

House Calendar

Thursday, March 16, 2023

72nd DAY OF THE BIENNIAL SESSION

House Convenes at 1:00 P.M.

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ACTION CALENDAR

Third Reading

H. 175

An act relating to modernizing the Children and Family Council for Prevention Programs

Committee Bill for Second Reading

H. 465

An act relating to regional emergency management committees' meeting quorum requirement

(Rep. Morgan of Milton will speak for the Committee on Government Operations and Military Affairs.)

H. 466

An act relating to technical corrections for the 2023 legislative session

(Rep. Higley of Lowell will speak for the Committee on Government Operations and Military Affairs.)

Favorable with Amendment

H. 62

An act relating to the interstate Counseling Compact

Rep. Berbeco of Winooski, for the Committee on Health Care, recommends the bill be amended as follows:

First: By inserting after Sec. 1, 26 V.S.A. chapter 65, a new Sec. 2 to read as follows:

Sec. 2. 3 V.S.A. § 123(j)(1) is amended to read:

(j)(1) The Office may inquire into the criminal background histories of applicants for initial licensure and for license renewal of any Office-issued credential, including a license, certification, registration, or specialty designation for the following professions:

(A) licensed nursing assistants, licensed practical nurses, registered nurses, and advanced practice registered nurses licensed under 26 V.S.A. chapter 28;

(B) private investigators, security guards, and other persons licensed under 26 V.S.A. chapter 59;

(C) real estate appraisers and other persons or business entities licensed under 26 V.S.A. chapter 69; ~~and~~

(D) osteopathic physicians licensed under 26 V.S.A. chapter 33;

(E) licensed clinical mental health counselors licensed under 26 V.S.A. chapter 65;

(F) licensed marriage and family therapists licensed under 26 V.S.A. chapter 76; and

(G) individuals registered on the roster of psychotherapists who are nonlicensed and noncertified.

and by renumbering the remaining section to be numerically correct.

Second: By striking out the newly renumbered Sec. 3, effective date, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. EFFECTIVE DATES

This section and Sec. 2 (3 V.S.A. § 123(j)(1)) shall take effect on July 1, 2023. Sec. 1 (clinical mental health counselors) shall take effect on July 1, 2024.

(Committee Vote: 10-0-0)

Rep. Andrews of Westford, for the Committee on Ways and Means, recommends the bill ought to pass when amended as recommended by the Committee on Health Care and when further amended as follows:

First: By inserting a new Sec. 3 after Sec. 2, 3 V.S.A. § 123(j)(1), to read as follows:

Sec. 3. 26 V.S.A. § 3270a is amended to read:

§ 3270a. FEES

(a) Applicants and persons regulated under this chapter shall pay the following fees:

(1) Application for licensure \$150.00

(2) Biennial renewal \$200.00

(b) A licensee of a remote state under the Counseling Compact established in subchapter 2 of this chapter shall pay a biennial \$50.00 privilege to practice fee.

and by renumbering the remaining section to be numerically correct.

Second: By deleting the newly renumbered Sec. 4, effective dates, and inserting a new Sec. 4 to read as follows:

Sec. 4. EFFECTIVE DATES

This section and Sec. 2 (3 V.S.A. § 123(j)(1)) shall take effect on July 1, 2023. Sec. 1 (clinical mental health counselors) and Sec. 3 (fees) shall take effect on July 1, 2024.

(Committee Vote: 11-0-1)

Rep. Toleno of Brattleboro, for the Committee on Appropriations, recommends the bill ought to pass when amended as recommended by the Committee on Health Care, and when further amended as recommended by the Committee on Ways and Means.

(Committee Vote: 12-0-0)

H. 77

An act relating to Vermont's adoption of the Physical Therapy Licensure Compact

Rep. Peterson of Clarendon, for the Committee on Health Care, recommends the bill be amended as follows:

First: In Sec. 1, 26 V.S.A. chapter 38, subchapter 5, in section 2133, in subdivision (1), following "10 U.S.C.", by striking out "§" and inserting in lieu thereof "chapters".

Second: In Sec. 1, 26 V.S.A. chapter 38, subchapter 5, following section 2143 (construction and severability), by adding a new section 2144 to read as follows:

§ 2144. STATE ADMINISTRATION OF THE COMPACT

(a) The Office of Professional Regulation shall have the power to oversee the administration and enforcement of the Compact within the State of Vermont subject to the provisions and rules of the Compact.

(b) The Director of the Office of Professional Regulation shall designate the one delegate of the Compact for the State of Vermont pursuant to subsection 2138(b) of this subchapter.

Third: After Sec. 1, 26 V.S.A. chapter 38, subchapter 5, by adding a new Sec. 2 to read as follows:

Sec. 2. 3 V.S.A. § 123(j)(1) is amended to read:

(j)(1) The Office may inquire into the criminal background histories of applicants for initial licensure and for license renewal of any Office-issued credential, including a license, certification, registration, or specialty designation for the following professions:

(A) licensed nursing assistants, licensed practical nurses, registered nurses, and advanced practice registered nurses licensed under 26 V.S.A. chapter 28;

(B) private investigators, security guards, and other persons licensed under 26 V.S.A. chapter 59;

(C) real estate appraisers and other persons or business entities licensed under 26 V.S.A. chapter 69; ~~and~~

(D) osteopathic physicians licensed under 26 V.S.A. chapter 33; and

(E) physical therapists licensed under 26 V.S.A. chapter 38.

and by renumbering the remaining section to be numerically correct.

Fourth: By striking out the newly renumbered Sec. 3, effective date, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. EFFECTIVE DATES

This section and Sec. 2 (3 V.S.A. § 123(j)(1)) shall take effect on July 1, 2023. Sec. 1 (physical therapists) shall take effect on July 1, 2024.

(Committee Vote: 10-0-0)

Rep. Andrews of Westford, for the Committee on Ways and Means, recommends the bill ought to pass when amended as recommended by the Committee on Health Care and when further amended as follows:

By striking out Sec. 3, effective dates, its entirety and inserting in lieu thereof new a Sec. 3 and Sec. 4 to read as follows:

Sec. 3. 3 V.S.A. § 125 is amended to read:

§ 125. FEES

* * *

(b) Unless otherwise provided by law, the following fees shall apply to all professions regulated by the Director in consultation with advisor appointees under Title 26:

* * *

(4) Biennial renewal, \$240.00, except biennial renewal for:

* * *

(C) Physical therapists and assistants, \$150.00, except that a licensee of a remote state under the Physical Therapy Licensure Compact established in 26 V.S.A. chapter 38, subchapter 5 shall pay a biennial \$50.00 privilege to practice fee.

* * *

Sec. 4. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that Sec. 1 (physical therapist licensure compact) and Sec. 3 (fees) shall take effect on July 1, 2024.

(Committee Vote: 11-0-1)

Rep. Toleno of Brattleboro, for the Committee on Appropriations, recommends the bill ought to pass when amended as recommended by the Committee on Health Care, and when further amended as recommended by the Committee on Ways and Means.

(Committee Vote: 12-0-0)

H. 86

An act relating to Vermont's adoption of the Audiology and Speech-Language Pathology Interstate Compact

Rep. Farlice-Rubio of Barnet, for the Committee on Health Care, recommends the bill be amended as follows:

First: After Sec. 3, 26 V.S.A. chapter 67, subchapter 5, by adding a new Sec. 4 to read as follows:

Sec. 4. 3 V.S.A. § 123(j)(1) is amended to read:

(j)(1) The Office may inquire into the criminal background histories of applicants for initial licensure and for license renewal of any Office-issued credential, including a license, certification, registration, or specialty designation for the following professions:

(A) licensed nursing assistants, licensed practical nurses, registered nurses, and advanced practice registered nurses licensed under 26 V.S.A. chapter 28;

(B) private investigators, security guards, and other persons licensed under 26 V.S.A. chapter 59;

(C) real estate appraisers and other persons or business entities licensed under 26 V.S.A. chapter 69; ~~and~~

(D) osteopathic physicians licensed under 26 V.S.A. chapter 33;
(E) audiologists licensed under 26 V.S.A. chapter 67; and
(F) speech-language pathologists licensed under 26 V.S.A. chapter 87.

and by renumbering the remaining section to be numerically correct.

