

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Human Services to which was referred Senate Bill No.
3 247 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 (5) “Dispensary” means a nonprofit entity registered under section
19 4474e of this title which acquires, possesses, cultivates, manufactures,
20 transfers, transports, supplies, sells, or dispenses marijuana, marijuana-infused
21 products, and marijuana-related supplies and educational materials for or to a

1 registered patient who has designated it as his or her center and to his or her
2 registered caregiver for the registered patient’s use for symptom relief. A
3 dispensary may provide marijuana for symptom relief to registered patients at
4 only one facility or location but may have a second location associated with the
5 dispensary where the marijuana is cultivated or processed. Both locations are
6 considered to be part of the same dispensary.

7 (6) “Health care professional” means an individual licensed to practice
8 medicine under 26 V.S.A. chapter 23 or 33, an individual licensed as a
9 naturopathic physician under 26 V.S.A. chapter 81 who has a special license
10 endorsement authorizing the individual to prescribe, dispense, and administer
11 prescription medicines, an individual certified as a physician assistant under
12 26 V.S.A. chapter 31, or an individual licensed as an advanced practice
13 registered nurse under 26 V.S.A. chapter 28. ~~This~~ Except for naturopaths, this
14 definition includes individuals who are professionally licensed under
15 substantially equivalent provisions in New Hampshire, Massachusetts, or
16 New York.

17 * * *

18 (8) “Marijuana” shall have the same meaning as provided in subdivision
19 4201(15) of this title.

20 * * *

1 (14) “Transport” means the movement of marijuana, marijuana-infused
2 products from registered growing locations to their associated dispensaries,
3 between dispensaries, to registered patients and registered caregivers in
4 accordance with delivery protocols, or as otherwise allowed under this
5 subchapter.

6 (15) “Usable marijuana” means the dried leaves and flowers of
7 marijuana, and any mixture or preparation thereof, and does not include the
8 seeds, stalks, and roots of the plant.

9 ~~(15)~~(16) “Use for symptom relief” means the acquisition, possession,
10 cultivation, use, transfer, or transportation of marijuana, or paraphernalia
11 relating to the administration of marijuana to alleviate the symptoms or effects
12 of a registered patient’s debilitating medical condition which is in compliance
13 with all the limitations and restrictions of this subchapter. ~~For the purposes of~~
14 ~~this definition, “transfer” is limited to the transfer of marijuana and~~
15 ~~paraphernalia between a registered caregiver and a registered patient.~~

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

17 § 4474. REGISTERED CAREGIVERS; QUALIFICATION STANDARDS
18 AND PROCEDURES

19 (a) A person may submit a signed application to the ~~department of public~~
20 ~~safety~~ Department of Public Safety to become a registered patient’s registered
21 caregiver. The ~~department~~ Department shall approve or deny the application

1 in writing within 30 days. The Department shall adopt rules for the issuance of
2 a registry identification card which shall include standards for approval or
3 denial of an application based on an individual’s criminal history record. The
4 rules shall address whether an applicant who has been convicted of an offense
5 listed in subsection 4474g(e) of this title or 13 V.S.A. chapter 28 has been
6 rehabilitated and should be otherwise eligible for a registry identification card.
7 An applicant shall not be denied solely on the basis of a criminal conviction
8 that is not listed in subsection 4474g(e) of this title or 13 V.S.A. chapter 28.

9 The ~~department~~ Department shall approve a registered caregiver’s application
10 and issue the person an authorization card, including the caregiver’s name,
11 photograph, and a unique identifier, after verifying:

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

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

15 (b) Prior to acting on an application, the ~~department~~ Department shall
16 obtain from the Vermont ~~criminal information center~~ Crime Information
17 Center a Vermont criminal record, an out-of-state criminal record, and a
18 criminal record from the Federal Bureau of Investigation for the applicant. ~~For~~
19 ~~purposes of this subdivision, “criminal record” means a record of whether the~~
20 ~~person has ever been convicted of a drug-related crime.~~ Each applicant shall
21 consent to release of criminal records to the ~~department~~ Department on forms

