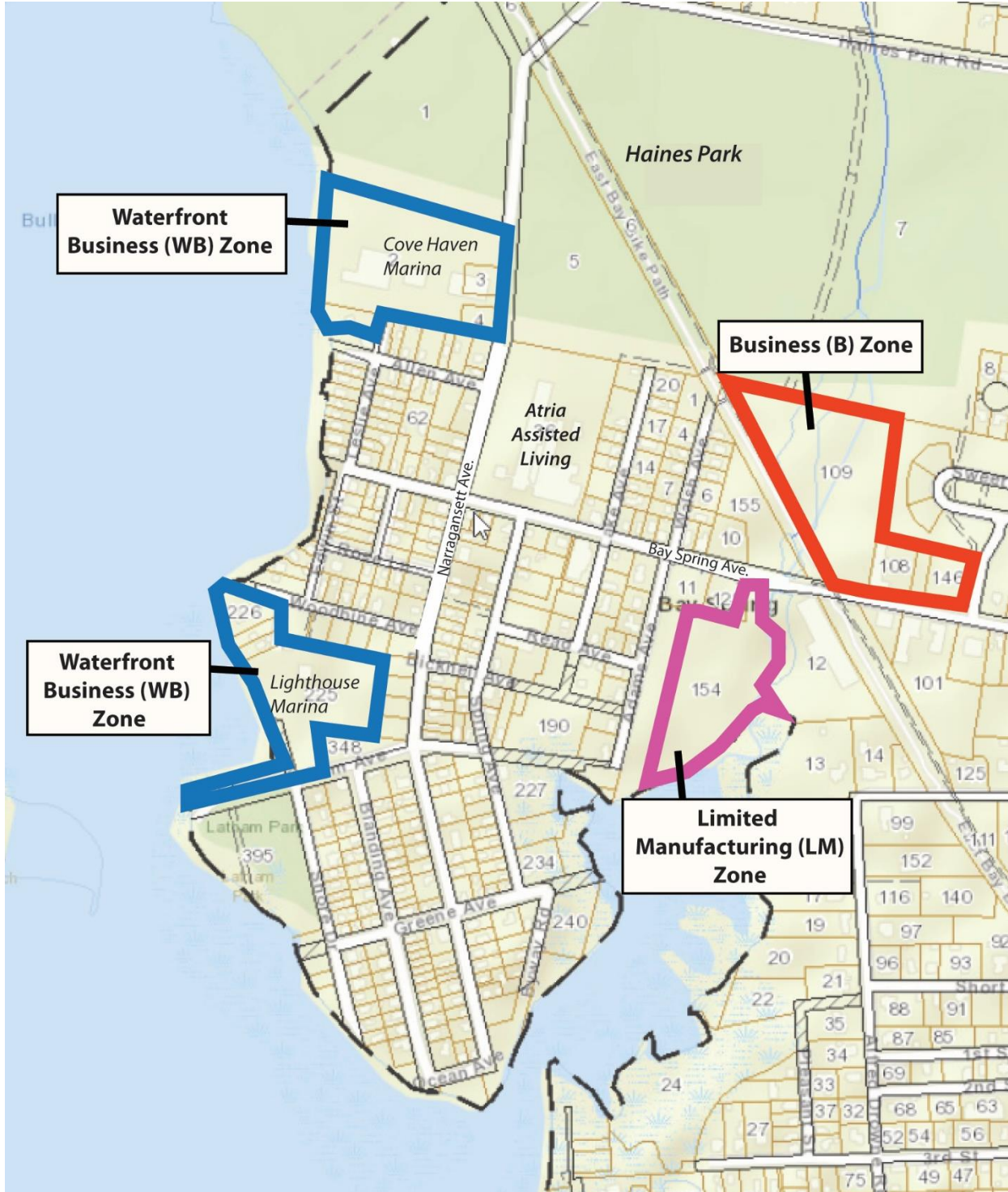
cannabis products from cannabis establishments and to deliver, sell or otherwise transfer cannabis and cannabis products to cannabis establishments and to consumers.

“Cannabis testing laboratory” means, as defined under Sec. 21-28.11-3(17) of the Rhode Island Cannabis Act, a third-party analytical testing laboratory that is licensed annually by the commission, in consultation with the department of health, to collect and test samples of cannabis and cannabis products pursuant to regulations issued by the commission and is: (i) Independent financially from any medical cannabis treatment center or any licensee or cannabis establishment for which it conducts a test; and (ii) Qualified to test cannabis in compliance with regulations promulgated by the commission pursuant to this chapter. The term includes, but is not limited to, a cannabis testing laboratory as provided in § 21-28.11-11.

