

Cannabis Control Board BAA Request

Thursday, January 19, 2023



Cannabis Control Board Introduction

Introduction

The Cannabis Control Board (CCB) is a three-member independent executive branch agency that was established through Act 164 of 2020 for the purpose of ***safely, equitably, and effectively*** implementing and administering the laws and rules regulating adult- and medical-use cannabis (marijuana) in Vermont.



James Pepper (Chair)



Kyle Harris



Julie Hulburd

Introduction

The Cannabis Control Board Team

Executive Team

Executive Director
Brynn Hare

Director of Operations
Olga Fitch

General Counsel
Gabe Gilman

Education & Outreach Manager
Nellie Marvel

Finance Manager
(vacant)

Compliance Team

Director
Cary Giguere

Compliance Agents
Christine Motyka,
Denise McCarty,
Lawrence "Chipper" Sullivan
Michael DiTomasso
Duane Tomlin
Andy Chevrefils

Licensing Team

Director
Kimberly Lashua

Deputy Director
Lauren Higbee

Licensing Agents
Alexis Pless
Ray Carre,
Melissa Andersen
Dominique Acilio (temp)

Medical Team

Medical Marijuana Program

Lindsey Wells
Meredith Bullock

Introduction

2021

- April: Board members seated
- May: First Open Meeting
- July: CCB hires Executive Director and Dir. of Operations
- Aug: Advisory Committee convened
- Nov: Rules pre-filed

2022

- Jan: CCB assumes jurisdiction over Medical Cannabis Program
- March: Fee structure approved; rules adopted
- April: First licensing window opens
- May: First licenses issued – cultivators and testing facilities
- Aug: Manufacturing and wholesale license issued
- Sep: Retail licenses issued
- Oct: Adult-Use retail opens

Introduction

- 157 Public Meetings
 - 82 CCB
 - 75 Advisory Committee / Subcommittees
- 2 Banking Roundtables
- 2 Social Equity Town Halls
- 2 Municipal Roundtables
- 3 Q&A Sessions
- 6 Social Equity networking events

Witnesses: Sen. Sears; Sen. Pearson; Rep. Copeland-Hanzas; Legislative Counsel; Crime Research Group; VSP; VTrans; VAAFM; ANR; DFS; PSD; DFR; VSECU; EfficiencyVT; PreventionWorks!VT; Vermont Afterschool; Behavioral Health Specialists; Cannabis processors and labs; Medical dispensaries, patients, and caregivers; RAND Corp; former Cannabis Regulators; Office of Racial Equity; AGO; DLL

Licensing numbers

As of Jan. 18th

License Type	In Process	Approved
Cultivator	48	270
Manufacturer	28	32
Wholesaler	2	9
Testing Lab	1	3
Retailer	20	37
Integrated	0	2
Employee ID Card	303	169

Cannabis Control Board BAA Request

Cannabis Control Board funding thus far

- \$650,000 initial appropriation in FY21
- \$2,787,090 appropriation in FY22 (includes operating expenses and personal services)
- \$1,463,432 appropriation in FY22 to support:
 - phase one of the online registration, licensing, and business application portal
 - phase two of the license application and seed to sale tracking information technology system

FY23 BAA Request

- \$540,311
 - \$185,311 IT project funding gap
 - \$5,000 filing fees for administrative rules
 - \$30,000 digital payment service
 - \$100,000 background check vendor
 - \$100,000 appellate officer contracts
 - \$75,000 laboratory contracts for quality control and penalty administration
 - \$45,000 to move office space/increased rent

IT Project

Project began as Phase 1 to build an application portal for businesses to submit their applications for a cannabis establishment license.

Project is evolving as we build the system to include requirements for compliance and enforcement tracking, inventory tracking, and product registration.

7 V.S.A. § 881. The Board shall adopt rules to implement and administer this chapter...Rules concerning any cannabis establishment shall include...

(J) Procedures for seed-to-sale traceability of cannabis, including any requirements for tracking software.

Background check requirement

7 V.S.A. § 883(b) - Criminal History Records

The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a cannabis establishment license because of his or her criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify an applicant.

Legislative mandates

§ 904a. SMALL CULTIVATORS

It is the intent of the General Assembly to move as much of the illegal cannabis market as possible into the regulated market for the purposes of consumer protection and public safety. It is also the intent of the General Assembly to encourage participation in the regulated cannabis market by small, local farmers. In furtherance of these goals, the Board shall consider policies to promote small cultivators as defined in section 861 of this title.

[T]he Board shall consider the different needs and risks of small cultivators when adopting rules and shall make an exception or accommodation to such rules for cultivators of this size where appropriate

Appellate officer contracts

7 V.S.A. § 847. APPEALS

(a)(1) A party aggrieved by a final decision of the Board may, within 30 days of the decision, appeal that decision by filing a notice of appeal with the Executive Director who shall assign the case to an appellate officer.

(d) The Board shall have the authority to contract for the services of an appellate officer.

Laboratory contracts

7 V.S.A. § 885. Cannabis Quality Control Program; testing

The Cannabis Control Board shall establish a cannabis quality control program for the following purposes:

- (1) to develop potency and contaminant testing protocols for hemp, hemp-infused products, cannabis, and cannabis products;
- (2) to verify cannabinoid label guarantees of hemp, hemp-infused products, cannabis, and cannabis products;
- (3) to test for pesticides, solvents, heavy metals, mycotoxins, and bacterial and fungal contaminants in hemp, hemp-infused products, cannabis, and cannabis products; and
- (4) to certify testing laboratories that can offer the services in subdivisions (2) and (3) of this section.

Our January 15 [hemp report](#) outlined our request for funding of the development of a reference lab in Vermont to support the CCB's quality control program.

Laboratory contracts

Our January 15 [hemp report](#) outlined our request for funding of the development of a reference lab in Vermont to support the CCB's quality control program.

This program would conduct compliance, quality control, and R & D testing to assist Vermont hemp and cannabis businesses build their reputations and ensure the CCB maintains the integrity of the programs it administers.

This request for funding is to pay for the contracts with our licensed labs within the state to conduct testing as a part of our work to ensure compliance and to gather evidence for enforcement actions in the interim.

Questions