1 substantially similar to the release forms developed by the ~~center~~ Center
2 pursuant to 20 V.S.A. § 2056c. The ~~department~~ Department shall comply with
3 all laws regulating the release of criminal history records and the protection of
4 individual privacy. The Vermont ~~criminal information center~~ Crime
5 Information Center shall send to the requester any record received pursuant to
6 this section or inform the ~~department of public safety~~ Department that no
7 record exists. If the ~~department~~ Department disapproves an application, the
8 ~~department~~ Department shall promptly provide a copy of any record of
9 convictions and pending criminal charges to the applicant and shall inform the
10 applicant of the right to appeal the accuracy and completeness of the record
11 pursuant to rules adopted by the Vermont ~~criminal information center~~ Crime
12 Information Center. No person shall confirm the existence or nonexistence of
13 criminal record information to any person who would not be eligible to receive
14 the information pursuant to this subchapter.

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

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

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

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

5 (1) A patient with a debilitating medical condition shall submit, ~~under~~
6 ~~oath~~, a signed application for registration to the ~~department~~ Department. A
7 patient's initial application shall be signed under oath and notarized, but
8 subsequent renewals shall not be required to be notarized. If the patient is
9 under ~~the age of~~ 18 years of age, the application must be signed by both the
10 patient and a parent or guardian. The application shall require identification
11 and contact information for the patient and the patient's registered caregiver
12 applying for authorization under section 4474 of this title, if any, and the
13 patient's designated dispensary under section 4474e of this title, if any. The
14 applicant shall attach to the application a medical verification form developed
15 by the ~~department~~ Department pursuant to subdivision (2) of this subsection.

16 * * *

17 Sec. 4. 18 V.S.A. § 4474d(e)–(g) are added to read:

18 (e) The Department shall adopt rules for the issuance of a caregiver registry
19 identification card that shall include standards for approval or denial of an
20 application based on an individual's criminal history record. The rules shall
21 address whether an applicant who has been convicted of an offense listed in

1 subsection 4474g(e) of this title or 13 V.S.A. chapter 28 has been rehabilitated
2 and should be otherwise eligible for a caregiver registry identification card.

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

5 (g) The Department shall adopt rules for granting a waiver of the
6 dispensary possession limits in section 4474e of this title upon application of a
7 dispensary for the purpose of providing a product for symptom relief to a
8 registered patient who is under 18 years of age who suffers from seizures.

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

10 § 4474e. DISPENSARIES; CONDITIONS OF OPERATION

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

12 (1) Acquire, possess, cultivate, manufacture, transfer, transport, supply,
13 sell, and dispense marijuana, marijuana-infused products, and
14 marijuana-related supplies and educational materials for or to a registered
15 patient who has designated it as his or her dispensary and to his or her
16 registered caregiver for the registered patient's use for symptom relief. ~~For~~
17 ~~purposes of this section, "transport" shall mean the movement of marijuana or~~
18 ~~marijuana-infused products from registered growing locations to their~~
19 ~~associated dispensaries, between dispensaries, or as otherwise allowed under~~
20 ~~this subchapter.~~

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

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

10 (2) Acquire marijuana seeds or parts of the marijuana plant capable of
11 regeneration from or dispense them to registered patients or their caregivers or
12 acquire them from another registered Vermont dispensary, provided that
13 records are kept concerning the amount and the recipient.

14 (3)(A) Cultivate and possess at any one time up to 28 mature marijuana
15 plants, 98 immature marijuana plants, and 28 ounces of usable marijuana.
16 However, if a dispensary is designated by more than 14 registered patients, the
17 dispensary may cultivate and possess at any one time two mature marijuana
18 plants, seven immature plants, and ~~two~~ four ounces of usable marijuana for
19 every registered patient for which the dispensary serves as the designated
20 dispensary.