Second: After Sec. 4, 3 V.S.A. § 123(j)(1), by adding a new Sec. 5 to read as follows:

Sec. 5. 26 V.S.A. § 3290 is amended as follows:

§ 3290. ELIGIBILITY FOR AUDIOLOGIST LICENSE

To be eligible for licensure as an audiologist, an applicant shall have:

(1) Either:

(A) A a master's degree or equivalent in audiology or speech-language pathology from an educational institution approved by the Director, with course work completed in areas specified by rule; or

(B) a doctoral degree in audiology, or an equivalent doctoral degree regardless of name, from a program that is accredited by an accrediting agency recognized by the Council for Higher Education Accreditation, or its successor, or by the United States Department of Education and operated by a college or university accredited by a regional or national accrediting organization.

* * *

and by renumbering the remaining section to be numerically correct.

Third: By striking out the newly renumbered Sec. 6, effective date, in its entirety and inserting in lieu thereof a new Sec. 6 to read as follows:

Sec. 6. EFFECTIVE DATES

This section, Sec. 4 (3 V.S.A. § 123(j)(1)), and Sec. 5 (26 V.S.A. § 3290) shall take effect on July 1, 2023. Secs. 1–3 (audiologists and speech-language pathologists compact) shall take effect on July 1, 2024.

(Committee Vote: 10-0-0)

Rep. Andrews of Westford, for the Committee on Ways and Means, recommends the bill ought to pass when amended as recommended by the Committee on Health Care and when further amended as follows:

By striking out Sec. 6, effective dates, in its entirety and inserting in lieu thereof a new Sec. 6 and a Sec. 7 to read as follows:

Sec. 6. 3 V.S.A. § 125 is amended to read:

§ 125. FEES

* * *

(b) Unless otherwise provided by law, the following fees shall apply to all professions regulated by the Director in consultation with advisor appointees under Title 26:

* * *

(4) Biennial renewal, \$240.00, except biennial renewal for:

* * *

(T) A licensee of a remote state under the Audiology and Speech-Language Pathology Interstate Compact established in 26 V.S.A. chapter 87, subchapter 2 shall pay a biennial \$50.00 privilege to practice fee.

Sec. 7. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that Secs. 1–3 (audiologists and speech-language pathologists interstate compact) and Sec. 6 (fees) shall take effect on July 1, 2024.

(Committee Vote: 11-0-1)

Rep. Toleno of Brattleboro, for the Committee on Appropriations, recommends the bill ought to pass when amended as recommended by the Committee on Health Care, and when further amended as recommended by the Committee on Ways and Means.

(Committee Vote: 12-0-0)

NOTICE CALENDAR

Committee Bill for Second Reading

H. 470

An act relating to miscellaneous amendments to alcoholic beverage laws

(Rep. Birong of Vergennes will speak for the Committee on Government Operations and Military Affairs.)

Favorable with Amendment

H. 127

An act relating to sports wagering

Rep. Birong of Vergennes, for the Committee on Government Operations and Military Affairs, recommends the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 31 V.S.A. chapter 25 is added to read:

CHAPTER 25. SPORTS WAGERING

Subchapter 1. Authority of the Department

§ 1301. DEFINITIONS

As used in this chapter:

(1) “Adjusted gross sports wagering revenue” means gross sports wagering receipts, excluding voided bets, less winnings paid to authorized participants and any federal excise tax.

(2) “Board” means the Board of Liquor and Lottery.

(3) “Collegiate sports event” means a sports or athletic event participated in or offered or sponsored by a public or private institution that offers educational services beyond the secondary level.

(4) “Commissioner” means the Commissioner of Liquor and Lottery or designee.

(5) “Department” means the Department of Liquor and Lottery.

(6) “High school sports event” means a sports or athletic event participated in or offered or sponsored by a public or private institution that offers educational services at the secondary level.

(7) “Mobile sports wagering platform” means the combination of hardware, software, and data networks used to manage, administer, record, or control sports wagers through mobile devices or the Internet.

(8) “Operator” means a party who is authorized by contract or agreement with the Department to conduct a sportsbook.

(9) “Prohibited sports bettor” means:

(A) any member or employee of the Department and any spouse, child, sibling, or parent residing in the same household as a member or employee of the Department;

(B) any principal or employee of any operator;

(C) any contractor of the Department or its operators when the contract relates to the conduct of sports wagering;

(D) any contractor or employee of an entity that conducts sports wagering in another jurisdiction when the bettor, as a result of the bettor's contract or employment, possesses confidential or nonpublic information relating to the wager being placed;

(E) any amateur or professional athlete if the sports wager is based in whole or part on a sport or athletic event overseen by the athlete's governing sports body;

(F) any sports agent, owner, or employee of a team; player; umpire; referee; coach; union official; or official of a sport's governing body if the sports wager is based in whole or in part on a sport or athletic event overseen by the governing body that oversees the individual's sport;

(G) any individual placing a wager as an agent of or proxy for a prohibited sports bettor; or

(H) any person under 21 years of age.

(10)(A) "Prohibited sports event" means any:

(i) collegiate sports event in which one of the participants is a collegiate team of a college institution that is primarily located in Vermont, unless the collegiate sports event is subject to the provisions of subdivision (B) of this subdivision (10);

(ii) high school or collegiate sports event that takes place in Vermont; and

(iii) amateur or professional sports event where the participants are primarily under 18 years of age.

(B) "Prohibited sports event" does not mean the games of a collegiate sports tournament in which a Vermont college team participates, nor does it include any games of a collegiate sports tournament that occur outside Vermont even though some of the individual games or events are held in Vermont.

(11) "Sportsbook" means the business of accepting sports wagers on any sports event by any system or method of wagering.

(12) "Sports event" means an event at which two or more persons participate in a sports or athletic event. "Sports event" also means horse racing and equestrian events.

(13) "Sports governing body" means the organization that prescribes final rules and enforces codes of conduct with respect to a sporting event and the participants in a sporting event.

(14) “Sports wager” means cash or cash equivalent paid by an individual to participate in sports wagering.

(15)(A) “Sports wagering” means wagering on:

(i) sporting events or any portion of a sporting event; or

(ii) the individual performance statistics of athletes participating in a sports event or a combination of sports events.

(B) “Sports wagering” means wagering on the matters enumerated in subdivision (A) of this subdivision (16) by any system or method of wagering, including in-person communication and electronic communication through Internet websites accessed via a mobile device or computer and mobile device applications.

(C) “Sports wagering” includes single game bets, teaser bets, parlays, over-under bets, money line bets, pools, exchange wagering, in-game wagering, in-play bets, proposition bets, and straight bets.

(D) “Sports wagering” does not mean participation in a fantasy sports contest pursuant to subchapter 3 of this chapter.

(16) “Type of wager” means the form of a wager offered by an operator, such as those described in subdivision (15)(C) of this section.

§ 1302. DEPARTMENT OF LIQUOR AND LOTTERY; AUTHORITY AND DUTIES

(a) The Department is authorized to operate sports wagering within the State.

(b)(1) The Commissioner shall negotiate and contract to authorize a minimum of two but not more than six operators to operate a sportsbook in Vermont through a mobile sports wagering platform.

(2) This subsection shall not be construed to require the Department to authorize unqualified applicants to conduct a sportsbook. If the competitive bidding process fails to produce a sufficient number of qualified applicants, the Department may:

(A) decline to authorize any operators to operate a sportsbook; or

(B) authorize a single operator to conduct a sportsbook.

(c) The Department, either independently or through its operator, shall provide:

(1) Age verification measures to be undertaken to block access to and prevent sports wagers by persons under 21 years of age.

(2) Identity verification through secure online databases or by examination of a person's photo identification and the review of a supplemental, contemporaneous photograph of the person.

(3) That mobile sports wagers must be initiated and received within the State of Vermont and may not be intentionally routed outside the State. The incidental intermediate routing of a mobile sports wager shall not determine the location or locations in which the wager is initiated, received, or otherwise made.

