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1	S.216
2	Introduced by Senators Sears and Ashe
3	Referred to Committee on Health and Welfare
4	Date: January 3, 2018
5	Subject: Health; therapeutic use of cannabis
6	Statement of purpose of bill as introduced: This bill proposes to move
7	responsibility for administration of Vermont's Medical Marijuana Registry
8	from the Department of Public Safety to the Agency of Agriculture, Food and
9	Markets.

An act relating to the administration of Vermont's Medical MarijuanaRegistry

- 12 It is hereby enacted by the General Assembly of the State of Vermont:
- 13 Sec. 1. 18 VSA chapter 86 subchapter 2 is amended to read:
 - Subchapter 2. Marijuana for Medical Symptom Use by Persons

With Severe Illness

16 § 4472. DEFINITIONS

14

15

- 17 As used in this subchapter:
- 18 (1) <u>"Agency" means the Agency of Agriculture, Food and Markets.</u>
- 19 (2)(A) "Bona fide health care professional-patient relationship" means a

20 reating or consulting relationship of not less than three months' duration, in

1	the course of which a health care professional has completed a full assessment
2	of the registered patient's medical history and current medical condition,
3	including a personal physical examination.
4	(B) The three-month requirement shall not apply if:
5	(i) a patient has been diagnosed with:
6	(I) a terminal illness;
7	(II) can er; or
8	(III) acquired immune deficiency syndrome;
9	(ii) a patient is currently under hospice care;
10	(iii) a patient had been diagnosed with a debilitating medical
11	condition by a health care professional in another jurisdiction in which the
12	patient had been formerly a resident and the patient, now a resident of
13	Vermont, has the diagnosis confirmed by a hearth care professional in this
14	State or a neighboring state as provided in subdivision (6) of this section, and
15	the new health care professional has completed a full assessment of the
16	patient's medical history and current medical condition, including a personal
17	physical examination;
18	(iv) a patient who is already on the Registry changes health care
19	professionals three months or less prior to the annual renewal of the patient's
20	registration, provided the patient's new health care professional has completed
21	a fuil assessment of the patient's medical history and current medical

1	condition including a personal physical examination;
2	(v) a patient is referred by his or her health care professional to
3	another health care professional who has completed advanced education and
4	clinical training in specific debilitating medical conditions, and that health care
5	professional conducts a full assessment of the patient's medical history and
6	current medical condition, including a personal physical examination; or
7	(vi) a patient's debilitating medical condition is of recent or
8	sudden onset.
9	(2)(3) "Clone" means a plant section from a female marijuana plant not
10	yet root-bound, growing in a water solution, which is capable of developing
11	into a new plant.
12	(3)(4) "Criminal history record" means all information documenting an
13	individual's contact with the criminal justice system, including data regarding
14	identification, arrest or citation, arraignment, judicial disposition, custody, and
15	supervision.
16	(4)(5) "Debilitating medical condition" means:
17	(A) cancer, multiple sclerosis, positive status for human
18	immunodeficiency virus, acquired immune deficiency syndrome, grucoma,
19	Crohn's disease, Parkinson's disease, or the treatment of these conditions, if
20	the disease or the treatment results in severe, persistent, and intractable
21	symptoms,

1	(R) post-traumatic stress disorder, provided the Department Agency
2	confirms the applicant is undergoing psychotherapy or counseling with a
3	licensed mental health care provider; or
4	(C) a disease or medical condition or its treatment that is chronic,
5	debilitating, and produces one or more of the following intractable symptoms:
6	cachexia or wasting syndrome; chronic pain; severe nausea; or seizures.
7	(5)(6) "Dispensary" means a business organization registered under
8	section 4474e of this title that acquires, possesses, cultivates, manufactures,
9	transfers, transports, supplies, sulls, or dispenses marijuana, marijuana-infused
10	products, and marijuana-related supplies and educational materials for or to a
11	registered patient who has designated has his or her center and to his or her
12	registered caregiver for the registered patient's use for symptom relief. A
13	dispensary may serve patients and caregivers at not more than two locations, as
14	approved by the Department Agency in consideration of factors provided in
15	subsection 4474f(e) of this title, and may cultivate and process marijuana at a
16	separate location from where patients and caregivers are served. All locations
17	shall be considered part of the same dispensary operation under one
18	registration.
19	(6)(7) "Financier" means a person, other than a financial institution as
20	defined in 8 V.S.A. § 11101, that makes an investment in, or a gift, loan, or

21 other financing to, another person with the expectation of a financial return. If

1	a financier is a business organization, as used in this chapter, the term
2	"financier" includes each owner and principal of that organization.
3	$(\mathcal{A})(8)(A)$ "Health care professional" means an individual licensed to
4	practice medicine under 26 V.S.A. chapter 23 or 33, an individual licensed as a
5	naturopathic physician under 26 V.S.A. chapter 81, an individual certified as a
6	physician assistant under 26 V.S.A. chapter 31, or an individual licensed as an
7	advanced practice registered nurse under 26 V.S.A. chapter 28.
8	(B) This definition includes individuals who are professionally
9	licensed under substantially equivalent provisions in New Hampshire,
10	Massachusetts, or New York.
11	(8)(9) "Immature marijuana plan" means a female marijuana plant that
12	has not flowered and which that does not have buds that may be observed by
13	visual examination.
14	(9)(10) "Marijuana" shall have the same meaning as provided in
15	subdivision 4201(15) of this title.
16	(10)(11) "Mature marijuana plant" means a female marijuana plant that
17	has flowered and that has buds that may be observed by visual examination.
18	(11)(12) "Mental health care provider" means a person licensed to
19	practice medicine who specializes in the practice of psychiatry; a psychologist,
20	a psychologist-doctorate, or a psychologist-master as defined in 26 V.S.A.
21	§ 3001, a clinical social worker as defined in 20 V.S.A. § 3201, or a clinical

1	mental health counselor as defined in 26 VSA $_{\odot}$ $_{\odot}$ $_{\odot}$ $_{\odot}$
2	(12)(13) "Ounce" means 28.35 grams.
3	(13)(14) "Owner" means:
4	(A) a person that has a direct or beneficial ownership interest of ten
5	percent or more in a business organization, including attribution of the
6	ownership interests of a spouse or domestic partner, parent, spouse's or
7	domestic partner's parent, sibling, and children; or
8	(B) a person that has the power to direct, or cause the direction of,
9	the management and policies on a business organization, including through the
10	ownership of voting securities, by contract, or otherwise.
11	(14)(15) "Possession limit" means the amount of marijuana collectively
12	possessed between the registered patient and the patient's registered caregiver
13	that is $\frac{1}{100}$ more than two mature marijuana plants, seven immature plants,
14	and two ounces of usable marijuana.
15	(15)(16) "Principal" means a person that has the authority to conduct,
16	manage, or supervise the operation of a business organization, and includes the
17	president, vice president, secretary, treasurer, manager, or similar executive
18	officer of a business organization; a director of a business corporation,
19	nonprofit corporation, or mutual benefit enterprise; a member of a nonprofit
20	corporation, cooperative, or member-managed limited liability company; a
21	manager of a manager-managed innited fiability company, and a general

