

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Government Operations to which was referred Senate
3 Bill No. 247 entitled “An act relating to the regulation of medical marijuana
4 dispensaries” respectfully reports that it has considered the same and
5 recommends that the House propose to the Senate that the bill be amended by
6 striking out all after the enacting clause and inserting in lieu thereof the
7 following:

8 Sec. 1. 18 V.S.A. § 4472 is amended to read:

9 § 4472. DEFINITIONS

10 As used in this subchapter:

11 (1) “Bona fide health care professional-patient relationship” means a
12 treating or consulting relationship of not less than six months’ duration, in the
13 course of which a health care professional has completed a full assessment of
14 the registered patient’s medical history and current medical condition,
15 including a personal physical examination. If a patient has a terminal illness,
16 the six-month requirement shall not apply.

17 * * *

18 (6) “Health care professional” means an individual licensed to practice
19 medicine under 26 V.S.A. chapter 23 or 33, an individual licensed as a
20 naturopathic physician under 26 V.S.A. chapter 81 who has a special license
21 endorsement authorizing the individual to prescribe, dispense, and administer

1 prescription medicines, an individual certified as a physician assistant under
2 26 V.S.A. chapter 31, or an individual licensed as an advanced practice
3 registered nurse under 26 V.S.A. chapter 28. This Except for naturopaths, this
4 definition includes individuals who are professionally licensed under
5 substantially equivalent provisions in New Hampshire, Massachusetts, or
6 New York.

7 * * *

8 (8) “Marijuana” shall have the same meaning as provided in subdivision
9 4201(15) of this title. “Hemp” shall have the same meaning as provided in
10 6 V.S.A. § 562.

11 * * *

12 (15) “Transport” means the movement of marijuana, marijuana-infused
13 products, hemp, or hemp-related products from registered growing locations to
14 their associated dispensaries, between dispensaries, to registered patients and
15 registered caregivers in accordance with delivery protocols, or as otherwise
16 allowed under this subchapter.

17 (16) “Usable marijuana” means the dried leaves and flowers of
18 marijuana, and any mixture or preparation thereof, and does not include the
19 seeds, stalks, and roots of the plant.

20 ~~(15)~~(17) “Use for symptom relief” means the acquisition, possession,
21 cultivation, use, transfer, or transportation of marijuana, hemp, or

1 paraphernalia relating to the administration of marijuana or hemp to alleviate
2 the symptoms or effects of a registered patient’s debilitating medical condition
3 which is in compliance with all the limitations and restrictions of this
4 subchapter. For the purposes of this definition, “transfer” is limited to the
5 transfer of marijuana and paraphernalia between a registered caregiver and a
6 registered patient.

7 Sec. 2. 18 V.S.A. § 4474 is amended to read:

8 § 4474. REGISTERED CAREGIVERS; QUALIFICATION STANDARDS
9 AND PROCEDURES

10 (a) A person may submit a signed application to the ~~department of public~~
11 ~~safety~~ Department of Public Safety to become a registered patient’s registered
12 caregiver. The ~~department~~ Department shall approve or deny the application
13 in writing within 30 days. The Department shall adopt rules for the issuance of
14 a registry identification card which shall include standards for approval or
15 denial of an application based on an individual’s criminal history record. The
16 rules shall address whether an applicant who has been convicted of an offense
17 listed in subsection 4474g(e) of this title or 13 V.S.A. chapter 28 has been
18 rehabilitated and should be otherwise eligible for a registry identification card.
19 An applicant shall not be denied solely on the basis of a criminal conviction
20 that is not listed in subsection 4474g(e) of this title or 13 V.S.A. chapter 28.
21 The ~~department~~ Department shall approve a registered caregiver’s application

1 and issue the person an authorization card, including the caregiver's name,
2 photograph, and a unique identifier, after verifying:

3 ~~(1) the person will serve as the registered caregiver for one registered~~
4 ~~patient only; and~~

5 ~~(2) the person has never been convicted of a drug-related crime.~~

6 (b) Prior to acting on an application, the ~~department~~ Department shall
7 obtain from the Vermont ~~criminal information center~~ Crime Information
8 Center a Vermont criminal record, an out-of-state criminal record, and a
9 criminal record from the Federal Bureau of Investigation for the applicant. ~~For~~
10 ~~purposes of this subdivision, "criminal record" means a record of whether the~~
11 ~~person has ever been convicted of a drug-related crime.~~ Each applicant shall
12 consent to release of criminal records to the ~~department~~ Department on forms
13 substantially similar to the release forms developed by the ~~center~~ Center
14 pursuant to 20 V.S.A. § 2056c. The ~~department~~ Department shall comply with
15 all laws regulating the release of criminal history records and the protection of
16 individual privacy. The Vermont ~~criminal information center~~ Crime
17 Information Center shall send to the requester any record received pursuant to
18 this section or inform the ~~department of public safety~~ Department that no
19 record exists. If the ~~department~~ Department disapproves an application, the
20 ~~department~~ Department shall promptly provide a copy of any record of
21 convictions and pending criminal charges to the applicant and shall inform the