(4) Wager limits for daily, weekly, and monthly amounts consistent with the best practices in addressing problem gambling.

(5) A statewide voluntary self-exclusion program for players to exclude themselves from wagering for a set period of time. The Department shall establish a uniform self-exclusion program that ensures a listed player is excluded from placing wagers with any of the State's authorized sports wagering operators and fantasy sports contest operators.

(6) Security mechanisms to ensure the confidentiality of wagering and personal and financial information except as otherwise authorized by this chapter.

(7) Measures to ensure that wagers are not placed by a prohibited sports bettor.

(d) A sports governing body or college may request that the Department restrict, limit, or exclude wagering on a sporting event or series of sporting events. The Department shall review the request and seek input from the Department's operators. If the Department determines it is appropriate, then the Department may grant the request or part of the request to prohibit unlawful activity, protect the integrity of the event, or protect public confidence in the integrity of the sports event.

(e) The Department shall have authority to review and approve types of wagers and categories of sports events before an operator is permitted to offer the wager to the public. The Department shall approve types of wagers and categories of sports events in a reasonable time frame. Once a particular category of sports event or type of wager is approved for its first use, it may be used on multiple events without further approval. The Department may issue general approval for operators to offer wagers on enumerated categories of sports events and types of wagers.

(f) The Department shall only approve wagers on sports events that:

(1) have verifiable outcomes that can be generated by a reliable and independent processes; and

(2) are conducted in conformity with applicable laws.

(g) The Department shall include in its contract with each operator a provision that prohibits the use of sports wagering advertisements, logos, trademarks, or brands on products that are sold in Vermont and intended primarily for persons under 21 years of age.

§ 1303. PROCEDURES

(a)(1) The Board shall adopt procedures pursuant to 3 V.S.A. § 835 to govern the establishment and operation of any sportsbook authorized by this chapter. For each procedure proposed to be adopted or amended pursuant to this section, the Board shall publish the proposal on the Department of Liquor and Lottery's website, provide notice of the proposal to all operators, provide not less than 30 days for public comment on the proposal, and hold not less than two public hearings at which members of the public may seek additional information or submit oral or written comments on the proposal.

(2) The Board shall not be required to initiate rulemaking pursuant to 3 V.S.A. § 831(c) in relation to a procedure adopted pursuant to this section.

(3) A procedure adopted pursuant to this section shall have the force of law and be binding on all persons who play or offer sports wagering within the State.

(b) The Board shall adopt procedures pursuant to this section that govern the following minimum standards for the Department's operators:

(1) minimum computer system security, including:

(A) documented system security testing performed by a licensed third-party contractor approved by the Department;

(B) unique identification and verification systems for wagers;

(C) procedures to prevent past posting of wagers;

(D) minimum data that must be recorded relating to each wager;

(E) system redundancy to ensure recording of wagers during a system outage; and

(F) integration with an independent control system to ensure integrity of system wagering information;

(2) sports wagering system requirements that meet or exceed Gaming Laboratories International's GLI-33: Standards for Event Wagering Systems, and its appendices, as amended or modified;

(3) minimum house rules, including:

- (A) the method for calculation and payment of winning wagers;
- (B) the effect of schedule changes for a sports event;
- (C) the method of notifying bettors of odds or proposition changes;
- (D) acceptance of wagers at terms other than those posted;
- (E) circumstances under which the operator will void a bet; and
- (F) treatment of errors, late bets, and related contingencies;
- (4) minimum accounting controls, including:
 - (A) processes for recording the collection of wagers, payment of wagers, and cancellation of wagers issued; and
 - (B) requirements for an annual audit of accounting controls;
- (5) minimum internal control standards;
- (6) minimum cash reserves to be maintained by each operator; and
- (7) promotional play requirements that:
 - (A) require each operator to provide unambiguous notice of the:
 - (i) date and time the promotion or bonus is active and expires;
 - (ii) rules of play;
 - (iii) nature and value of prizes or awards;
 - (iv) eligibility restrictions or limitations;
 - (v) wagering and redemption requirements, including any limitations;
 - (vi) eligible events or wagers;
 - (vii) cancellation requirements; and
 - (viii) terms and conditions that are full, accurate, concise, transparent, and do not contain misleading information;
 - (B) prohibit promotions or bonuses from being described as free or risk-free if those promotions or bonuses require the player to incur any loss or risk the player's own money to use or withdraw winnings from the free wager;
 - (C) prohibit the operator from restricting the player from withdrawing the player's own funds or withdrawing winnings from wagers placed using the player's own funds;
 - (D) ensure that the promotion or bonus rules shall be available to patrons and the Department; and

(E) require operators to adopt procedures for the issuance, acceptance, and tracking of promotions or bonuses.

§ 1304. REVENUES TO GENERAL FUND

The revenue received by the Department from sports wagering, less the administrative costs of the Department and the amount due to the Problem Gambling Special Fund, shall be deposited in the General Fund.

§ 1305. CONFIDENTIALITY OF RECORDS

(a) When produced or acquired by the Department pursuant to this chapter, the following records are exempt from public inspection and copying under the Public Records Act and shall be kept confidential:

(1) personal information and background check documents;

(2) any lists of names, including information related to voluntary self-exclusion;

(3) trade secrets, business records, financial records, and related information; and

(4) records relating to operator security, technology, facilities, or systems.

(b) The Public Records Act exemptions created in this section shall not be subject to the provisions of 1 V.S.A. § 317(e) (repeal of Public Records Act exemptions).

§ 1306. EXEMPTION

The provisions of 13 V.S.A. chapter 51, relating to gambling and lotteries, shall not apply to sports wagering or a fantasy sports contest conducted pursuant to this chapter.

Subchapter 2. Sports Wagering Operators

§ 1320. SPORTS WAGERING OPERATORS; COMPETITIVE BIDDING

PROCESS

(a) The Commissioner shall select operators through a competitive bidding process.

(b) The Board shall adopt procedures pursuant to 3 V.S.A. § 835 to establish criteria for the selection of operators. At a minimum, the Board's guidelines shall require an applicant to include the following in the proposal:

(1) an estimate of the applicant's potential adjusted gross sports wagering revenue and the percentage of adjusted gross sports wagering

revenue from mobile sports wagering the applicant will pay to the State if selected to be an operator;

(2) the number of individually branded websites the operator proposes to use for its sports wagering operations in Vermont;

(3) the applicant's responsible gaming plan and a description of responsible gaming safeguards that the applicant currently employs;

(4) a list of all jurisdictions where the applicant and any parent companies are currently authorized to conduct sports wagering operations;

(5) the applicant's player acquisition model, advertising and affiliate programs, and marketing budget, including details on how the applicant will convert customers from wagering through illegal channels to wagering legally in the State;

(6) the estimated time frame for implementing the applicant's sports wagering operations;

(7) the applicant's integrity monitoring systems, including any current affiliations related to integrity monitoring; and

(8) the applicant's plan for maximizing sustainable, long-term revenue for the State, including a detailed market analysis.

(c) The Department shall assess an annual operator fee of \$550,000.00, which shall be apportioned equally among the authorized operators.

(d) Each operator shall pay to the Department a revenue share that is determined by the Department through the competitive bidding process.

§ 1321. PROHIBITED ACTIVITIES

The Department's operators are prohibited from the following activities:

(1) accepting or making payment relating to sports wagers made by prohibited sports bettors;

(2) accepting sports wagers on prohibited sports events; or

(3) accepting sports wagers from persons who are physically outside the State of Vermont at the time the sports wager is placed.

§ 1322. MAINTAINING SPORTS INTEGRITY

The Department and its operators may participate in national and international monitoring services and associations and may share betting information with those entities and sports governing bodies in order to ensure the integrity of sports wagers and sports events. The Commissioner may restrict, limit, or exclude wagering on a sports event if the Commissioner

determines that the restriction, limitation, or exclusion is necessary to ensure the integrity of the sportsbook.

§ 1323. ACCESS TO FINANCIAL REPORTS

The Department may require financial and compliance reports from its operators at any time and may conduct audits of these reports to ensure that the State receives the contractual share of revenue.