1	partner of a partnership, limited partnership, or limited liability partnership
2	(16)(17) "Registered caregiver" means a person who is at least 21 years
3	of age, has met eligibility requirements as determined by the Department
4	Agency in accordance with this chapter, and has agreed to undertake
5	responsibility for managing the well-being of a registered patient with respect
6	to the use of marijuana for symptom relief.
7	(17)(18) "Registered patient" means a resident of Vermont who has
8	been issued a registration card by the Department Agency, identifying the
9	person as having a debilitating nedical condition pursuant to the provisions of
10	this subchapter. "Resident of Vermont" means a person whose domicile is
11	Vermont.
12	(18)(19) "Secure indoor facility" means a building or room equipped
13	with locks or other security devices that permit access only by a registered
14	caregiver or registered patient.
15	(19)(20) "Transport" means the movement of maxijuana and marijuana-
16	infused products from registered growing locations to their associated
17	dispensaries, between dispensaries, to registered patients and registered
18	caregivers in accordance with delivery protocols, or as otherwise abowed
19	under this subchapter.
20	(20)(21) "Usable marijuana" means the dried leaves and flowers of
21	marijuana, and any mixture or preparation thereof, and does not include the

1	seeds, stalks, and roots of the plant
2	(21)(22) "Use for symptom relief" means the acquisition, possession,
3	cultivation, use, transfer, or transportation of marijuana or of paraphernalia
4	relating to the administration of marijuana to alleviate the symptoms or effects
5	of a registered patient's debilitating medical condition that is in compliance
6	with all of the limitations and restrictions of this subchapter.
7	(23) "VCIC" means the Vermont Crime Information Center.
8	§ 4473. REGISTERED PATIENTS; QUALIFICATION STANDARDS AND
9	PROCEDURES
10	(a) To become a registered patient, a person must be diagnosed with a
11	debilitating medical condition by a hearth care professional in the course of a
12	bona fide health care professional-patient relationship.
13	(b) The Department of Public Safety Agency shall review applications to
14	become a registered patient using the following procedures:
15	(1) A patient with a debilitating medical condition shall submit a signed
16	application for registration to the Department Agency. If the patient is under
17	18 years of age, the application must be signed by both the patient and a parent
18	or guardian. The application shall require identification and contac
19	information for the patient and the patient's registered caregiver applying for
20	authorization under section 4474 of this title, if any, and the patient's
21	designated dispensary under section 4474e of this title, if any. The applicant

1	shall attach to the application a medical verification form developed by the
2	Department Agency pursuant to subdivision (2) of this subsection.
3	(1) The Department of Public Safety Agency shall develop a medical
4	verification form to be completed by a health care professional and submitted
5	by a patient applying for registration in the program. The form shall include:
6	(A) A cover sheet that includes the following:
7	(i) A statement of the penalties for providing false information.
8	(ii) Definitions of the following statutory terms:
9	(I) "Bona fide health care professional-patient relationship" as
10	defined in section 4472 of this title.
11	(II) "Debilitating medical condition" as defined in section 4472
12	of this title.
13	(III) "Health care professional" is defined in section 4472 of
14	this title.
15	(iii) A statement that the medical verification form is not
16	considered a prescription and that the only purpose of the medical verification
17	form is to confirm that the applicant patient has a debilitating medical
18	condition.
19	(B) A verification sheet that includes the following:
20	(i) A statement that a bona fide health care professional-patient
21	relationship exists under section 4472 of this title or that, under subdivision

1	$(3)(\Lambda)$ of this subsection (b), the debilitating medical condition is of recent or
2	sualen onset.
3	(ii) [Repealed.]
4	(iii) A statement that the patient has a debilitating medical
5	condition as defined in section 4472 of this title, including the specific disease
6	or condition that the patient has and whether the patient meets the criteria
7	under section 4472.
8	(iv) A signature line that provides in substantial part: "I certify
9	that I meet the definition of 'health care professional' under 18 V.S.A. § 4472,
10	that I am a health care professional in good standing in the State of
11	, and that the facts stated above are accurate to the best of
12	my knowledge and belief."
13	(v) The health care professional's contact information, license
14	number, category of his or her health care profession as defined in subdivision
15	4472(6) of this title, and contact information for the out-of-state licensing
16	agency, if applicable. The Department Agency shall adopt ules for verifying
17	the goodstanding good standing of out-of-state health care professionals.
18	(vi) A statement that the medical verification form is not
19	considered a prescription and that the only purpose of the medical verification
20	form is to confirm that the applicant patient has a debilitating medical
21	condition.

1	(3)(A). The Department Agency shall transmit the completed medical
2	verification form to the health care professional and contact him or her for
3	purposes of confirming the accuracy of the information contained in the form.
4	(B) If the health care professional is licensed in another state as
5	provided in section 4472 of this title, the Department Agency shall verify that
6	the health care professional is in good standing in that state.
7	(4) The Department Agency shall approve or deny the application for
8	registration in writing within 30 days from receipt of a completed registration
9	application. If the application is approved, the Department Agency shall issue
10	the applicant a registration card, which shall include the registered patient's
11	name and photograph, the registered patient's designated dispensary, if any,
12	and a unique identifier for law enforcement verification purposes under section
13	4474d of this title.
14	(5)(A) A <u>The</u> Review Board is established. The Review Board shall
15	comprise three members:
16	(i) a physician appointed by the Medical Practice Board;
17	(ii) a naturopathic physician appointed by the Office of
18	Professional Regulation; and
19	(iii) an advanced practice registered nurse appointed by the Office
20	of Professional Regulation.
21	(B) The Board shall meet periodically to review studies, data, and

1	any other information relevant to the use of marijuana for symptom relief
2	The Board may make recommendations to the General Assembly for
3	adjustments and changes to this chapter.
4	(C) Members of the Board shall serve for three-year terms, beginning
5	on February 1 of the year in which the appointment is made, except that the
6	first members appointed shall serve as follows: one for a term of two years,
7	one for a term of three years, and one for a term of four years. Members shall
8	be entitled to per diem compensation authorized under 32 V.S.A. § 1010.
9	Vacancies shall be filled in the same manner as the original appointment for
10	the unexpired portion of the term vicated.
11	(D) If an application under subdivision (1) of this subsection (b) is
12	denied, within seven days the patient may appeal the denial to the Board.
13	Review shall be limited to information submitted by the patient under
14	subdivision (1) of this subsection, and consultation with the patient's treating
15	health care professional. All records relating to the appeal shall be kept
16	confidential. An appeal shall be decided by majority vote of the members of
17	the Board.
18	§ 4474. REGISTERED CAREGIVERS; QUALIFICATION STANDARDS
19	AND PROCEDURES
20	(a) A person may submit a signed application to the Department of Public
21	Safery Agency to become a registered patient's registered caregiver. The

