



Vermont Growers Association
PO Box 5324
Burlington, VT 05402
vermontgrowers.org

Senate Committee on Finance
Senator Ann Cummings, Chair
Vermont General Assembly
115 State Street
Montpelier, VT 05633

May 2, 2023

Re: H. 270 - An act relating to miscellaneous amendments to the adult-use and medical cannabis programs

Dear Chair Cummings,

Good afternoon committee, and thank you, chair and committee members, for allowing me time to testify before your committee today on bill H.270, the miscellaneous cannabis bill.

For the record, my name is Geoffrey Pizzutillo, I am a long-time indoor natural cannabis farmer and the Cofounder and Executive Director of Vermont Growers Association, the state's cannabis trade association. We formed in 2019 as a member-based nonprofit, and though we have growers in our name, we represent the entire supply chain with nearly 80 members, from retailers, growers, manufacturers, and labs, to non-plant-touching businesses that service and support the adult-use cannabis market, such as security companies. VGA is a founding member of the Vermont Cannabis Equity Coalition, which includes the Vermont Racial Justice Alliance, Green Mountain Patients Alliance, NOFA-VT, and Rural Vermont. Collectively, the Vermont Cannabis Equity Coalition serves and represents the communities in Vermont most impacted and with the greatest stake in the adult-use and medical cannabis markets. I will be testifying today as a member organization of the coalition and as Vermont Growers Association.

Together with our coalition, we have been in several committees this year in both chambers working on different aspects of bill H.270. Today I am here to express support



for the Senate Committee on Agriculture’s amendment expanding the agricultural regulations as defined in Act 158 (2022) to outdoor cannabis growers and to request the committee consider two additional items for inclusion in the bill, which we view as housekeeping measures and appropriate for consideration.

SENATE COMMITTEE ON AGRICULTURE’S AMENDMENT

There are nearly 400 approved cannabis licensees from the Cannabis Control Board to date, nearly 300 of them are cultivators, and a majority of them are outdoor growers – the issues addressed in the Senate Committee on Agriculture’s amendment to bill H.270 are significant and will improve the lives of many small farms currently licensed to operate, those that aspire to join the regulated market and bring much-needed clarity to municipalities. We hear from towns across Vermont that are looking for clearness when it comes to jurisdictional matters concerning outdoor growers, and this bill brings that change. It is important to highlight this amendment has earned the support of the Cannabis Control Board, which acknowledges the material impact these policies will have on Vermonters as well as localities navigating this nascent market. This language is a win-win.

SOCIAL EQUITY AND COMMUNITY REINVESTMENT

Every decision made concerning this industry must be weighed with the consideration of the individuals and communities historically marginalized and harmed by cannabis prohibition, and systemic racism, and this is why the Vermont Cannabis Equity Coalition is asking you to consider devoting 10% of the cannabis excise tax revenue to the Cannabis Business Development Fund, and 20% of the excise tax revenue to a community reinvestment fund administered by members of those communities. Most states with adult-use cannabis markets devote a portion of their excise tax revenues to equity, whereas Vermont devotes zero. It is important to emphasize the Cannabis Control Board supports these policies and includes them in its January 15, 2023, Legislative Report to the General Assembly, on page 34,

“The Cannabis Business Development fund is inadequately funded to



provide meaningful economic opportunities to social equity applicants and businesses. The Board recommends that a portion of the excise tax revenue be set aside as financial resources for social equity applicants and licensees to ensure their access to and success in the industry. The CBDF should be sufficiently funded to provide both start-up support to new social equity licensees and ongoing support to existing social equity businesses. The CBDF was created to provide economic opportunities to individuals from communities harmed by prohibition. Directing revenue to the CBDF to provide support to new and existing social equity businesses will ensure that: Vermont’s regulated cannabis marketplace is representative of the communities that were harmed by cannabis prohibition; and Revenue generated by the legal sale of cannabis flows back to individuals who were harmed to invest in their success in the industry.”

Language for these policies can be found in bill S.127, and we urge you to consider including it in bill H.270. Similar to the agriculture amendment, the social equity and community reinvestment matters are a win-win for Vermonters and the market.

PRODUCT REGISTRATION APPROPRIATIONS

Every cannabis product destined for the regulated market in Vermont must first get registered and approved by the Cannabis Control Board. Vermont’s adult-use cannabis market has mandated product registration, which in theory is a good idea, however the wait time to register a product is taking too long and it is harming licensed farms and businesses, impacting consumer selection, revenue, and the competitiveness of the overall market.

Other states allow licensees to bring a product to the market immediately upon registration, however, in Vermont licensees must first gain approval from the agency and that approval process is taking 14 days to over 75 days. I want to underscore, this issue is not a criticism of the agency, they do good work. The exorbitantly long wait time for



product registration is a staffing issue, specifically, in the licensing department, which handles product registration, it needs two more staff members to bring its operations to a level that is functional for the market. I ask you to consider appropriations for two full-time positions for the Cannabis Control Board's licensing department.

Thank you for your consideration and time, and I am happy to respond to any questions.

Thank you,

Geoffrey Pizzutillo
*Cofounder and Executive Director,
Vermont Growers Association,
Member Organization,
Vermont Cannabis Equity Coalition*