§ 1324. COMPLIANCE OVERSIGHT

(a) The Department shall retain oversight of its operators to ensure that all sports wagering activities are conducted in accordance with this chapter, any contractual terms, and any procedures adopted by the Department.

(b) Any failure to comply with this chapter, contractual terms, or any procedures adopted by the Department may be brought before the Board of Liquor and Lottery. The Board shall have the authority to impose sanctions on an operator for a violation, including monetary penalties, suspension of operator operations within the State, and the termination of all operator operations within the State. The Department may also bring an action in a Vermont court for damages, injunctive relief, or enforcement of monetary penalties related to any contract violation.

§ 1325. CRIMES AND PENALTIES

(a) A person who is not permitted to conduct sports wagering pursuant to this chapter that operates, conducts, or exposes sports wagering for play or accepts a bet or wager associated with sports wagering shall be fined not more than \$10,000.00 or imprisoned not more than six months, or both.

(b) A person convicted of a second violation of subsection (a) of this section shall be fined not more than \$25,000.00 or imprisoned not more than one year, or both.

(c) A person convicted of a third or subsequent violation of subsection (a) of this section shall be fined not more than \$50,000.00 or imprisoned not more than two years, or both.

Subchapter 3. Fantasy Sports Contests

§ 1330. DEFINITIONS

As used in this subchapter:

(1) “Computer script” means a list of commands that can be executed by a program, scripting engine, or similar mechanism that a fantasy sports player can use to automate participation in a fantasy sports contest.

(2) “Confidential fantasy sports contest information” means nonpublic information available to a fantasy sports operator that relates to a fantasy sports player’s activity in a fantasy sports contest and that, if disclosed, may give another fantasy sports player an unfair competitive advantage in a fantasy sports contest.

(3) “Fantasy sports contest” means a virtual or simulated sporting event governed by a uniform set of rules adopted by a fantasy sports operator in which:

(A) a fantasy sports player may earn one or more cash prizes or awards, the value of which a fantasy sports operator discloses in advance of the contest;

(B) a fantasy sports player uses the player’s knowledge and skill of sports data, performance, and statistics to create and manage a fantasy sports team;

(C) a fantasy sports team earns fantasy points based on the sports performance statistics accrued by individual athletes or teams, or both, in real world sporting events;

(D) the outcome is determined by the number of fantasy points earned; and

(E) the outcome is not determined by the score, the point spread, the performance of one or more teams, or the performance of an individual athlete in a single real world sporting event.

(4) “Fantasy sports operator” means a person that offers to members of the public the opportunity to participate in a fantasy sports contest for consideration.

(5) “Fantasy sports player” means an individual who participates in a fantasy sports contest for consideration.

(6) “Location percentage” mean the percentage, rounded to the nearest tenth of a percent, of the total of all entry fees collected from fantasy sports players located in Vermont, divided by the total entry fees collected from all fantasy sports players in fantasy sports contests.

(7) “Net fantasy sports contest revenues” means the amount equal to the total of all entry fees that a fantasy sports operator collects from all fantasy sports players, less the total of all sums paid out as winnings to all fantasy sports players, multiplied by the location percentage for Vermont.

§ 1331. CONSUMER PROTECTION

(a) A fantasy sports operator shall adopt commercially reasonable policies and procedures to:

(1) prevent participation in a fantasy sports contest it offers to the public with a cash prize of \$5.00 or more by:

(A) the fantasy sports operator;

(B) an employee of the fantasy sports operator or a relative of the employee who lives in the same household; or

(C) a professional athlete or official who participates in one or more real world sporting events in the same sport as the fantasy sports contest;

(2) prevent the disclosure of confidential fantasy sports contest information to an unauthorized person;

(3) require that a fantasy sports player is 18 years of age or older and verify the age of each player using one or more commercially available databases, which the government or businesses regularly use to verify and authenticate age and identity;

(4) limit and disclose to prospective players the number of entries a fantasy sports player may submit for each fantasy sports contest;

(5) limit a fantasy sports player to not more than one username or account;

(6) prohibit the use of computer scripts that provide a player with a competitive advantage over another player;

(7) segregate player funds from operational funds, or maintain a reserve in the form of cash, cash equivalents, payment processor receivables, payment processor reserves, an irrevocable letter of credit, a bond, or a combination thereof in an amount that equals or exceeds the amount of deposits in fantasy sports player accounts, for the benefit and protection of fantasy sports player funds held in the player's accounts; and

(8) notify fantasy sports players that winnings of a certain amount may be subject to income taxation.

(b) A fantasy sports operator shall have the following duties:

(1) The operator shall provide a link on its website to information and resources addressing addiction and compulsive behavior and where to seek assistance with these issues in Vermont and nationally.

(2)(A) The operator shall enable a fantasy sports player to restrict irrevocably the player's own ability to participate in a fantasy sports contest,

for a period of time the player specifies, by submitting a request to the operator through its website or by online chat with the operator's agent.

(B) The operator shall provide to a player who self-restricts the player's participation information concerning:

(i) available resources addressing addiction and compulsive behavior;

(ii) how to close an account and restrictions on opening a new account during the period of self-restriction;

(iii) requirements to reinstate an account at the end of the period;
and

(iv) how the operator addresses reward points and account balances during and after the period of self-restriction, and when the player closes the player's account.

(3) The operator shall provide a player access to the following information for the previous six months:

(A) a player's play history, including money spent, games played, previous line-ups, and prizes awarded; and

(B) a player's account details, including deposit amounts, withdrawal amounts, and bonus information, including amounts remaining for a pending bonus and amounts released to the player.

(c)(1) A fantasy sports operator shall contract with a third party to perform an annual independent audit, consistent with the standards established by the American Institute of Certified Public Accountants, to ensure compliance with the requirements in this chapter.

(2) The fantasy sports operator shall submit the results of the independent audit to the Attorney General.

(d) A fantasy sports operator shall not extend credit to a fantasy sports player.

(e) A fantasy sports operator shall not offer a fantasy sports contest based on the performance of participants in college, high school, or youth athletic events.

§ 1332. FAIR AND TRUTHFUL ADVERTISING

(a) A fantasy sports operator shall not depict in an advertisement to consumers in this State:

(1) minors, other than professional athletes who may be minors;

(2) students;

(3) schools or colleges; or

(4) school or college settings, provided that an incidental depiction of nonfeatured minors does not violate this section.

(b) A fantasy sports operator shall not state or imply in an advertisement to consumers in this State endorsement by:

(1) minors, other than professional athletes who may be minors;

(2) collegiate athletes;

(3) colleges; or

(4) college athletic associations.

(c)(1) A fantasy sports operator shall include in an advertisement to consumers in this State information concerning assistance available to problem gamblers or shall direct consumers to a reputable source of that information.

(2) If an advertisement is of insufficient size or duration to provide the information required in subdivision (1) of this subsection, the advertisement shall refer to a website or application that does prominently include such information.

(d) A fantasy sports operator shall only make representations concerning winnings that are accurate, not misleading, and capable of substantiation at the time of the representation. For purposes of this subsection, an advertisement is misleading if it makes representations about average winnings without equally prominently representing the average net winnings of all players.

§ 1333. REGISTRATION

On or before October 15 of each year in which a fantasy sports operator offers a fantasy sports contest to consumers in this State, the operator shall file an annual registration with the Department on a form adopted for that purpose and pay to the Department an annual registration fee in the amount of \$5,000.00.

§ 1334. ENFORCEMENT

(a) A person that violates a provision of this chapter commits an unfair and deceptive act in commerce in violation of 9 V.S.A. § 2453.

(b) The Attorney General has the authority to adopt rules to implement the provisions of this chapter and to conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under 9 V.S.A. chapter 63, subchapter 1.

Subchapter 4. Responsible Gaming and Problem Gambling

§ 1340. RESPONSIBLE GAMING AND PROBLEM GAMBLING;

OPERATOR PLANS, DUTIES, AND REPORT

(a) Responsible gaming plan. Annually, each operator shall submit to the Department and the Department of Mental Health a responsible gaming plan that shall include information related to the posting of materials related to problem gambling, resources to be made available to bettors expressing concerns about problem gambling, house-imposed player limits, and self-exclusion programs. The Commissioner shall require each applicant to submit a responsible gaming plan prior to authorizing the applicant to conduct a sportsbook within the State.