1	Department Agency shall approve or deny the application in writing within
2	30 lays. In accordance with rules adopted pursuant to section 4474d of this
3	title, the Department Agency shall consider an individual's criminal history
4	record when making a determination as to whether to approve the application.
5	An applicant shall not be denied solely on the basis of a criminal conviction
6	that is not listed in subsection 4474g(e) of this title or 13 V.S.A. chapter 28.
7	The Department Agency shall approve a registered caregiver's application and
8	issue the person an authorization card, including the caregiver's name,
9	photograph, and a unique identifier, after verifying the person will serve as the
10	registered caregiver for one registered patient only.
11	(b) Prior to acting on an application, the Department Agency shall obtain
12	from the Vermont Crime Information Center (VCIC) a Vermont criminal
13	record, an out-of-state criminal record, and a criminal record from the Federal
14	Bureau of Investigation for the applicant. Each applicant shall consent to
15	release of criminal records to the Department Agency on forms developed by
16	the Center VCIC. The Department Agency shall comply with all laws
17	regulating the release of criminal history records and the protection of
18	individual privacy. The Vermont Crime Information Center VCIC shall send
19	to the requester any record received pursuant to this section or inform the
20	Department of Public Safety Agency that no record exists. If the Department
21	Agency disapproves an application, the Department Agency shall promptly

1	provide a copy of any record of convictions and pending criminal charges to
2	the applicant and shall inform the applicant of the right to appeal the accuracy
3	and completeness of the record pursuant to rules adopted by the Vermont
4	Crime Information Center VCIC. No person shall confirm the existence or
5	nonexistence of criminal record information to any person who would not be
6	eligible to receive the information pursuant to this subchapter.
7	(c)(1) Except as provided in subdivision (2) of this subsection, a registered
8	caregiver may serve only one registered patient at a time, and a registered
9	patient may have only one registered caregiver at a time. A registered patient
10	may serve as a registered caregiver for one other registered patient.
11	(2) A registered patient who is under 18 years of age may have two
12	registered caregivers.
13	§ 4474a. REGISTRATION; FEES
14	(a) The Department <u>Agency</u> shall collect a fee of \$50.00 for the application
15	authorized by sections 4473 and 4474 of this title. The fees received by the
16	Department Agency shall be deposited into a registration fee fund and used to
17	offset the costs of processing applications under this subchapter
18	(b) A registration card shall expire one year after the date of issue, with the
19	option of renewal, provided the patient submits a new application which that is
20	approved by the Department of Public Safety, Agency pursuant to section
21	4473 or 4474 of this title, and pays the fee required under subsection (a) of this

1	section
2	§ 4174b. EXEMPTION FROM CRIMINAL AND CIVIL PENALTIES;
3	SEIZURE OF PROPERTY
4	(a) A person who has in his or her possession a valid registration card
5	issued pursuant to this subchapter and who is in compliance with the
6	requirements of the subchapter, including the possession limits in section 4472
7	of this title, shall be exempt from arrest or prosecution under subsection
8	4230(a) of this title and from seizure of marijuana, marijuana-infused
9	products, and marijuana-related supplies.
10	(b) A health care professional who has participated in a patient's
11	application process under subdivision 4473(b)(2) of this title shall not be
12	subject to arrest, prosecution, or disciplinary action under 26 V.S.A.
13	chapter 23, penalized in any manner, or denied my right or privilege under
14	State law, except for giving false information, pursuant to subsection 4474c(f)
15	of this title.
16	(c) No person shall be subject to arrest or prosecution for constructive
17	possession, conspiracy, or any other offense for simply being in the presence
18	or vicinity of a registered patient or registered caregiver engaged in use of
19	marijuana for symptom relief.
20	(d) A law enforcement officer shall not be required to return marijuana,
21	marijuana-infused products, and marijuana-related supplies seized from a

1	registered patient or registered caregiver. However, if marijuana or marijuana-
2	infused products are seized by a law enforcement officer and if there is a
3	subsequent determination that the patient or caregiver was in compliance with
4	this subcharter, the seized marijuana and marijuana-infused products shall not
5	count toward the possession limits or dispensary allocation set forth in this
6	subchapter for the patient or caregiver.
7	(e) A dispensary may donate marijuana, marijuana-infused products, and
8	marijuana-related supplies to another dispensary in Vermont, provided that no
9	consideration is paid and that the recipient does not exceed the possession
10	limits specified in this subchapter.
11	§ 4474c. PROHIBITIONS, RESTRICTIONS, AND LIMITATIONS
12	REGARDING THE USE OF MARIJUANA FOR SYMPTOM
13	RELIEF
14	(a) This subchapter shall not exempt any person from arrest or
15	prosecution for:
16	(1) Being under the influence of marijuana while:
17	(A) operating a motor vehicle, boat, or vessel, or any other vehicle
18	propelled or drawn by power other than muscular power;
19	(B) in a workplace or place of employment; or
20	(C) operating heavy machinery or handling a dangerous
21	instrumentaility.

1	(2) The use or possession of marijuana or marijuana infused products by
2	a registered patient or the possession of marijuana or marijuana-infused
3	products by a registered caregiver:
4	(A) for purposes other than symptom relief as permitted by this
5	subchapter; or
6	(B) in a manner that endangers the health or well-being of another
7	person.
8	(3) The smoking of harijuana in any public place, including:
9	(A) a school bus, public bus, or other public vehicle;
10	(B) a workplace or place of employment;
11	(C) any school grounds;
12	(D) any correctional facility; or
13	(E) any public park, public beach, public recreation center, or youth
14	center.
15	(b) This chapter shall not be construed to require that coverage or
16	reimbursement for the use of marijuana for symptom relief be provided by:
17	(1) a health insurer as defined by section 9402 of this title, or any (1)
18	insurance company regulated under Title 8;
19	(2) Medicaid or any other public health care assistance program;
20	(3) an employer; or
21	(4) for purposes of workers' compensation, an employer as defined in

