

Considerations for Defining and Restricting Licensees

Who do we wish to capture?

(1) “Affiliate” means a person that directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or control with, another person.

(2) “Applicant” means a person that applies for a license to operate a marijuana establishment pursuant to this chapter.

(3) “Financier” means a person, other than a financial institution as defined in 8 V.S.A. § 11101, that makes an equity investment, a gift, loan, or otherwise provides financing to a person with the expectation of a financial return.

(4) “Owns or controls,” “is owned or controlled by,” and “under common ownership or control” mean direct ownership or beneficial ownership of an equity interest, or the equivalent thereof, of ten percent or more, including attribution of the ownership interests of a spouse, child, parent, or sibling, and the power to direct, or cause the direction of, the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

(5) “Principal” means an individual vested with the authority to conduct, manage, or supervise the business affairs of a person, and may include the president, vice-president, secretary, treasurer, manager, or similar executive officer of a business; a director of a corporation, nonprofit corporation, or mutual benefit enterprise; a member of a nonprofit corporation, cooperative, or member-managed limited liability company; and a partner of a partnership.

What are the substantive requirements and limitations for each class of person?

To be eligible for a [license] an applicant, principal of an applicant, or person who owns or controls an applicant, who is a natural person:

(1) shall be [18][21] years of age or older;

(2) shall consent to the release of his or her criminal and administrative history records, and the Department shall obtain a Vermont criminal history record, an out-of-state criminal history record, a criminal history record from the Federal Bureau of Investigation, and any regulatory records relating to the operation of a business in this State or any other jurisdiction for each of the following who is a natural person:

(A) an applicant or financier;

(B) a principal of an applicant or financier; and

(V) a person who owns or controls an applicant or financier.

(2) shall not have been convicted of a [felony][misdemeanor][specific offenses]