(b) Plan review. At least every five years, each operator shall be subject to an independent review of the operator's responsible gaming plan, as assessed by industry standards and performed by a third party approved by the Department. The Department may require the operator to pay for the independent review.

(c) Problem gambling report. Annually on or before January 15, the Department, in consultation with the Department of Mental Health, shall submit to the General Assembly a report on the impact of sports wagering on problem gambling in Vermont, including an analysis of demographic populations that are disproportionately impacted by problem gambling. The Department may require the operators to pay for the costs associated with preparing and submitting the report.

(d) Operator platform requirements. The Department shall ensure that each operator utilizes a mobile sports wagering platform that:

(1) prohibits an individual from establishing more than one account;

(2) prohibits an individual from using a credit card to establish an account or place wagers;

(3) allows a person to limit the amount of money that may be deposited into an account and spent per day through an account;

(4) establishes a statewide voluntary self-exclusion process to allow a person to:

(A) exclude themselves from establishing an account;

(B) exclude themselves from placing wagers through an account; or

(C) limit the amount such person may spend using such an account;

(5) provides responsible gaming and problem gambling information to participants; and

(6) conspicuously displays on each applicable Internet website or mobile application:

(A) a link to a description of the provisions of this subsection (d);

(B) a link to responsible gaming and problem gambling information;

(C) a telephone number that an individual may use to obtain information about problem gambling;

(D) a link to information about the voluntary self-exclusion process described in subdivision (4) of this subsection (d);

(E) a periodic pop-up message displaying the amount of time an individual has spent on the operator's Internet website or mobile application;

(F) a means to initiate a break in play to discourage excessive play; and

(G) a clear display of the amount of money available to the individual in the individual's account.

(e) Advertising restrictions. Sports wagering advertisements shall not:

(1) depict any individual under 21 years of age, except live footage or images of athletes in sporting events on which sports wagering is permitted;

(2) depict any individual under 21 years of age in any way that may be construed as the underage individual participating in or endorsing sports wagering; or

(3) target individuals under 21 years of age, other individuals who are ineligible to participate in sports wagering, individuals with gambling problems, or other vulnerable individuals.

(f) Vermont postsecondary campuses. A postsecondary school located in the State shall not permit sports wagering to be advertised on property belonging to the postsecondary school, except for generally available advertising, including television, radio, and digital advertising. An operator shall not advertise in a manner that targets the area of a college or university campus.

§ 1341. PROBLEM GAMBLING SPECIAL FUND

(a) There is established the Problem Gambling Special Fund that shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. Annually, the

following amounts of the annual sports wagering revenue received by the Department of Liquor and Lottery shall be credited to this Fund:

(1) in fiscal year 2024, five percent but not less than \$250,000.00; and

(2) in fiscal year 2025 and each year thereafter, five percent but not less than \$500,000.00.

(b) This Fund shall be available to the Department of Mental Health for:

(1) providing support to agencies, organizations, and persons that provide education, assistance, awareness, treatment, and recovery services to persons and families experiencing difficulty as a result of addictive or problematic gambling;

(2) promoting public awareness of and providing education about gambling addiction;

(3) establishing and funding programs to certify addiction counselors;

(4) promoting public awareness of assistance programs for gambling addiction; and

(5) funding a helpline with text messaging and online chat capabilities.

(c) On or before January 15 of each year, the Department of Mental Health shall submit to the General Assembly a report detailing the expenditures from the Fund in the preceding fiscal year and summarizing the programs and activities supported by those expenditures.

Sec. 2. DEPARTMENT OF LIQUOR AND LOTTERY; FANTASY SPORTS CONTEST REPORT AND RECOMMENDATIONS

(a) On or before January 15, 2024, the Department of Liquor and Lottery shall submit to the House Committee on Government Operations and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs a report on the current status of fantasy sports contests in Vermont.

(b) The report shall include:

(1) an examination of the number of fantasy sports contest operators, the amount of players who participate in fantasy sports contests, and the State's compliance monitoring and enforcement of the laws governing fantasy sports contests; and

(2) recommendations for how the current statutes governing fantasy sports contests may be amended to address any issues identified in the report.

Sec. 3. REPEAL

9 V.S.A. chapter 116 (fantasy sports contests) is repealed.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

(Committee Vote: 9-3-0)

Rep. Beck of St. Johnsbury, for the Committee on Ways and Means, recommends that the report of the Committee on Government Operations and Military Affairs be amended as follows:

First: In Sec. 1, 31 V.S.A. chapter 25 (sports wagering), in section 1301 (definitions), in subdivision (7), following “hardware, software, and data networks” by inserting the words “that are” before the words “used to manage”

Second: In Sec. 1, 31 V.S.A. chapter 25 (sports wagering), in section 1301 (definitions), in subdivision (15)(B), following the words “of this subdivision” by striking out “(16)” and inserting in lieu thereof “(15)”

Third: In Sec. 1, 31 V.S.A. chapter 25 (sports wagering), in section 1302 (Department of Liquor and Lottery; authority and duties), in subdivision (c)(5), following the period at the end of the subdivision, by inserting the words “The Department shall establish a process that allows a holder of a joint bank account to exclude the joint account from all operator platforms in the State.”

Fourth: In Sec. 1, 31 V.S.A. chapter 25 (sports wagering), in section 1302 (Department of Liquor and Lottery; authority and duties), by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read as follows:

(g) The Department shall include in its contract with each operator:

(1) a provision that prohibits the use of sports wagering advertisements, logos, trademarks, or brands on products that are sold in Vermont and intended primarily for persons under 21 years of age;

(2) the requirement that the Department and its operators shall cooperatively develop an advertising plan, which shall include strategies to limit unwanted advertising and advertising aimed at persons under 21 years of age; and

(3) a cap on the amount spent by the Department and its operators on sports wagering advertising within the State.

Fifth: In Sec. 1, 31 V.S.A. chapter 25 (sports wagering), by striking out section 1304 (revenues to General Fund) in its entirety and inserting in lieu thereof a new section 1304 to read as follows:

§ 1304. REVENUES TO GENERAL FUND

The revenues and fees received by the Department pursuant to this chapter shall be deposited in the General Fund.

Sixth: In Sec. 1, 31 V.S.A. chapter 25 (sports wagering), in section 1320 (sports wagering operators; competitive bidding process), in subsection (a), following the period at the end of the sentence, by inserting the following:

It is the intent of the General Assembly that the Department shall be guided by and prioritize the following when conducting the competitive bidding process, selecting operators, and structuring agreements with the operators:

(1) maximizing revenues to the State;

(2) reducing the illegal market and converting wagerers to the legal market; and

(3) protecting Vermonters from problem gambling.

Seventh: In Sec. 1, 31 V.S.A. chapter 25 (sports wagering), in section 1320 (sports wagering operators; competitive bidding process), by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) The Department shall assess an annual operator fee based on the number of operators that are accepted through the competitive bidding process. The annual operator fee shall be assessed as follows:

(1) For one operator, \$550,000.00.

(2) For two operators, \$275,000.00 per operator.

(3) For three operators, \$200,000.00 per operator.

(4) For four operators, \$162,500.00 per operator.

(5) For five operators, \$140,000.00 per operator.

(6) For six operators, \$125,000.00 per operator.

Eighth: In Sec. 1, 31 V.S.A. chapter 25 (sports wagering), in section 1320 (sports wagering operators; competitive bidding process), in subsection (d), following the words “through the competitive bidding process” by inserting “, provided that the revenue share shall not be less than 20 percent of adjusted gross sports wagering revenue”

Ninth: In Sec. 1, 31 V.S.A. chapter 25 (sports wagering), in subchapter 4, by striking out section 1341 (Problem Gambling Special Fund) in its entirety and inserting in lieu thereof a new section 1341 to read as follows:

§ 1341. PROBLEM GAMBLING PROGRAM

(a) The Department of Mental Health shall manage and administer a problem gambling program to:

(1) support agencies, organizations, and persons that provide education, assistance, awareness, treatment, and recovery services to persons and families experiencing difficulty as a result of addictive or problematic gambling;

(2) promote public awareness of and provide education about gambling addiction;

(3) establish and fund programs for the certification of addiction counselors;

(4) promote public awareness of assistance programs for gambling addiction; and

(5) fund a helpline with text messaging and online chat capabilities.