1	21 VS A = \$ 601(3)
2	c) A registered patient or registered caregiver who elects to grow
3	marijuana to be used for symptom relief by the patient may do so only if the
4	marijuana a cultivated in a single, secure indoor facility.
5	(d) A registered patient or registered caregiver may shall not transport
6	marijuana in public unless it is secured in a locked container.
7	(e) Within 72 hours after the death of a registered patient, the patient's
8	registered caregiver shall return to the Department of Public Safety Agency for
9	disposal any marijuana or marijuana plants in the possession of the patient or
10	registered caregiver at the time of the patient's death. If the patient did not
11	have a registered caregiver, the patient next of kin shall contact the
12	Department of Public Safety Agency within 72 hours after the patient's death
13	and shall ask the Department Agency to retrieve such marijuana and marijuana
14	plants for disposal.
15	(f) Notwithstanding any law to the contrary, a person who knowingly gives
16	to any law enforcement officer false information to avoid arrest or prosecution,
17	or to assist another in avoiding arrest or prosecution, shall be imprisoned for
18	not more than one year or fined not more than \$1,000.00, or both. This
19	penalty shall be in addition to any other penalties that may apply for the
20	possession or use of marijuana.
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8 44744. LAW ENFORCEIVIENT VERIFICATION OF INFORMATION,

1	RUI EMAKING
2	(a) The Department of Public Safety Agency shall maintain and keep
3	confidential, except as provided in subsection (b) of this section and except for
4	purposes on a prosecution for false swearing under 13 V.S.A. § 2904, the
5	records of all persons registered under this subchapter or registered caregivers
6	in a secure database accessible by authorized Department of Public Safety
7	Agency employees only
8	(b) In response to a person-specific or property-specific inquiry by a law
9	enforcement officer or agency hade in the course of a bona fide investigation
10	or prosecution, the Department Agency may verify the identities and registered
11	property addresses of the registered patient and the patient's registered
12	caregiver, a dispensary, and an owner, a principal, a financier, and the
13	employees of a dispensary.
14	(c) The Department Agency shall maintain a separate secure electronic
15	database accessible to law enforcement personnel 24 hours a day that uses a
16	unique identifier system to allow law enforcement to verify that a person or
17	entity is a registered patient, a registered caregiver, a dispensary, an owner, a
18	principal, a financier, or an employee of a dispensary.
19	(d) The Department of Public Safety shall implement the requirements of
20	this act within 120 days of its effective date. The Department Agency may
21	adopt rules under 3 V.S.A. chapter 25 and shall develop forms to implement

1	this act subchapter
2	(c) The Department Agency shall adopt rules for the issuance of a
3	caregiver Registry identification card that shall include standards for approval
4	or denial of an application based on an individual's criminal history record.
5	The rules shall ddress whether an applicant who has been convicted of an
6	offense listed in subsection 4474g(e) of this title or 13 V.S.A. chapter 28 has
7	been rehabilitated and should be otherwise eligible for a caregiver registry
8	Registry identification card
9	(f) The Department Agency shall adopt rules establishing protocols for the
10	safe delivery of marijuana to patients and caregivers.
11	(g) The Department Agency shall adopt rules for granting a waiver of the
12	dispensary possession limits in section 4471e of this title upon application of a
13	dispensary for the purpose of developing and providing a product for symptom
14	relief to a registered patient who is under 18 years of age who suffers from
15	seizures.
16	§ 4474e. DISPENSARIES; CONDITIONS OF OPERATION
17	(a) A dispensary registered under this section may:
18	(1) Acquire, possess, cultivate, manufacture, transfer, transport, supply,
19	sell, and dispense marijuana, marijuana-infused products, and marijuan-
20	related supplies and educational materials for or to a registered patient who has
21	designated it as his or her dispensary and to his or her registered caregiver for

1	the registered patient's use for symptom relief
2	(A) Marijuana-infused products shall include tinctures, oils, solvents,
3	and edule or potable goods. Only the portion of any marijuana-infused
4	product that is attributable to marijuana shall count toward the possession
5	limits of the dispensary and the patient. The Department of Public Safety
6	Agency shall establish by rule the appropriate method to establish the weight
7	of marijuana that is attributable to marijuana-infused products. A dispensary
8	shall dispense marijuana-infused products in child-resistant packaging as
9	defined in 7 V.S.A. § 1012.
10	(B) Marijuana-related supplies shall include pipes, vaporizers, and
11	other items classified as drug parapherialia under chapter 89 of this title.
12	(2)(A) Acquire marijuana seeds or parts of the marijuana plant capable
13	of regeneration from or dispense them to registered patients or their caregivers
14	or acquire them from another registered Vermont dispensary, provided that
15	records are kept concerning the amount and the recipient.
16	(B) Acquire, purchase, or borrow marijuana, manjuana-infused
17	products, or services from another registered Vermont dispensary or give, sell,
18	or lend marijuana, marijuana-infused products, or services to another
19	registered Vermont dispensary, provided that records are kept concerning the
20	product, the amount, and the recipient. Each Vermont dispensary is required
21	to adhere to all possession limits pertaining to cultivation as determined by the

1	number of patients designating that dispensary and may not transfer eligibility
2	to another dispensary.
3	$(\mathbf{x})(\mathbf{A})$ Cultivate and possess at any one time up to 28 mature marijuana
4	plants, 98 numature marijuana plants, and 28 ounces of usable marijuana.
5	However, if a dispensary is designated by more than 14 registered patients, the
6	dispensary may cultivate and possess at any one time two mature marijuana
7	plants, seven immature plants, and four ounces of usable marijuana for every
8	registered patient for which the dispensary serves as the designated dispensary.
9	(B) Notwithstanding subdivision (A) of this subdivision, if a
10	dispensary is designated by a registered patient under 18 years of age who
11	qualifies for the registry <u>Registry</u> because of seizures, the dispensary may
12	apply to the Department Agency for a waiver of the limits in subdivision (A)
13	of this subdivision (3) if additional capacity is necessary to develop and
14	provide an adequate supply of a product for symptom relief for the patient.
15	The Department Agency shall have discretion whether to grant a waiver and
16	limit the possession amounts in excess of subdivision (A) of this subdivision
17	(3) in accordance with rules adopted pursuant to section 4474d of this title.
18	(4) With approval from the Department Agency and in accordance with
19	patient delivery protocols set forth in rule, transport and transfer marijuana to a
20	Vermont postsecondary academic institution for the purpose of research.
21	(b) A dispensary shall have a sliding-scale fee system that takes into

1	account a registered patient's ability to pay
2	(c) A dispensary shall not be located within 1,000 feet of the property line
3	of a preexisting public or private school or licensed or regulated child care
4	facility.
5	(d)(1) A dispensary shall implement appropriate security measures to deter
6	and prevent the unauthorized entrance into areas containing marijuana and the
7	theft of marijuana and shall ensure that each location has an operational
8	security alarm system. All cultivation of marijuana shall take place in a
9	secure, locked facility which is either indoors or outdoors, but not visible to
10	the public and that can only be accessed by the owners, principals, financiers,
11	and employees of the dispensary who have valid Registry identification cards.
12	An outdoor facility is not required to have a roof, provided all other
13	requirements are met. The Department Agency shall perform an annual on-
14	site assessment of each dispensary and may perform on-site assessments of a
15	dispensary without limitation for the purpose of determining compliance with
16	this subchapter and any rules adopted pursuant to this subchapter and may
17	enter a dispensary at any time for such purpose. During an inspection, the
18	Department Agency may review the dispensary's confidential records,
19	including its dispensing records, which shall track transactions according to
20	registered patients' Registry identification numbers to protect their
21	confidentiality.