1 applicant of the right to appeal the accuracy and completeness of the record
2 pursuant to rules adopted by the Vermont ~~criminal information center~~ Crime
3 Information Center. No person shall confirm the existence or nonexistence of
4 criminal record information to any person who would not be eligible to receive
5 the information pursuant to this subchapter.

6 (c)(1) ~~A~~ Except as provided in subdivision (2) of this subsection, a
7 registered caregiver may serve only one registered patient at a time, and a
8 registered patient may have only one registered caregiver at a time.

9 (2) A registered patient who is under 18 years of age may have two
10 registered caregivers.

11 Sec. 3. 18 V.S.A. § 4473(b) is amended to read:

12 (b) The ~~department of public safety~~ Department of Public Safety shall
13 review applications to become a registered patient using the following
14 procedures:

15 (1) A patient with a debilitating medical condition shall submit, ~~under~~
16 ~~oath,~~ a signed application for registration to the ~~department~~ Department. A
17 patient's initial application shall be signed under oath and notarized, but
18 subsequent renewals shall not be required to be notarized. If the patient is
19 under ~~the age of~~ 18 years of age, the application must be signed by both the
20 patient and a parent or guardian. The application shall require identification
21 and contact information for the patient and the patient's registered caregiver

1 applying for authorization under section 4474 of this title, if any, and the
2 patient's designated dispensary under section 4474e of this title, if any. The
3 applicant shall attach to the application a medical verification form developed
4 by the ~~department~~ Department pursuant to subdivision (2) of this subsection.

5 * * *

6 **Sec. 4. 18 V.S.A. § 4474d(e) and (f) are added to read:**

7 (e) The Department shall adopt rules for the issuance of a caregiver registry
8 identification card which shall include standards for approval or denial of an
9 application based on an individual's criminal history record. The rules shall
10 address whether an applicant who has been convicted of an offense listed in
11 subsection 4474g(e) of this title or 13 V.S.A. chapter 28 has been rehabilitated
12 and should be otherwise eligible for a caregiver registry identification card.

13 (f) The Department shall adopt rules establishing protocols for the safe
14 delivery of marijuana and hemp to patients and caregivers.

15 Sec. 5. 18 V.S.A. § 4474e is amended to read:

16 § 4474e. DISPENSARIES; CONDITIONS OF OPERATION

17 (a) A dispensary registered under this section may:

18 (1)(A) Acquire, possess, cultivate, manufacture, transfer, transport,
19 supply, sell, and dispense marijuana, marijuana-infused products, and
20 marijuana-related supplies and educational materials for or to a registered
21 patient who has designated it as his or her dispensary and to his or her

1 registered caregiver for the registered patient’s use for symptom relief. ~~For~~
2 ~~purposes of this section, “transport” shall mean the movement of marijuana or~~
3 ~~marijuana-infused products from registered growing locations to their~~
4 ~~associated dispensaries, between dispensaries, or as otherwise allowed under~~
5 ~~this subchapter.~~

6 (A) Marijuana-infused products shall include tinctures, oils, solvents,
7 and edible or potable goods. Only the portion of any marijuana-infused
8 product that is attributable to marijuana shall count toward the possession
9 limits of the dispensary and the patient. The ~~department of public safety~~
10 Department of Public Safety shall establish by rule the appropriate method to
11 establish the weight of marijuana that is attributable to marijuana-infused
12 products.

13 (B) Marijuana-related supplies shall include pipes, vaporizers, and
14 other items classified as drug paraphernalia under chapter 89 of this title.

15 (2) Acquire marijuana seeds or parts of the marijuana plant capable of
16 regeneration from or dispense them to registered patients or their caregivers or
17 acquire them from another registered Vermont dispensary, provided that
18 records are kept concerning the amount and the recipient. Source restrictions
19 in this subdivision shall not apply to hemp, hemp seeds or hemp plants.

20 (3) Cultivate and possess at any one time up to 28 mature marijuana
21 plants, 98 immature marijuana plants, and 28 ounces of usable marijuana.