(b) On or before January 15 of each year, the Department of Mental Health shall submit to the General Assembly a report detailing the activities supported by appropriations made for the problem gambling program.

Tenth: By inserting a new section to be Sec. 2a to read as follows:

Sec. 2a. APPROPRIATIONS

(a) The following sums are appropriated to the Department of Mental Health for purposes of establishing and administering a problem gambling program:

(1) in fiscal year 2024, \$250,000.00; and

(2) in fiscal year 2025, \$500,000.00.

(b) In fiscal year 2024, \$550,000.00 is appropriated from the General Fund to the Department of Liquor and Lottery. This appropriation is made in anticipation of receipts from sports wagering operator fees.

(Committee Vote: 10-2-0)

H. 270

An act relating to miscellaneous amendments to the adult-use and medical cannabis programs

Rep. McCarthy of St. Albans City, for the Committee on Government Operations and Military Affairs, recommends the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 7 V.S.A. § 843 is amended to read:

§ 843. CANNABIS CONTROL BOARD; DUTIES; MEMBERS

* * *

(h) Advisory committee.

~~(1) There is an advisory committee established within the Board that shall be composed of members with expertise and knowledge relevant to the Board's mission. The Board shall collaborate with the advisory committee on recommendations to the General Assembly. The advisory committee shall be composed of the following 14 members:~~

~~(A) one member with an expertise in public health, appointed by the Governor;~~

~~(B) the Secretary of Agriculture, Food and Markets or designee;~~

~~(C) one member with an expertise in laboratory science or toxicology, appointed by the Governor;~~

~~(D) one member with an expertise in systemic social justice and equity issues, appointed by the Speaker of the House;~~

~~(E) one member with an expertise in women and minority-owned business ownership, appointed by the Speaker of the House;~~

~~(F) the Chair of the Substance Misuse Prevention Oversight and Advisory Council or designee;~~

~~(G) one member with an expertise in the cannabis industry, appointed by the Senate Committee on Committees;~~

~~(H) one member with an expertise in business management or regulatory compliance, appointed by the Treasurer;~~

~~(I) one member with an expertise in municipal issues, appointed by the Senate Committee on Committees;~~

~~(J) one member with an expertise in public safety, appointed by the Attorney General;~~

~~(K) one member with an expertise in criminal justice reform, appointed by the Attorney General;~~

~~(L) the Secretary of Natural Resources or designee;~~

~~(M) the Chair of the Cannabis for Symptom Relief Oversight Committee or designee; and~~

~~(N) one member appointed by the Vermont Cannabis Trade Association.~~

~~(2) Initial appointments to the advisory committee as provided in subdivision (1) of this subsection (h) shall be made on or before July 1, 2021.~~

~~(3) The Board may establish subcommittees within the advisory committee to accomplish its work.~~

~~(4) Members of the advisory committee who are not otherwise compensated by the member's employer for attendance at meetings shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings annually. These payments shall be made from the Cannabis Regulation Fund. [Repealed.]~~

Sec. 2. REPEAL; SUNSET OF CANNABIS CONTROL BOARD

2020 Acts and Resolves No. 164, Sec. 6e is repealed.

Sec. 3. 7 V.S.A. § 861 is amended to read:

§ 861. DEFINITIONS

As used in this chapter:

* * *

(2) "Advertisement" means any written or verbal statement, illustration, or depiction that ~~is calculated to induce~~ would reasonably have the effect of inducing sales of cannabis or cannabis products, including any written, printed, graphic, or other material; billboard, sign, or other outdoor display; other periodical literature, publication, or in a radio or television broadcast; the Internet; or in any other media. The term does not include:

(A) any label affixed to any cannabis or cannabis product or any individual covering, carton, or other wrapper of that container that constitutes a part of the labeling under provisions of these standards;

(B) any editorial or other reading material, such as a news release, in any periodical or publication or newspaper for the publication of which no money or valuable consideration is paid or promised, directly or indirectly, by any cannabis establishment, and that is not written by or at the direction of the licensee;

(C) any educational, instructional, or otherwise noncommercial material that is not intended to induce sales and that does not propose an economic transaction, but that merely provides information to the public in an unbiased manner; or

(D) a sign attached to the premises of a cannabis establishment that merely identifies the location of the cannabis establishment.

* * *

(8) “Cannabis establishment” means a cannabis cultivator, propagation cultivator, wholesaler, product manufacturer, retailer, testing laboratory, or integrated licensee licensed by the Board to engage in commercial cannabis activity in accordance with this chapter.

* * *

(31) “Cannabis propagation cultivator” or “propagation cultivator” means a person licensed by the Board to cultivate cannabis clones, immature plants, and mature plants in accordance with this chapter.

Sec. 4. 7 V.S.A. § 881 is amended to read:

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

(a) The Board shall adopt rules to implement and administer this chapter in accordance with subdivisions (1)–~~(7)~~(8) of this subsection.

* * *

(3) Rules concerning product manufacturers shall include:

(A) requirements that a single package of a cannabis product shall not contain more than ~~50~~ 100 milligrams of THC, except in the case of:

(i) cannabis products that are not consumable, including topical preparations;

(ii) solid concentrates, oils, and tinctures; and

(iii) cannabis products sold to a dispensary pursuant to 18 V.S.A. chapter 86 and rules adopted pursuant to that chapter;

* * *

(5) Rules concerning retailers shall include:

* * *

(E) ~~facility inspection~~ requirements and procedures for facility inspection to occur at least annually.

* * *

(8) Rules concerning propagators shall include:

(A) requirements for proper verification of age of customers;

(B) pesticides or classes of pesticides that may be used by propagators, provided that any rules adopted under this subdivision (8) shall

comply with and shall be at least as stringent as the Agency of Agriculture, Food and Markets' Vermont Pesticide Control Regulations;

(C) standards for indoor cultivation of cannabis;

(D) procedures and standards for testing cannabis for contaminants, potency, and quality assurance and control;

(E) labeling requirements for cannabis sold to retailers and integrated licensees;

(F) regulation of visits to the establishments, including the number of visitors allowed at any one time and record keeping concerning visitors; and

(G) facility inspection requirements and procedures.

* * *

Sec. 5. 7 V.S.A. § 901 is amended to read:

§ 901. GENERAL PROVISIONS

(a) Except as otherwise permitted by law, a person shall not engage in the cultivation, preparation, processing, packaging, transportation, testing, or sale of cannabis or cannabis products without obtaining a license from the Board.

* * *

~~(h)(1) The following records shall be exempt from public inspection and copying under the Public Records Act and shall be confidential:~~

~~(A) any record in an application for a license relating to security, public safety, transportation, or trade secrets, including information provided in an operating plan pursuant to subdivision 881(a)(1)(B) of this title; and~~

~~(B) any licensee record relating to security, public safety, transportation, trade secrets, or employees.~~

~~(2) Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this subsection shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e). [Repealed.]~~

Sec. 6. 7 V.S.A. § 901a is added to read:

§ 901a. ACCESSIBILITY AND CONFIDENTIALITY OF LICENSING

AND DISCIPLINARY MATTERS

(a) It is the purpose of this section to protect the reputation, security practices, and trade secrets of licensees from undue public disclosure while securing the public's right to know of government licensing actions relevant to the public health, safety, and welfare.

(b) All meetings and hearings of the Board shall be subject to the Open Meeting Law as provided in 1 V.S.A. § 312.

(c) The following shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential:

(1) records related to licensee security, safety, transportation, or trade secrets, including information provided in an operating plan pursuant to subdivision 881(a)(1)(B) of this title; and

(2) records related to investigations, except as provided in subsection (d) of this section.