1	$(2)(\Lambda)$ A registered patient or registered caregiver may obtain marijuana
2	from the dispensary by appointment only.
3	(B) A dispensary may deliver marijuana to a registered patient or
4	registered cyregiver. The marijuana shall be transported in a locked container.
5	(3) The operating documents of a dispensary shall include procedures
6	for the oversight of the dispensary and procedures to ensure accurate record-
7	keeping record keeping
8	(4) A dispensary shall submit the results of a financial audit to the
9	Department of Public Safety no Agency not later than 60 days after the end of
10	the dispensary's first fiscal year, and every other year thereafter. The audit
11	shall be conducted by an independent certified public accountant, and the costs
12	of any such audit shall be borne by the dispensary. The Department Agency
13	may also periodically require, within its discretion, the audit of a dispensary's
14	financial records by the Department Agency.
15	(5) A dispensary shall destroy or dispose of manyuana, marijuana-
16	infused products, clones, seeds, parts of marijuana that are not usable for
17	symptom relief or are beyond the possession limits provided by this
18	subchapter, and marijuana-related supplies only in a manner approved by rules
19	adopted by the Department of Public Safety Agency.
20	(e) A registered patient shall not consume marijuana for symptom relier on
21	dispensary property.

1	(f) A person may be denied the right to serve as an owner, principal
2	financier, or employee of a dispensary because of the person's criminal history
3	record in accordance with section 4474g of this title and rules adopted by the
4	Department of Public Safety Agency pursuant to that section.
5	(g)(1) A dispensary shall notify the Department Agency within 10 days of
6	when an owner, principal, financier, or employee ceases to be associated with
7	or work at the dispensary. His or her Registry identification card shall be
8	deemed null and void, and the person shall be liable for any penalties that may
9	apply.
10	(2) A dispensary shall notify the Department Agency in writing of the
11	name, address, and date of birth of any proposed new owner, principal,
12	financier, or employee and shall submit a fee for a new Registry identification
13	card before a new owner, principal, financier, or employee begins his or her
14	official duties related to the dispensary and shall surmit a complete set of
15	fingerprints for each prospective owner, principal, financier, or employee who
16	is a natural person.
17	(h) A dispensary shall include a label on the packaging of all marijuana
18	that is dispensed. The label shall:
19	(1) Identify the particular strain of marijuana. Cannabis strains shall be
20	either pure breeds or hybrid varieties of cannabis and shall reflect properties of
21	tie piant.

1	(2) Identify the amount of tetrahydrocannabinol in each single dose
2	malijuana-infused edible or potable product.
3	(1) Contain a statement to the effect that the State of Vermont does not
4	attest to the medicinal value of cannabis.
5	(i) Each dispensary shall develop, implement, and maintain on the
6	premises employee policies and procedures to address the following
7	requirements:
8	(1) a job description or employment contract developed for all
9	employees that includes duties, authority, responsibilities, qualification, and
10	supervision;
11	(2) training in and adherence to confidentiality laws; and
12	(3) training for employees required by subsection (j) of this section.
13	(j) Each dispensary shall maintain a personnel record for each employee
14	that includes an application for employment and a record of any disciplinary
15	action taken. Each dispensary shall provide each employee, at the time of his
16	or her initial appointment, training in the following:
17	(1) the proper use of security measures and controls that have been
18	adopted; and
19	(2) specific procedural instructions on how to respond to an emergency,
20	including robbery or violent incident.
21	(k)(1) No dispensary or owner, principal, or financier of a dispensary shall.

1	(A) acquire possess cultivate manufacture transfer transport
2	supply, sell, or dispense marijuana for any purpose except to assist a registered
3	patient with the use of marijuana for symptom relief directly or through the
4	qualifying patient's designated caregiver;
5	(B) acquire usable marijuana or marijuana plants from any source
6	other than registered dispensary owners, principals, financiers, or employees
7	who cultivate marijuant in accordance with this subchapter;
8	(C) dispense more than two ounces of usable marijuana to a
9	registered patient directly or through the qualifying patient's registered
10	caregiver during a 30-day period;
11	(D) dispense an amount of usable marijuana to a qualifying patient or
12	a designated caregiver that the owner, principal, financier, or employee knows
13	would cause the recipient to possess more many ana than is permitted under
14	this subchapter;
15	(E) dispense marijuana to a person other than a registered patient
16	who has designated the dispensary to provide for his or her needs or other than
17	the patient's registered caregiver.
18	(2) A person found to have violated subdivision (1) of this subsection
19	may no longer serve as an owner, principal, financier, or employee of any
20	dispensary, and such person's Registry identification card shall be immediately
21	revoked by the Department Agency.

1	(3) The board of a dispensary shall be required to report to the
2	Department of Public Safety Agency any information regarding a person who
3	violates this section.
4	(l)(1) Aregistered dispensary shall not be subject to the following,
5	provided that it is in compliance with this subchapter:
6	(A) prosecution for the acquisition, possession, cultivation,
7	manufacture, transfer, transport, supply, sale, or dispensing of marijuana,
8	marijuana-infused products, or marijuana-related supplies for symptom relief
9	in accordance with the provisions of this subchapter and any rule adopted by
10	the Department Agency pursuant to this subchapter;
11	(B) inspection and search, except pursuant to this subchapter or upon
12	a search warrant issued by a court or judicial officer;
13	(C) seizure of marijuana, marijuana-it fused products, and marijuana-
14	related supplies, except upon a valid order issued by a court;
15	(D) imposition of any penalty or denial of any right or privilege,
16	including imposition of a civil penalty or disciplinary action by an
17	occupational or professional licensing board or entity, solely for acting in
18	accordance with this subchapter to assist registered patients or registered
19	caregivers.
20	(2) No owner, principal, financier, or employee of a dispensary shall be
21	subject to arrest, prosecution, search, seizure, or penalty in any manner or

1	denial of any right or privilege, including civil penalty or disciplinary action
2	by in occupational or professional licensing board or entity, solely for working
3	for or with a dispensary to engage in acts permitted by this subchapter.
4	(m) [Repealed.]
5	(n) Nothing in this subchapter shall prevent a dispensary from acquiring,
6	possessing, cultivating, manufacturing, transferring, transporting, supplying,
7	selling, and dispensing hemp and hemp-infused products for symptom relief.
8	"Hemp" shall have the same meaning as provided in 6 V.S.A. § 562. A
9	dispensary shall not be required to comply with the provisions of 6 V.S.A.
10	chapter 34.
11	§ 4474f. DISPENSARY APPLICATION, APPROVAL, AND
12	REGISTRATION
13	(a)(1) The Department of Public Safety Agency shall adopt rules on the
14	following:
15	(A) The form and content of dispensary registration and renewal
16	applications.
17	(B) Minimum oversight requirements for a dispensary
18	(C) Minimum record-keeping requirements for a dispensary.
19	(D) Minimum security requirements for a dispensary, which shall
20	include a fully operational security alarm system. This provision shall apply to
21	each iocation where marijuana will be grown, cultivated, harvested, or