1 (B) Notwithstanding subdivision (A) of this subdivision, if a
2 dispensary is designated by a registered patient under 18 years of age who
3 qualifies for the registry because of seizures, the dispensary may apply to the
4 Department for a waiver of the limits in subdivision (A) of this subdivision (3)
5 if additional capacity is necessary to provide an adequate supply of a product
6 for symptom relief for the patient. The Department shall have discretion
7 whether to grant a waiver and limit the possession amounts in excess of
8 subdivision (A) of this subdivision (3) in accordance with rules adopted
9 pursuant to section 4474d of this title.

10 * * *

11 (d)(1) A dispensary shall implement appropriate security measures to deter
12 and prevent the unauthorized entrance into areas containing marijuana and the
13 theft of marijuana and shall ensure that each location has an operational
14 security alarm system. All cultivation of marijuana shall take place in an
15 enclosed, locked facility which is either indoors or otherwise not visible to the
16 public and which can only be accessed by principal officers and employees of
17 the dispensary who have valid registry identification cards. ~~The department of~~
18 ~~public safety~~ Department of Public Safety shall perform an annual on-site
19 assessment of each dispensary and may perform on-site assessments of a
20 dispensary without limitation for the purpose of determining compliance with
21 this subchapter and any rules adopted pursuant to this subchapter and may

1 enter a dispensary at any time for such purpose. During an inspection, the
2 ~~department~~ Department may review the dispensary's confidential records,
3 including its dispensing records, which shall track transactions according to
4 registered patients' registry identification numbers to protect
5 their confidentiality.

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

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

10 (3) The operating documents of a dispensary shall include procedures
11 for the oversight of the dispensary and procedures to ensure accurate
12 record-keeping.

13 (4) A dispensary shall submit the results of ~~an annual~~ a financial audit to
14 the ~~department of public safety~~ Department of Public Safety no later than
15 60 days after the end of the dispensary's first fiscal year, and every other year
16 thereafter. The ~~annual~~ audit shall be conducted by an independent certified
17 public accountant, and the costs of any such audit shall be borne by the
18 dispensary. The ~~department~~ Department may also periodically require, within
19 its discretion, the audit of a dispensary's financial records by the ~~department~~
20 Department.

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

6 * * *

7 (n) Nothing in this subchapter shall prevent a dispensary from acquiring,
8 possessing, cultivating, manufacturing, transferring, transporting, supplying,
9 selling, and dispensing hemp and hemp-infused products. A dispensary shall
10 not be required to comply with the provisions of 6 V.S.A. chapter 34.

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

12 § 4474f. DISPENSARY APPLICATION, APPROVAL, AND
13 REGISTRATION

14 * * *

15 (b) Within 30 days of the adoption of rules, the ~~department~~ Department
16 shall begin accepting applications for the operation of dispensaries. Within
17 365 days of the effective date of this section, the ~~department~~ Department shall
18 grant registration certificates to four dispensaries, provided at least four
19 applicants apply and meet the requirements of this section. No more than four
20 dispensaries shall hold valid registration certificates at one time. ~~The total~~
21 ~~statewide number of registered patients who have designated a dispensary shall~~

1 ~~not exceed 1,000 at any one time.~~ Any time a dispensary registration
2 certificate is revoked, is relinquished, or expires, the ~~department~~ Department
3 shall accept applications for a new dispensary. If at any time after one year
4 after the effective date of this section fewer than four dispensaries hold valid
5 registration certificates in Vermont, the ~~department of public safety~~
6 Department of Public Safety shall accept applications for a new dispensary.

7 * * *

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

10 * * *

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

13 Sec. 7. 18 V.S.A. § 4474m is added to read:

14 § 4474m. DEPARTMENT OF PUBLIC SAFETY; PROVISION OF
15 EDUCATIONAL AND SAFETY INFORMATION

16 The Department of Public Safety shall provide educational and safety
17 information developed by Vermont Department of Health to each registered
18 patient upon registration pursuant to section 4473 of this title, and to each
19 registered caregiver upon registration pursuant to section 4474 of this title.

1 Sec. 8. EFFECTIVE DATES

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

4 and that after passage the title of the bill be amended to read: “An act relating
5 to the regulation of marijuana for symptom relief and dispensaries”

6

7

8

9 (Committee vote: _____)

10

11

Representative _____

12

FOR THE COMMITTEE