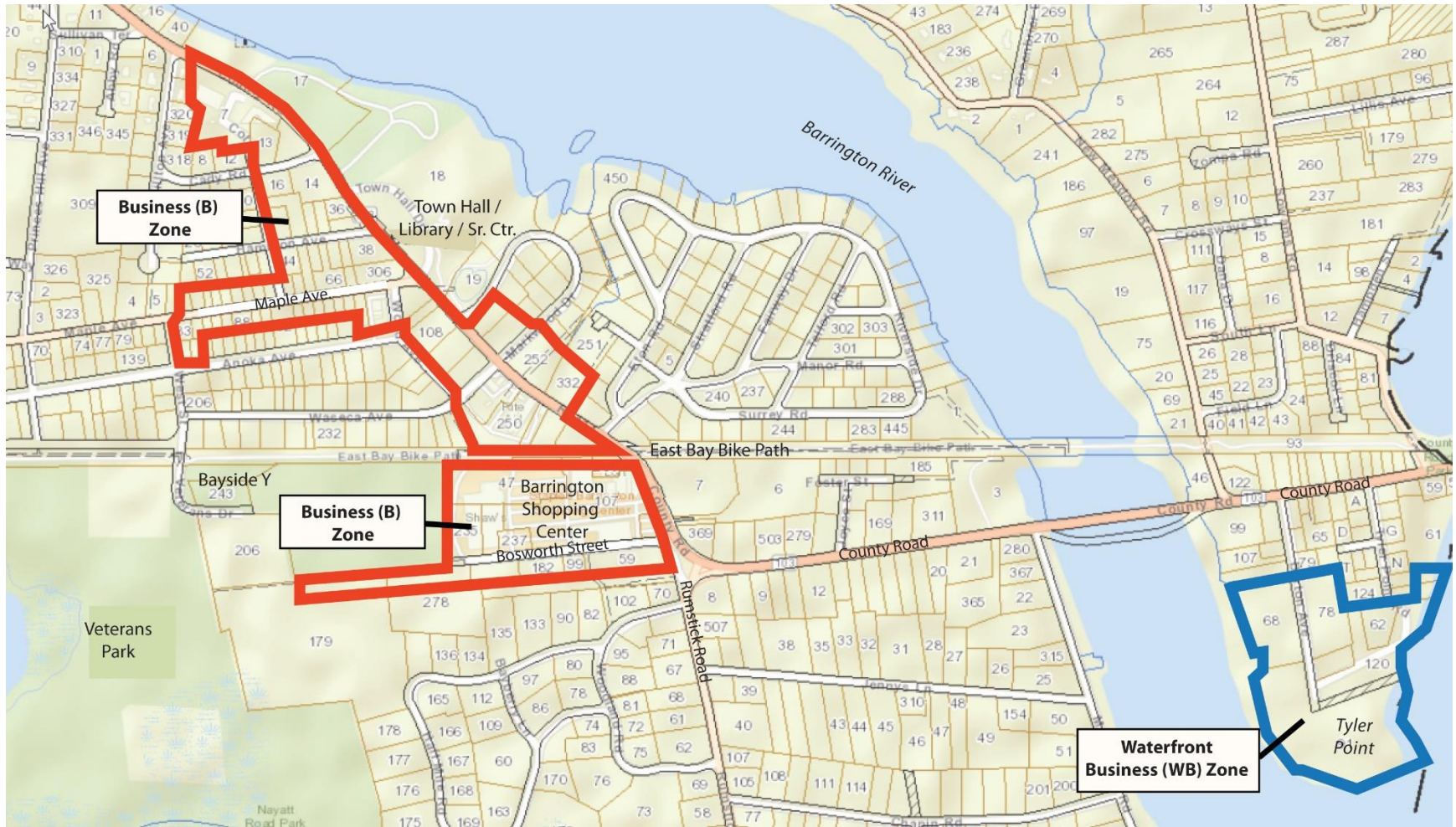
“Hybrid cannabis retailer” means, under Sec. 21-28.11-3(28) of the Rhode Island Cannabis Act, a compassion center licensed pursuant to chapter 28.6 of title 21 that is in good standing with the department of business regulation and that has paid the fee pursuant to § 21-28.11-10 and has been authorized to sell non-medical or adult use cannabis to consumers.

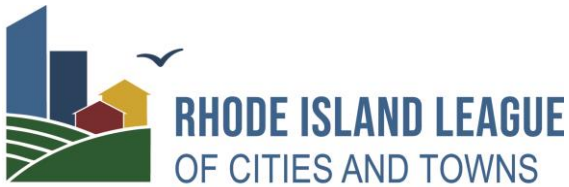
BARRINGTON ZONING MAP: BUSINESS, WATERFRONT BUSINESS, LIMITED MANUFACTURING ZONES

WB AND B ZONING DISTRICTS: BAY SPRING AREA



WB AND B ZONING DISTRICTS: COUNTY ROAD AREA





Rhode Island Cannabis Act – Local Control Provisions

As members know, the Rhode Island Cannabis Act (H [7593Aaa](#) / S [2430Aaa](#)) was signed into law on May 25, 2022. Per the Rhode Island Cannabis Act, retail sales will not begin in the State of Rhode Island until December 1, 2022. However, as of the signing of the Rhode Island Cannabis Act, any person 21 years of age or older can:

- Possess, use, or purchase one ounce or less of cannabis
- Possess, cultivate, or process not more than three mature cannabis plants and three immature plants per dwelling unit for personal use
- As well as other authorized activity under §21-28.11-22(a)

Approach & Oversight

The measure proposes a retail-based approach to sales, overseen by a new, independent Cannabis Control Commission (CCC) – a three-person body that would have substantial authority over the state’s recreational program licensing, regulations and enforcement, while also assuming authority over compassion centers and the medical marijuana program.