1	otherwise prepared for distribution by the dispensary or will be distributed by
2	the dispensary.
3	(E) Procedures for suspending or terminating the registration of a
4	dispensary that violates the provisions of this subchapter or the rules adopted
5	pursuant to this subchapter.
6	(F) The medium and manner in which a dispensary may notify
7	registered patients of its services.
8	(G) Procedures to guide reasonable determinations as to whether an
9	applicant would pose a demonstrable threat to public safety if he or she were
10	to be associated with a dispensary.
11	(H) Procedures for providing potice to applicants regarding federal
12	law with respect to marijuana.
13	(2) The Department of Public Safety Agency shall adopt such rules with
14	the goal of protecting against diversion and theft without imposing an undue
15	burden on a registered dispensary or compromising the confidentiality of
16	registered patients and their registered caregivers. Any dispensing records that
17	a registered dispensary is required to keep shall track transactions according to
18	registered patients' and registered caregivers' Registry identification numbers,
19	rather than their names, to protect confidentiality.
20	(b)(1) Except as provided in subdivision (2) of this subsection, $no not$ more
21	than five dispensaries shall hold valid registration certificates at one time. Any

1	time a dispensary registration certificate is revoked, is relinquished, or expires
2	the Department Agency shall accept applications for a new dispensary.
3	(2) Once the Registry reaches 7,000 registered patients, the number of
4	dispensary registrations shall expand to six and the Department Agency shall
5	begin accepting applications forthwith.
6	(c) Each application for a dispensary registration certificate shall include
7	all of the following:
8	(1) a nonrefundable opplication fee in the amount of \$2,500.00 paid to
9	the Department Agency;
10	(2) the legal name of the dispensary and the organizational documents
11	that create the dispensary, govern its operation and internal affairs, and govern
12	relations between and among its owners;
13	(3) the proposed physical address of the dispensary, if a precise address
14	has been determined or, if not, the general location where it would be located;
15	(4) a description of the secure, locked facility where marijuana will be
16	grown, cultivated, harvested, or otherwise prepared for distribution by the
17	dispensary;
18	(5) the name, address, and date of birth of each owner, principal, and
19	financier of the dispensary who is a natural person and a complete set of
20	fingerprints for each of them;
21	(6) proposed security and safety measures, which shall include at least

1	one security alarm system for each location and planned measures to deter and
2	prevent the unauthorized entrance into areas containing marijuana and the theft
3	of marijuana; <u>and</u>
4	(7) proposed procedures to ensure accurate record-keeping record
5	keeping.
6	(d) Any time one or more dispensary registration applications are being
7	considered, the Department Agency shall solicit input from registered patients
8	and registered caregivers.
9	(e) Each time a dispensary certificate is granted, the decision shall be based
10	on the overall health needs of qualitied patients. The following factors shall
11	weigh heavily in the consideration of an application:
12	(1) geographic convenience to patients from throughout the State of
13	Vermont to a dispensary if the applicant were approved;
14	(2) the entity's ability to provide an adequate supply to the registered
15	patients in the State;
16	(3) the entity's ability to demonstrate that its owners, principals, and
17	financiers have sufficient experience running a business;
18	(4) the comments, if any, of registered patients and registered caregivers
19	regarding which applicant should be granted a registration certificate;
20	(5) the sufficiency of the applicant's plans for record-keeping, record
21	keeping, including which records shall be considered confidential health care

1	information under Vermont law and are intended to be deemed protected
2	health care information for purposes of the federal Health Insurance Portability
3	and Accountability Act of 1996, as amended;
4	(6) the sufficiency of the applicant's plans for safety and security,
5	including the proposed location and security devices employed.
6	(f) The Department Agency may deny an application for a dispensary if it
7	determines that an appreant's criminal history record indicates that the
8	association of an owner, principal, or financier with a dispensary would pose a
9	demonstrable threat to public safety.
10	(g) After a dispensary is approved but before it begins operations, it shall
11	submit the following to the Department Agency:
12	(1) the legal name of the dispensary and the organizational documents
13	that create the dispensary, govern its operation and internal affairs, and govern
14	relations between and among its owners;
15	(2) the physical address of the dispensary;
16	(3) the name, address, and date of birth of each owner, principal, and
17	financier of the dispensary along with a complete set of fingerprints for each;
18	(4) a registration fee of \$20,000.00 for the first year of operation, and an
19	annual fee of \$25,000.00 in subsequent years.
20	§ 4474g. DISPENSARY REGISTRY IDENTIFICATION CARD;
21	CRIMINAL BACKOROUND CHECK

1	(a) Except as provided in subsection (b) of this section, the Department
2	Agency shall issue each owner, principal, financier, and employee of a
3	dispensivy a Registry identification card or renewal card within 30 days of
4	receipt of the person's name, address, and date of birth and a fee of \$50.00.
5	The fee shall be paid by the dispensary and the cost shall not be passed on to
6	an owner, principal, financier, or employee. A person shall not serve as an
7	owner, principal, financier, or employee of a dispensary until that person has
8	received a Registry identification card issued under this section. Each card
9	shall specify whether the cardholder is an owner, principal, financier, or
10	employee of a dispensary and shall contain the following:
11	(1) the name, address, and date of birth of the person;
12	(2) the legal name of the dispensary with which the person is affiliated;
13	(3) a random identification number that is unique to the person;
14	(4) the date of issuance and the expiration date of the Registry
15	identification card; and
16	(5) a photograph of the person.
17	(b) Prior to acting on an application for a Registry identification card, the
18	Department Agency shall obtain with respect to the applicant a Veryont
19	criminal history record, an out-of-state criminal history record, and a criminal
20	history record from the Federal Bureau of Investigation. Each applicant shall
21	consent to the release of criminal history records to the Department Agency of

1	forms developed by the Vermont Crime Information Center VCIC
2	(c) When the Department Agency obtains a criminal history record, the
3	Department Agency shall promptly provide a copy of the record to the
4	applicant and to the owner, principal, or financier of the dispensary if the
5	applicant is to be an employee. The Department Agency shall inform the
6	applicant of the right to appeal the accuracy and completeness of the record
7	pursuant to rules adopted by the Department Agency.
8	(d) The Department Agency shall comply with all laws regulating the
9	release of criminal history records and the protection of individual privacy.
10	No person shall confirm the existence or nonexistence of criminal history
11	record information to any person who would not be eligible to receive the
12	information pursuant to this subchapter.
13	(e) The Department Agency shall not issue Registry identification card to
14	any applicant who has been convicted of a drug-related offense or a violent
15	felony or who has a pending charge for such an offense. As used in this
16	subchapter, "violent felony" means a listed crime as defined in 13 V.S.A.
17	§ 5301(7) or an offense involving sexual exploitation of children in violation
18	of 13 V.S.A. chapter 64.
19	(f) The Department Agency shall adopt rules for the issuance of a Registry
20	identification card and shall set forth standards for determining whether an
21	applicant should be denied a Registry identification card because his or her