1 However, if a dispensary is designated by more than 14 registered patients, the
2 dispensary may cultivate and possess at any one time two mature marijuana
3 plants, seven immature plants, and ~~two~~ four ounces of usable marijuana for
4 every registered patient for which the dispensary serves as the designated
5 dispensary. Cultivation and possession limits under this subdivision shall not
6 apply to hemp.

7 (4) Acquire, possess, cultivate, manufacture, transfer, transport, supply,
8 sell, and dispense hemp, hemp-infused products, and hemp-related supplies
9 and educational materials for or to a registered patient who has designated it as
10 his or her dispensary and to his or her registered caregiver for the registered
11 patient's use for symptom relief. Hemp-infused products shall include
12 tinctures, oils, solvents, and edible or potable goods.

13 * * *

14 (d)(1) A dispensary shall implement appropriate security measures to deter
15 and prevent the unauthorized entrance into areas containing marijuana or hemp
16 and the theft of marijuana or hemp and shall ensure that each location has an
17 operational security alarm system. All cultivation of marijuana and hemp shall
18 take place in an enclosed, locked facility which is either indoors or otherwise
19 not visible to the public and which can only be accessed by principal officers
20 and employees of the dispensary who have valid registry identification cards.
21 The ~~department of public safety~~ Department of Public Safety shall perform an

1 annual on-site assessment of each dispensary and may perform on-site
2 assessments of a dispensary without limitation for the purpose of determining
3 compliance with this subchapter and any rules adopted pursuant to this
4 subchapter and may enter a dispensary at any time for such purpose. During
5 an inspection, the ~~department~~ Department may review the dispensary's
6 confidential records, including its dispensing records, which shall track
7 transactions according to registered patients' registry identification numbers to
8 protect their confidentiality.

9 (2)(A) A registered patient or registered caregiver may obtain marijuana
10 or hemp from the dispensary ~~facility~~ by appointment only.

11 (B) A dispensary may deliver marijuana to a registered patient or
12 registered caregiver. The marijuana shall be transported in a locked container.

13 (3) The operating documents of a dispensary shall include procedures
14 for the oversight of the dispensary and procedures to ensure accurate
15 record-keeping.

16 (4) A dispensary shall submit the results of ~~an annual~~ a financial audit to
17 the ~~department of public safety~~ Department of Public Safety no later than
18 60 days after the end of the dispensary's first fiscal year, and every other year
19 thereafter. The ~~annual~~ audit shall be conducted by an independent certified
20 public accountant, and the costs of any such audit shall be borne by the
21 dispensary. The ~~department~~ Department may also periodically require, within

1 its discretion, the audit of a dispensary's financial records by the ~~department~~
2 Department.

3 (5) A dispensary shall destroy or dispose of marijuana,
4 marijuana-infused products, clones, seeds, parts of marijuana that are not
5 usable for symptom relief or are beyond the possession limits provided by this
6 subchapter, and marijuana-related supplies only in a manner approved by rules
7 adopted by the ~~department of public safety~~ Department of Public Safety.

8 * * *

9 Sec. 6. 18 V.S.A. § 4474f is amended to read:

10 § 4474f. DISPENSARY APPLICATION, APPROVAL, AND
11 REGISTRATION

12 * * *

13 (b) Within 30 days of the adoption of rules, the ~~department~~ Department
14 shall begin accepting applications for the operation of dispensaries. Within
15 365 days of the effective date of this section, the ~~department~~ Department shall
16 grant registration certificates to four dispensaries, provided at least four
17 applicants apply and meet the requirements of this section. No more than **four**
18 dispensaries shall hold valid registration certificates at one time. ~~The total~~
19 ~~statewide number of registered patients who have designated a dispensary shall~~
20 ~~not exceed 1,000 at any one time.~~ Any time a dispensary registration
21 certificate is revoked, is relinquished, or expires, the ~~department~~ Department

1 shall accept applications for a new dispensary. If at any time after one year
2 after the effective date of this section fewer than four dispensaries hold valid
3 registration certificates in Vermont, the ~~department of public safety~~
4 Department of Public Safety shall accept applications for a new dispensary.

5 * * *

6 (g) After a dispensary is approved but before it begins operations, it shall
7 submit the following to the ~~department of public safety~~ Department:

8 * * *

9 (4) A registration fee of \$20,000.00 for the first year of operation, and
10 an annual fee of \$30,000.00 in subsequent years.

11 Sec. 7. EFFECTIVE DATE

12 This section and Sec. 4 shall take effect on passage and the remaining
13 sections shall take effect on July 1, 2014.

14
15
16 (Committee vote: _____)

17 _____

18 Representative _____

19 FOR THE COMMITTEE