

Senate Calendar

TUESDAY, SEPTEMBER 22, 2020

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**ACTION CALENDAR
UNFINISHED BUSINESS OF JANUARY 7, 2020
GOVERNOR'S VETOES**

S. 37.

An act relating to medical monitoring.

Pending question (to be voted by call of the roll): Shall the bill pass, notwithstanding the Governor's refusal to approve the bill? (Two-thirds of the members present required to override the Governor's veto.)

(For text of veto message, see Senate Calendar for January 7, 2020, page 1.)

S. 169.

An act relating to firearms procedures.

Pending question (to be voted by call of the roll): Shall the bill pass, notwithstanding the Governor's refusal to approve the bill? (Two-thirds of the members present required to override the Governor's veto.)

(For text of veto message, see Senate Calendar for January 7, 2020, page 9.)

UNFINISHED BUSINESS OF SEPTEMBER 16, 2020

House Proposal of Amendment

S. 187

An act relating to transient occupancy for health care treatment and recovery.

The House proposes to the Senate to amend the bill as follows:

In Sec. 2 by striking "July 1, 2020" and inserting in lieu thereof the word passage.

UNFINISHED BUSINESS OF SEPTEMBER 17, 2020

House Proposal of Amendment

S. 234

An act relating to miscellaneous judiciary procedures.

The House proposes to the Senate that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 3 V.S.A. § 163 is amended to read:

§ 163. JUVENILE COURT DIVERSION PROJECT

* * *

(i) Notwithstanding subdivision (c)(1) of this section, the diversion program may accept cases from the Youth Substance Abuse Awareness Safety Program pursuant to 7 V.S.A. § 656 or 18 V.S.A. § 4230b. The confidentiality provisions of this section shall become effective when a notice of violation is issued under 7 V.S.A. § 656(b) or 18 V.S.A. § 4230b(b), and shall remain in effect unless the person fails to register with or complete the Youth Substance Abuse Awareness Safety Program.

* * *

Sec. 2. 3 V.S.A. § 164 is amended to read:

§ 164. ADULT COURT DIVERSION PROGRAM

* * *

(l) Notwithstanding subdivision (e)(1) of this section, the diversion program may accept cases from the Youth Substance Abuse Awareness Safety Program pursuant to 7 V.S.A. § 656 or 18 V.S.A. § 4230b. The confidentiality provisions of this section shall become effective when a notice of violation is issued under 7 V.S.A. § 656(b) or 18 V.S.A. § 4230b(b), and shall remain in effect unless the person fails to register with or complete the Youth Substance Abuse Awareness Safety Program.

* * *

Sec. 3. 18 V.S.A. § 4230a is amended to read:

§ 4230A. ~~MARIJUANA CANNABIS~~ POSSESSION BY A PERSON 21 YEARS OF AGE OR OLDER

* * *

(d) Fifty percent of the civil penalties imposed by the Judicial Bureau for violations of this section shall be deposited in the Drug Task Force Special Fund, hereby created to be managed pursuant to 32 V.S.A. chapter 7, subchapter 5, and available to the Department of Public Safety for the funding of law enforcement officers on the Drug Task Force, except for a \$12.50 administrative charge for each violation, which shall be deposited in the Court Technology Special Fund, in accordance with 13 V.S.A. § 7252. The remaining 50 percent shall be deposited in the Youth Substance Abuse Awareness Safety Program Special Fund, hereby created to be managed pursuant to 32 V.S.A. chapter 7, subchapter 5, and available to the Court

Diversion Program for funding of the Youth Substance Abuse Awareness Safety Program as required by section 4230b of this title.

* * *

Sec. 4. 18 V.S.A. § 4230f is amended to read:

§ 4230F. ~~DISPENSING MARIJUANA~~ CANNABIS TO A PERSON UNDER 21 YEARS OF AGE; CRIMINAL OFFENSE

* * *

(e)(1) Subsections (a)–(d) of this section shall not apply to a person under 21 years of age who dispenses ~~marijuana~~ cannabis to a person under 21 years of age or who knowingly enables the consumption of ~~marijuana~~ cannabis by a person under 21 years of age.

(2) A person who is 18, 19, or 20 years of age who knowingly dispenses ~~marijuana~~ cannabis to a person who is 18, 19, or 20 years of age commits a civil violation and shall be referred to the Court Diversion Program for the purpose of enrollment in the Youth Substance Abuse Awareness Safety Program in accordance with the provisions of section 4230b of this title and shall be subject to the penalties in that section for failure to complete the program successfully.

* * *

Sec. 5. 7 V.S.A. § 656 is amended to read:

§ 656. PERSON 16 YEARS OF AGE OR OLDER AND UNDER 21 YEARS OF AGE MISREPRESENTING AGE, PROCURING, POSSESSING, OR CONSUMING ALCOHOLIC BEVERAGES; CIVIL VIOLATION.

