Lou Mansolillo

From: Adina Birnbaum <adina@talariaco.com>
Sent: Wednesday, April 9, 2025 4:08 PM
To: House Corporations Committee

Subject: Bill #H6056 Written Testimony in Strong Opposition

April 9, 2025 The Honorable Joseph J. Solomon, Jr. Chair, House Committee on Corporations Rhode Island State House Providence, RI 02903

Subject: Strong Opposition to Bill #H6056 - Protect Rhode Island's Regulated Cannabis Market

Dear Chairman Solomon,

My name is Adina Birnbaum, and I am the CEO of Talaria LLC, a woman-owned, licensed cannabis cultivation business based in Providence, Rhode Island. We currently sell to all seven dispensaries in the state and employ 11 dedicated full time individuals. As a small family-owned business, we are deeply invested in Rhode Island's regulated cannabis market. However, I am writing to express my firm opposition to Bill #6056, which proposes the sale of hemp-derived THC products in liquor stores and bars.

Rhode Island's cannabis cultivators, including my company, have already been struggling in a highly unbalanced market. With 59 operating cultivators and only seven dispensaries, many of us barely make payroll each week. This bill poses an even greater threat to our livelihoods and our industry's future. Introducing hemp-derived THC products into unregulated channels would destabilize the entire system, undermining years of work and investment we've made in the regulated cannabis sector and undermines the integrity of Rhode Island's licensed cannabis market.

This bill would allow liquor stores and bars to sell up to 10mg servings of hemp-derived THC drinks. To be clear, hemp-derived THC and the THC that we cultivate in our licensed facilities are chemically identical—both are made up of delta-9 THC, the same intoxicating compound found in the cannabis products we legally grow and sell. The difference is that our products are rigorously tested, regulated, and tracked through a seed-to-sale system. This bill, on the other hand, will allow hemp-derived products to be imported from out of state and sold without the same level of oversight, testing and packaging requirements, creating dangerous inconsistencies and potentially compromising consumer safety.

The risks to consumer health and safety cannot be overstated. These hemp-derived THC products are not subjected to the same stringent testing and regulatory requirements as products from licensed cultivators like myself. They are not manufactured under the same safety protocols, and in many cases, their production is completely unregulated. This lack of oversight introduces significant health risks, which is a direct threat to the public.

Hemp-derived THC products are a result of a federal policy loophole that stems from the 2018 Farm Bill. Hemp was believed to have such low concentrations of intoxicating compounds that it would be impossible to produce products with intoxicating effects. However, under the protection of the farm bill manufacturers have learned how to synthesize and sell cannabis products with high levels of intoxicating substances such as Delta 9. While the Farm Bill was intended to promote non-intoxicating hemp products like CBD, it inadvertently allowed manufacturers to synthesize and sell intoxicating cannabinoids like Delta-9 THC. This has created a situation where products with the same intoxicating effects as those sold in licensed cannabis dispensaries are being produced with far less oversight and quality control.

Furthermore, the 10mg THC limit per serving that this bill proposes is exactly the same amount of THC per serving that we are allowed to sell in our licensed dispensaries. However, our products are carefully tracked, tested in Rhode Island labs, and regulated through a system that ensures consumer safety. We pay a high price for this level of compliance: our industry contributes \$5.63 million per year in licensing fees alone to ensure that these standards are met.

By allowing hemp-derived THC to be sold in liquor stores and bars, Bill #6056 will seriously devalue the licensed cannabis market in Rhode Island. This bill not only creates an unlevel playing field, but it will most certainly hurt the value of our licenses, our ability to compete, and ultimately, the long-term health of the regulated market we've worked so hard to build.

In fact, the state of Massachusetts has already taken action to protect its regulated cannabis market by banning all intoxicating hemp-derived products. We urge Rhode Island lawmakers to follow suit and prioritize the health and safety of our residents, as well as the integrity of our cannabis industry.

I strongly urge you to reject Bill #6056. The future of our regulated cannabis market depends on it.

Thank you for your time and attention to this important matter.

Sincerely,

Adina Birnbaum CEO, Talaria LLC 536 Atwells Ave Providence, RI 02905