(d)(1) If a complaint or investigation results in formal action to revoke, suspend, condition, reprimand, warn, fine, or otherwise to penalize a licensee based on noncompliance with law or regulation, the case record, as defined by 3 V.S.A. § 809(e), shall be public.

(2) The Board shall prepare and maintain an aggregated list of all closed investigations into misconduct or noncompliance from whatever source derived. The information contained in the list shall be a public record. The list shall contain the date, nature, and outcome of each complaint. The list shall not contain the identity of the subject licensee unless formal action resulted, as described in subdivision (1) of this subsection.

(e) Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this section shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).

Sec. 7. 7 V.S.A. § 904 is amended to read:

§ 904. CULTIVATOR LICENSE

(a) A cultivator licensed under this chapter may:

(1) cultivate, process, package, label, transport, test, and sell cannabis to a licensed wholesaler, product manufacturer, retailer, integrated licensee, and dispensary and may;

(2) purchase and sell cannabis seeds and immature cannabis plants to another licensed cultivator and propagation cultivator; and

(3) possess and sell cannabis products to a licensed wholesaler, product manufacturer, retailer, integrated licensee, and dispensary.

* * *

Sec. 8. 7 V.S.A. § 904b is added to read:

§ 904b. PROPAGATION CULTIVATOR LICENSE

(a) A propagation cultivator licensed under this section may:

(1) cultivate not more than 3,500 square feet of cannabis clones, immature cannabis plants, or mature cannabis plants;

(2) test, transport, and sell cannabis clones and immature cannabis plants to licensed cultivators; and

(3) test, transport, and sell cannabis seeds that meet the federal definition of hemp to a licensed cultivator or retailer or to the public.

(b) A licensed propagation cultivator shall not cultivate mature cannabis plants for the purpose of producing, harvesting, transferring, or selling cannabis flower for or to any person.

Sec. 9. 7 V.S.A. § 905 is amended to read:

§ 905. WHOLESALER LICENSE

A wholesaler licensed under this chapter may:

(1) purchase cannabis from a licensed cultivator and integrated licensee, and cannabis products from a licensed product manufacturer, integrated licensee, and dispensary cannabis establishment;

(2) transport, process, package, and sell cannabis and cannabis products to a licensed product manufacturer, retailer, integrated licensee, and dispensary cannabis establishment; and

(3) sell cannabis seeds or immature cannabis plants to a licensed cultivator.

Sec. 10. 7 V.S.A. § 906 is amended to read:

§ 906. PRODUCT MANUFACTURER LICENSE

A product manufacturer licensed under this chapter may:

(1) purchase cannabis from a licensed cultivator, wholesalers, or integrated licensee, and cannabis products from a licensed wholesaler, product manufacturer, integrated licensee, and dispensary cannabis establishment;

(2) use cannabis and cannabis products to produce cannabis products; and

(3) transport, process, package, and sell cannabis products to a licensed wholesaler, product manufacturer, retailer, integrated licensee, and dispensary cannabis establishment.

Sec. 11. 7 V.S.A. § 907 is amended to read:

§ 907. RETAILER LICENSE

(a) A retailer licensed under this chapter may:

(1) purchase cannabis ~~from a licensed cultivator, wholesaler, or integrated licensee,~~ and cannabis products from a licensed wholesaler, ~~product manufacturer, integrated licensee, and dispensary~~ cannabis establishment; and

(2) transport, possess, package, and sell cannabis and cannabis products to the public for consumption off the registered premises or for cultivation.

* * *

Sec. 12. 7 V.S.A. § 910 is amended to read:

§ 910. CANNABIS ESTABLISHMENT FEE SCHEDULE

The following fees shall apply to each person or product licensed by the Board:

* * *

(3) Manufacturers.

(A) Manufacturer tier 1. Manufacturers that process and manufacture cannabis in order to produce cannabis products without using solvent-based extraction and not more than ~~\$10,000.00~~ \$50,000.00 per year in cannabis products based on the manufacturer's total annual sales in cannabis products shall be assessed an annual licensing fee of \$750.00.

* * *

(7) Propagation cultivators. Propagation cultivators shall be assessed an annual licensing fee of \$500.00.

(8) Employees. Cannabis establishments licensed by the Board shall be assessed an annual licensing fee of \$50.00 for each employee.

~~(8)~~(9) Products. Cannabis establishments licensed by the Board shall be assessed an annual product licensing fee of \$50.00 for every type of cannabis and cannabis product that is sold in accordance with this chapter.

~~(9)~~(10) Local licensing fees. Cannabis establishments licensed by the Board shall be assessed an annual local licensing fee of \$100.00 in addition to each fee assessed under subdivisions (1)–~~(6)~~(7) of this section. Local licensing fees shall be distributed to the municipality in which the cannabis establishment is located pursuant to section 846(c) of this title.

~~(10)~~(11) One-time fees.

(A) All applicants for a cannabis establishment license shall be assessed an initial one-time application fee of \$1,000.00.

(B) An applicant may choose to be assessed an initial one-time intent-to-apply fee of \$500.00. If the applicant subsequently seeks a license within one year after paying the intent-to-apply fee, the initial one-time application fee of \$1,000.00 shall be reduced by \$500.00.

Sec. 13. 7 V.S.A. chapter 35 is amended to read:

CHAPTER 35. MEDICAL CANNABIS REGISTRY

§ 951. DEFINITIONS

As used in this chapter:

* * *

(8) “Qualifying medical condition” means:

(A) cancer, multiple sclerosis, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, glaucoma, Crohn’s disease, Parkinson’s disease, post-traumatic stress disorder, or the treatment of these conditions, if the disease or the treatment results in severe, persistent, and intractable symptoms; or

~~(B) post-traumatic stress disorder, provided the Department confirms the applicant is undergoing psychotherapy or counseling with a licensed mental health care provider; or~~

~~(C) a disease or medical condition or its treatment that is chronic, debilitating, and produces one or more of the following intractable symptoms: cachexia or wasting syndrome, chronic pain, severe nausea, or seizures.~~

* * *

§ 952. REGISTRY

* * *

(b) A person who is a registered patient or a registered caregiver on behalf of a patient may:

(1) Cultivate not more than ~~two~~ six mature and ~~seven~~ 12 immature cannabis plants. Any cannabis harvested from the plants shall not count toward the two-ounce possession limit in subdivision (2) of this subsection, provided it is stored in an indoor facility on the property where the cannabis was cultivated and reasonable precautions are taken to prevent unauthorized access to the cannabis.

(2) Possess not more than two ounces of cannabis.

(3) Purchase cannabis and cannabis products at a licensed medical cannabis dispensary. Pursuant to chapter 37 of this title, a dispensary may

offer goods and services that are not permitted at a cannabis establishment licensed pursuant to chapter 33 of this title.

* * *

§ 954. CAREGIVERS

(a) Pursuant to rules adopted by the Board, a person may register with the Board as a caregiver of a registered patient to obtain the benefits of the Registry as provided in section 952 of this title.

~~(b)(1) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a caregiver card because of his or her criminal history record. An applicant shall not be denied solely on the basis of a criminal conviction that is not listed in 13 V.S.A. chapter 25 or 28 conduct a name and date of birth Vermont criminal conviction record background check and obtain information from the Child Protection Registry maintained by the Department for Children and Families and from the Vulnerable Adult Abuse, Neglect, and Exploitation Registry maintained by the Department of Disabilities, Aging, and Independent Living (collectively, the Registries) for any person who applies to be a caregiver. The Departments for Children and Families and of Disabilities, Aging, and Independent Living shall adopt rules governing the process for obtaining information from the Registries and for disseminating and maintaining records of that information under this subsection.~~

~~(2) The Board shall obtain from the Vermont Crime Information Center a copy of the caregiver applicant's fingerprint-based Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation.~~

(c) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a ~~cannabis establishment license caregiver card~~ because of his or her criminal history record the applicant's criminal history record or status on either Registry.

(d)(1) Except as provided in subdivision (2) of this subsection, a caregiver ~~shall serve only one patient~~ may serve not more than two patients at a time, and a patient shall have only one registered caregiver at a time. A patient may serve as a caregiver for one other patient.