The CCC would be advised by a nineteen-member Cannabis Advisory Board (“advisory board”), 11 of which are voting members and the other remaining eight are non-voting members. The voting members will have backgrounds in related fields like public and behavioral health, substance use disorder treatment, criminal justice and law enforcement. The advisory board will provide advice, recommendations and proposals to the commission relative to the equitable administration and regulation of cannabis, including the distribution of funds from the social equity assistance fund. The Office of Cannabis Regulation will provide administrative support to the commission.

The CCC would authorize four retail licenses per geographic zone, not to exceed 24 retail licenses in total. These geographic zones are in alignment with the medical licensing zones but are broken down below:

- Zone 1- Burrillville, Cumberland, Glocester, North Smithfield, Smithfield and Woonsocket.
- Zone 2- Johnston, Lincoln, North Providence, Central Falls and Providence.
- Zone 3- Coventry, Foster, Scituate, West Greenwich and West Warwick.
- Zone 4- East Greenwich, North Kingstown, Cranston and Warwick.
- Zone 5- Charlestown, Exeter, Hopkinton, Narragansett, Richmond, South Kingstown and Westerly.
- Zone 6- Barrington, Bristol, Jamestown, Little Compton, Middletown, New Shoreham, Portsmouth, Tiverton, Warren, East Providence, Newport and Pawtucket

Further, a retail license cannot be issued if a potential establishment were within 500 feet of a school, unless further restricted by municipal ordinance, or in a community that was not allowed from a public referendum.

Local Control

The Rhode Island Cannabis Act **requires municipalities to hold a public referendum to opt-out of marijuana retail establishments on or before November 8, 2022.** Communities that do not include it on the November 8 ballot will automatically authorize retail sales. The question, as outlined in §21-28.11-15, must ask voters “Shall new cannabis licenses for businesses involved in the cultivation, manufacture, laboratory testing and for the retail sale of adult recreational use cannabis be issued in the city (or town)?”

Retail licenses would be temporarily prohibited in a community once its city/town council passed a resolution calling for a public referendum. If an opt-out referendum were not successful, the CCC would proceed with reviewing license applications in that community.

Any municipality that prohibits the issuance of cannabis-related licenses will not be eligible to receive revenue pursuant to §21-28.11-13 which breaks down the cannabis tax structure. Communities that choose to opt-in later must do so through approval by the General Assembly and resubmit the question to qualified electors.

The “Local control” section in the act describes what municipalities can regulate regarding marijuana establishments:

- Municipalities may enact ordinances or by-laws that:
 - impose reasonable safeguards on the operation of cannabis establishments, provided they are not “unreasonable or impracticable” and not in conflict with the law or CCC regulations.
 - Govern the time/place/manner of establishment operations and to prevent a public nuisance.
 - Ban or impose restrictions on smoking or vaporizing cannabis in public places, including outdoor common areas, parks, beaches, recreational facilities and other public spaces.
- Municipalities can establish requirements for signage and civil penalties for violation of local ordinances, provided they are not more stringent than those for alcohol establishments.
- Municipalities may not:
 - Prevent a compassion center from conducting retail sales,
 - Limit the number of local licenses below the level authorized by the CCC, or
 - Restrict transport of marijuana through their jurisdiction.

Revenues

All retail marijuana establishment application fees, license fees, penalties and interest would be applied to a “social equity assistance fund,” except for medical compassion center license fees and would be subject to state appropriation. The CCC will be required to report on the outcomes and effectiveness of the fund, beginning on September 1, 2023. This fund would support:

- Grants to approved social equity applicants to pay for “ordinary and necessary expenses” to open a cannabis establishment
- To support the waiver or reduction of application of licensing fees
- To implement and administer programming for restorative justice, jail diversion, drug rehabilitation and education workforce development for jobs related to cannabis cultivation

Additionally, the Rhode Island Cannabis Act establishes a “marijuana trust fund” which would fund the following:

- Substance use disorder prevention for adults and youth
- Education and public awareness campaigns
- treatment and recovery support services
- Public health monitoring, research, data collection and surveillance
- Law enforcement officer training and technology improvements, including grants to local law enforcement agencies

Cities and towns **may not require community host agreements or impact fees.** Retail sales of marijuana and related projects would be taxed at a 20.0% effective tax rate:

1. A 10.0% marijuana retail excise tax, deposited to the state general fund;
2. The regular 7.0% sales tax, for the state general fund; and
3. **A 3.0% local sales tax, to be remitted directly to cities and towns on a quarterly basis.**