1	criminal history record indicates that the person's association with a dispensary
2	would pose a demonstrable threat to public safety. The rules shall consider
3	whether a person who has a conviction for an offense not listed in subsection
4	(e) of this section has been rehabilitated. A conviction for an offense not listed
5	in subsection (e) of this section shall not automatically disqualify a person for
6	a Registry identification card. A dispensary may deny a person the
7	opportunity to serve as a board member or an employee based on his or her
8	criminal history record. An applicant who is denied a Registry identification
9	card may appeal the Department's Agency's determination in Superior Court
10	in accordance with Rule 75 of the Vermont Rules of Civil Procedure.
11	(g) A Registry identification card on an owner, principal, financier, or
12	employee shall expire one year after its issuance or upon the expiration of the
13	registered organization's registration certificate, whichever occurs first.
14	§ 4474h. PATIENT DESIGNATION OF DISPENSARY
15	(a) A registered patient or his or her caregiver may be be marijuana only
16	from the patient's designated dispensary and may designate only one
17	dispensary. A registered patient who wishes to change his or her dispensary
18	shall notify the Department Agency in writing on a form issued by he
19	Department Agency and shall submit with the form a fee of \$25.00. The
20	Department Agency shall issue a new identification card to the registered
21	patient within 30 days of receiving the notification of change in dispensary.

1	The registered patient's previous identification card shall expire at the time the
2	new identification card takes effect. A registered patient shall submit his or
3	her expired identification card to the Department Agency within 30 days of
4	following expiration. A registered patient shall not change his or her
5	designated dispensary more than once in any 30-day period.
6	(b) The Department of Public Safety Agency shall track the number of
7	registered patients who have designated each dispensary. The Department
8	Agency shall issue a monthly written statement to the dispensary identifying
9	the number of registered patients who have designated that dispensary and the
10	Registry identification numbers of each patient and each patient's designated
11	caregiver, if any.
12	(c) In addition to the monthly reports, the Department of Public Safety
13	Agency shall provide written notice to a dispendary whenever any of the
14	following events occurs occur:
15	(1) a qualifying patient designates the dispensary to serve his or her
16	needs under this subchapter;
17	(2) an existing registered patient revokes the designation of the
18	dispensary because he or she has designated a different dispensary; or
19	(3) a registered patient who has designated the dispensary loses his or
20	her status as a registered patient under this subchapter.
21	§ 44741. CONFIDENTIALITY OF INFORMATION REGARDING

1	DISPENSARIES AND REGISTERED PATIENTS
2	The confidentiality provisions in section 4474d of this title shall apply to
3	records of all registered patients and registered caregivers within dispensary
4	records in the Department of Public Safety Agency.
5	§ 4474j. ANN IAL REPORT
6	(a)(1) There is established the Marijuana for Symptom Relief Oversight
7	Committee. The Committee shall be composed of the following members:
8	(A) one registered patient appointed by each dispensary;
9	(B) one registered nuise and one registered patient appointed by the
10	Governor;
11	(C) one physician appointed by the Vermont Medical Society;
12	(D) one member of a local zoning board appointed by the Vermont
13	League of Cities and Towns;
14	(E) one representative appointed jointly by the Vermont Sheriffs'
15	Association and the Vermont Association of Chiefs of Police; and
16	(F) the Commissioner of Public Safety or his or her designee.
17	(2) The Oversight Committee shall meet at least two times per year for
18	the purpose of evaluating and making recommendations to the General
19	Assembly regarding:
20	(A) the ability of qualifying patients and registered caregivers in all
21	areas of the State to obtain timely access to marijuana for symptom refief,

1	(R) the effectiveness of the registered dispensaries individually and
2	together in serving the needs of qualifying patients and registered caregivers,
3	including the provision of educational and support services; and
4	(C) sufficiency of the regulatory and security safeguards contained in
5	this subchapter and adopted by the Department of Public Safety <u>Agency</u> to
6	ensure that access it and use of cultivated marijuana is provided only to
7	cardholders authorized for such purposes.
8	(b) On or before January 1 of each year, beginning in 2013, the Oversight
9	Committee shall provide a report on its findings to the Department of Public
10	Safety Agency, the House Committee on Human Services, the Senate
11	Committee on Health and Welfare, the Youse and Senate Committees on
12	Judiciary, and the House and Senate Committees on Government Operations
13	on its findings.
14	§ 4474k. FEES; DISPOSITION
15	All fees collected by the Department of Public Safety Agency relating to
16	dispensaries and pursuant to this subchapter shall be deposited in the
17	registration fee fund as referenced in under section 4474a of the title.
18	§ 44741. REGULATION BY MUNICIPALITIES
19	Nothing in this subchapter shall be construed to prevent a municipality
20	from prohibiting the establishment of a dispensary within its boundaries or
21	from regulating the time, place, and manner of dispensary operation through

1	zoning or other local ordinances
2	§ 4174m. DEPARTMENT OF PUBLIC SAFETY AGENCY OF
3	AGRICULTURE, FOOD AND MARKETS; PROVISION OF
4	DUCATIONAL AND SAFETY INFORMATION
5	The Department of Public Safety Agency shall provide educational and
6	safety information leveloped by the Vermont Department of Health to each
7	registered patient upon registration pursuant to section 4473 of this title, and to
8	each registered caregiver upon registration pursuant to section 4474 of this
9	title.
10	Sec. 2. TRANSFER OF POSITIONS; TRANSITIONAL PROVISIONS;
11	MEDICAL MARIJUANA RECISTRY
12	(a) After March 15, 2019 but not later than July 1, 2019, the Secretary of
13	Administration shall transfer to and place under the supervision of the
14	Secretary of Agriculture, Food and Markets all employees, professional and
15	support staff, consultants, positions, and all balances or all appropriation
16	amounts for personal services and operating expenses for the administration of
17	the Medical Marijuana Registry currently contained in the Department of
18	Public Safety. On or before January 15, 2019, the Secretary of Administration
19	shall provide to the Senate Committees on Judiciary and on Government
20	Operations and the House Committees on Judiciary and on Human Services a
21	plan for transferring the positions and funds.