(2) A patient who is under 18 years of age may have two caregivers. Additional caregivers shall be at the discretion of the Board.

§ 955. REGISTRATION; FEES

(a) A registration card shall expire one year after the date of issuance for patients with a qualifying medical condition of chronic pain and the caregivers who serve those patients. For all other patients and the caregivers who serve those patients, a registration card shall expire five years after the date of issuance. A patient or caregiver may renew the card according to protocols adopted by the Board.

(b) The Board shall charge and collect a \$50.00 annual registration and renewal fee for patients and caregivers. Fees shall be deposited in the Cannabis Regulation Fund as provided in section 845 of this title.

§ 956. RULEMAKING

The Board shall adopt rules for the administration of this chapter. ~~No rule shall be more restrictive than any rule adopted by the Department of Public Safety pursuant to 18 V.S.A. chapter 86.~~

Sec. 14. 7 V.S.A. § 977 is amended to read:

§ 977. FEES

(a) The Board shall charge and collect the following fees for dispensaries:

(1) a one-time \$2,500.00 application fee;

(2) a ~~\$20,000.00~~ \$10,000.00 registration fee for the first year of operation;

(3) an annual renewal fee of ~~\$25,000.00~~ \$10,000.00 for a subsequent year of operation; and

(4) an annual Registry identification or renewal card fee of \$50.00 to be paid by the dispensary for each owner, principal, financier, and employee of the dispensary.

(b) Fees shall be deposited in the Cannabis Regulation Fund as provided in section 845 of this title.

Sec. 15. 7 V.S.A. § 1002 is amended to read:

§ 1002. LICENSE REQUIRED; APPLICATION; FEE; ISSUANCE

(a)(1) No person shall engage in the retail sale of tobacco products, tobacco substitutes, or tobacco paraphernalia in ~~his or her~~ the person's place of business without a tobacco license obtained from the Division of Liquor Control.

(2) No person shall engage in the retail sale of tobacco substitutes without also obtaining a tobacco substitute endorsement from the Division of Liquor Control.

(3) Tobacco licenses and tobacco substitute endorsements shall expire at midnight, April 30, of each year.

(4) This subsection shall not apply to the retail sale of tobacco paraphernalia by a cannabis establishment licensed in accordance with chapter 33 of this title or a medical cannabis dispensary licensed in accordance with chapter 37 of this title.

* * *

Sec. 16. CANNABIS CONTROL BOARD POSITIONS; CANNABIS
QUALITY CONTROL PROGRAM; APPROPRIATION

(a) The establishment of the following new permanent classified positions is authorized in the Cannabis Control Board in fiscal year 2024:

(1) two new chemists; and

(2) one new Cannabis Quality Assurance Program Director.

(b) In fiscal year 2024, the amount of \$850,000.00 is transferred from the General Fund to the Cannabis Regulation Fund to acquire laboratory equipment and analytical instruments for the cannabis quality control program established pursuant to 7 V.S.A. § 885. The instruments shall be sufficient to test for cannabinoid content, moisture content, and homogeneity, and conduct analysis on residual solvents, pesticides, heavy metals, and human pathogens.

Sec. 17. 2020 Acts and Resolves No. 164, Sec. 6d is amended to read:

Sec. 6d. AUDITOR OF ACCOUNTS REPORT

On or before November 15, ~~2023~~ 1, 2024, the Auditor of Accounts shall report to the General Assembly regarding the organizational structure and membership of the Cannabis Control Board and whether the structure continues to be the most efficient for carrying out the statutory duties of the Board.

Sec. 18. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

(Committee Vote: 8-4-0)

Favorable

H. 178

An act relating to commissioning Department of Corrections personnel as notaries public

Rep. Waters Evans of Charlotte, for the Committee on Government Operations and Military Affairs, recommends the bill ought to pass.

(Committee Vote: 12-0-0)

CONSENT CALENDAR

Concurrent Resolutions for Adoption Under Joint Rules 16a - 16d

The following concurrent resolutions have been introduced for approval by the Senate and House and will be adopted automatically unless a Senator or Representative requests floor consideration in that member's chamber prior to adjournment of the next legislative day. Requests for floor consideration in either chamber should be communicated to the Senate Secretary's Office or the House Clerk's Office, as applicable. For text of resolutions, see Addendum to House Calendar.

H.C.R. 48

House concurrent resolution commemorating the 25th anniversary of the Good Friday Agreement on the observance of St Patrick's Day 2023

H.C.R. 49

House concurrent resolution congratulating Westford Elementary School's robotics teams for their award-winning performances at the FIRST LEGO League State Championship

H.C.R. 50

House concurrent resolution congratulating the Governor's Institutes of Vermont on their 40th anniversary

H.C.R. 51

House concurrent resolution commemorating the 25th anniversary of the establishment of the Vermont Downtown Program and designating March 22, 2023 as Downtown Day at the State House

H.C.R. 52

House concurrent resolution designating March 22, 2023 as Vermont Tourism Day at the State House

H.C.R. 53

House concurrent resolution recognizing the week of May 14–20 as National Skilled Nursing Care Week and the week of September 10–16 as National Assisted Living Week in Vermont

H.C.R. 54

House concurrent resolution honoring Bruce Sklar, Harwood Union Middle and High School jazz teacher extraordinaire

H.C.R. 55

House concurrent resolution honoring Chris Rivers on his transformative career as Harwood Union Middle and High School Music Department Chair

H.C.R. 56

House concurrent resolution recognizing March 12–18 as AmeriCorps Week in Vermont

For Informational Purposes

CROSSOVER DATES

The Joint Rules Committee established the following crossover deadlines:

(1) All **Senate/House** bills must be reported out of the last committee of reference (including the Committees on Appropriations and Finance/Ways and Means, except as provided below in (2) and the exceptions listed below) on or before **Friday, March 17, 2023**, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day – Committee bills must be voted out of Committee by **Friday, March 17, 2023**.

(2) All **Senate/House** bills referred pursuant to Senate Rule 31 or House Rule 35(a) to the Committees on Appropriations and Finance/Ways and Means must be reported out by the last of those committees on or before **Friday, March 24, 2023**, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day.

Note: The Senate will not act on bills that do not meet these crossover deadlines, without the consent of the Senate Rules Committee.

Exceptions to the foregoing deadlines include the major money bills (the general Appropriations bill (“The Big Bill”), the Transportation Capital bill, the Capital Construction bill and the Fee/Revenue bills).

NOTICE OF JFO GRANTS AND POSITIONS

Grants and Positions that have been submitted to the Joint Fiscal Committee by the Administration, under 32 V.S.A. §5(b)(3)(D):

JFO #3138: One (1) limited-service position, Statewide Grants Administrator, to the Agency of Administration, Department of Finance and Management to cover increased grant activity due to the Covid-19 pandemic. The position is funded through Act 185 of 2022. Sec G.801 of the Act appropriates ARPA funds for administrative costs related to the pandemic. This position is funded through 12/31/2026. The grant packet can be found at: <https://ljfo.vermont.gov/assets/grants-documents/ec01b0bea7/JFO-3138-packet.pdf>
[Received February 9, 2023]

JFO #3137: One (1) limited-service position to the Vermont Department of Health, Senior Health Asbestos and Lead Engineer, to perform senior professional level work to educate, advise on and enforce Vermont asbestos and lead control regulations. The position is funded through 9/30/2024 through an existing Environmental Protection Agency grant. The grant packet can be found at: <https://ljfo.vermont.gov/assets/grants-documents/a44b7c8cac/JFO-3137-packet-v2.pdf>
[Received 1/23/2023]

JFO #3136: \$5,000,000.00 to the Agency of Administration, Public Service Department, VT Community Broadband Board (VCBB) from the National Telecommunications and Information Administration, Broadband Equity, Access and Deployment Program to deliver broadband to unserved and underserved areas in Vermont. This is a 5-year grant and will fill in the technical gaps existing in the VCBB's program of broadband deployment. The grant packet can be found at: <https://ljfo.vermont.gov/assets/grants-documents/3d7b96fcb1/JFO-3136-packet.pdf>
[Received 1/23/2023]