1	(b) On July 1, 2019, individuals and entities regulated under 18 V S A
2	chapter 86, subchapter 2 shall be regulated by the Agency of Agriculture, Food
3	and Markets as provided in Sec. 1 of this act.
4	Sec. 3. EFFECTIVE DATES
5	(a) This section and Sec. 2 shall take effect on passage.
6	(b) Sec. 1 shall take effect on July 1, 2019.

Sec. 1. [Deleted.]

Sec. 2. 18 V.S.A. § 4230f(f) is amended to read:

0) See. I shall take effect off July 1, 2017.

(f) This section shall not apply to a dispensary that lawfully provides marijuana to a registered patient or caregiver or a registered caregiver who provides marijuana to a registered patient pursuant to chapter 86 of this title.

Sec. 3. 18 V.S.A. § 4472 is amended to read:

§ 4472. DEFINITIONS

* * *

(4) "Debilitating medical condition" means:

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

(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 another disease, condition, or treatment as determined in writing by a qualifying patient's health care professional as defined in subdivision (7) of this section.

Sec. 4. 18 V.S.A. § 4474c is amended to read:

§ 4474c. PROHIBITIONS, RESTRICTIONS, AND LIMITATIONS REGARDING THE USE OF MARIJUANA FOR SYMPTOM RELIEF

* * *

A registered patient or registered caregiver who elects to grow (c)marijuana to be used for symptom relief by the patient may do so only if the marijuana is cultivated in a single, secure indoor facility Personal cultivation of marijuana by a patient or caregiver on behalf of a patient only shall occur:

(1) on property lawfully in possession of the cultivator or with the written consent of the person in lawful possession of the property; and

(2) in an enclosure that is screened from public view and is secure so that access is limited to the cultivator and persons 21 years of age or older who have permission from the cultivator.

A registered patient or registered caregiver may not transport (d)*marijuana in public unless it is secured in a locked container.* [Repealed.]

* * *

(g) The use of marijuana by a registered patient shall not be the sole factor disqualifying the patient from any needed medical procedure or treatment, including organ and tissue transplants.

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

§ 4474e. DISPENSARIES; CONDITIONS OF OPERATION

(a) A dispensary registered under this section may:

(1) Acquire, possess, cultivate, manufacture, test, transfer, transport, supply, sell, and dispense marijuana, marijuana-infused products, and marijuana-related supplies and educational materials for or to a registered patient who has designated it as his or her dispensary and to his or her registered caregiver for the registered patient's use for symptom relief.

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

* * *

(d)(1) A dispensary shall implement appropriate security measures to deter and prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana and shall ensure that each location has an operational security alarm system. All cultivation of marijuana shall take place in a secure, locked facility which is either indoors or outdoors, but not visible to the public and that can only be accessed by the owners, principals, financiers, and employees of the dispensary who have valid Registry identification cards. An outdoor facility is not required to have a roof, provided all other requirements are met. The Department shall perform an annual on-site assessment of each dispensary and may perform on-site assessments of a dispensary without limitation for the purpose of determining compliance with this subchapter and any rules adopted pursuant to this subchapter and may enter a dispensary at any time for such purpose. During an inspection, the Department may review the dispensary's confidential records, including its dispensing records, which shall track transactions according to registered patients' Registry identification numbers to protect their confidentiality.

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

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

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

(4) A dispensary shall submit the results of a financial audit to the Department of Public Safety no not later than 60 90 days after the end of the dispensary's first fiscal year, and every other year thereafter. The audit shall be conducted by an independent certified public accountant, and the costs of any such audit shall be borne by the dispensary. The Department may also periodically require, within its discretion, the audit of a dispensary's financial records by the Department.

* * *

(n) Nothing in this subchapter shall prevent a dispensary from acquiring, possessing, cultivating, manufacturing, <u>testing</u>, transferring, transporting, supplying, selling, and dispensing hemp and hemp-infused products for symptom relief. "Hemp" shall have the same meaning as provided in 6 V.S.A. § 562. A dispensary shall not be required to comply with the provisions of 6 V.S.A. chapter 34.

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

§ 4474g. DISPENSARY REGISTRY IDENTIFICATION CARD; CRIMINAL BACKGROUND CHECK

(a) Except as provided in subsection (b) of this section, the <u>The</u> Department shall issue each owner, principal, financier, and employee of a dispensary a Registry identification card or renewal card within 30 days of <u>after</u> receipt of the person's name, address, and date of birth and a fee of \$50.00. The fee shall be paid by the dispensary and the cost shall not be passed on to an owner, principal, financier, or employee. A <u>Except as provided by subdivision</u> (b)(2) of this section, a person shall not serve as an owner, principal, financier, or employee of a dispensary until that person has received a Registry identification card issued under this section. Each card shall specify whether the cardholder is an owner, principal, financier, or employee of a dispensary and shall contain the following:

(1) the name, address, and date of birth of the person;

(2) the legal name of the dispensary with which the person is affiliated;

(3) a random identification number that is unique to the person;

(4) the date of issuance and the expiration date of the Registry identification card; and

(5) a photograph of the person.

(b)(1) Prior to acting on an application for a Registry identification card, the Department shall obtain with respect to the applicant a Vermont criminal history record, an out-of-state criminal history record, and a criminal history record from the Federal Bureau of Investigation. Each applicant shall consent to the release of criminal history records to the Department on forms developed by the Vermont Crime Information Center.

(2) Once a Registry card application has been submitted, a person may serve as an owner, principal, financier, or employee of a dispensary pending the background check, provided the person is supervised in his or her duties by someone who is a cardholder. The Department shall issue a temporary permit to the person for this purpose, which shall expire upon the issuance of the Registry card or disqualification of the person in accordance with this section.

* * *

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

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

The Department of Public Safety shall provide educational and safety information developed by the Vermont Department of Health, in consultation <u>with dispensaries</u>, to each registered patient upon registration pursuant to section 4473 of this title, and to each registered caregiver upon registration pursuant to section 4474 of this title.

Sec. 8. 18 *V.S.A.* § 4474*n* is added to read:

<u>§ 4474n. TESTING BY THE AGENCY OF AGRICULTURE, FOOD AND</u> <u>MARKETS</u>

The Agency of Agriculture, Food and Markets shall establish a cannabis quality control program for the following purposes:

(1) to develop potency and contaminant testing protocols for hemp, hemp-infused products, marijuana, and marijuana-infused products;

(2) to verify cannabinoid label guarantees of hemp, hemp-infused products, marijuana, and marijuana-infused products;

(3) to test for pesticides, solvents, heavy metals, mycotoxins, and bacterial and fungal contaminants in hemp, hemp-infused products, marijuana, and marijuana-infused products; and

(4) to certify testing laboratories that can offer the services in subdivisions (2) and (3) of this section.

Sec. 9. EFFECTIVE DATES

(a) This section and Secs. 3-8 shall take effect July 1, 2018.

(b) Sec. 2 shall take effect on July 2, 2018.