(a)(1) Prohibited conduct. A person 16 years of age or older and under 21 years of age shall not:

(A) Falsely represent his or her age for the purpose of procuring or attempting to procure malt or vinous beverages, spirits, or fortified wines from any licensee, State liquor agency, or other person or persons.

(B) Possess malt or vinous beverages, spirits, or fortified wines for the purpose of consumption by himself or herself or other minors, except in the regular performance of duties as an employee of a licensee licensed to sell alcoholic liquor.

(C) Consume malt or vinous beverages, spirits, or fortified wines. A violation of this subdivision may be prosecuted in a jurisdiction where the minor has consumed malt or vinous beverages, spirits, or fortified wines or in a jurisdiction where the indicators of consumption are observed.

(2) Offense. A person ~~under 21 years of age~~ who knowingly violates subdivision (1) of this subsection commits a civil violation and shall be referred to the Court Diversion Program for the purpose of enrollment in the Youth Substance Abuse Awareness Safety Program. A person who fails to complete the program successfully shall be subject to:

(A) a civil penalty of \$300.00 and suspension of the person's operator's license and privilege to operate a motor vehicle for a period of 30 days, for a first offense; and

(B) a civil penalty of not more than \$600.00 and suspension of the person's operator's license and privilege to operate a motor vehicle for a period of 90 days, for a second or subsequent offense.

(b) Issuance of notice of violation. A law enforcement officer shall issue a person ~~under 21 years of age~~ who violates this section a notice of violation, in a form approved by the Court Administrator. The notice of violation shall require the person to provide his or her name and address and shall explain procedures under this section, including that:

* * *

Sec. 6. 18 V.S.A. § 4230b is amended to read:

§ 4230b. MARIJUANA CANNABIS POSSESSION BY A PERSON 16 YEARS OF AGE OR OLDER AND UNDER 21 YEARS OF AGE; CIVIL VIOLATION

(a) Offense. A person 16 years of age or older and under 21 years of age who knowingly and unlawfully possesses one ounce or less of ~~marijuana~~ cannabis or five grams or less of hashish or two mature marijuana cannabis plants or fewer or four immature ~~marijuana~~ cannabis plants or fewer commits a civil violation and shall be referred to the Court Diversion Program for the purpose of enrollment in the Youth Substance Abuse Safety Program. A person who fails to complete the program successfully shall be subject to:

(1) a civil penalty of \$300.00 and suspension of the person's operator's license and privilege to operate a motor vehicle for a period of 30 days, for a first offense; and

(2) a civil penalty of not more than \$600.00 and suspension of the person's operator's license and privilege to operate a motor vehicle for a period of 90 days, for a second or subsequent offense.

(b) Issuance of ~~Notice~~ notice of ~~Violation~~ violation. A law enforcement officer shall issue a person ~~under 21 years of age~~ who violates this section with a notice of violation, in a form approved by the Court Administrator. The notice of violation shall require the person to provide his or her name and address and shall explain procedures under this section, including that:

* * *

(d) Registration in Youth Substance ~~Abuse~~ Awareness Safety Program. Within 15 days after receiving a notice of violation, the person shall contact the Diversion Program in the county where the offense occurred and register for the Youth Substance ~~Abuse~~ Awareness Safety Program. If the person fails to do so, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

* * *

(f)(1) Diversion Program ~~Requirements~~ requirements. Upon being contacted by a person who has been issued a notice of violation, the Diversion Program shall register the person in the Youth Substance ~~Abuse~~ Awareness Safety Program. Pursuant to the Youth Substance ~~Abuse~~ Awareness Safety Program, the Diversion Program shall impose conditions on the person. The conditions imposed shall include only conditions related to the offense and in every case shall include a condition requiring satisfactory completion of substance abuse screening using an evidence-based tool and, if deemed appropriate following the screening, substance abuse assessment and substance abuse education or substance abuse counseling, or both. If the screener recommends substance abuse counseling, the person shall choose a State-certified or State-licensed substance abuse counselor or substance abuse treatment provider to provide the services.

* * *

Sec. 7. 18 V.S.A. § 4230j is added to read:

§ 4230j. CANNABIS POSSESSION BY A PERSON UNDER 16 YEARS OF AGE; DELINQUENCY

A person under 16 years of age who engages in conduct in violation of subdivision 4230b of this title commits a delinquent act and shall be subject to 33 V.S.A. chapter 52. The person shall be provided the opportunity to participate in the Court Diversion Program ~~unless the prosecutor states on the record why a referral to the Program would not serve the ends of justice.~~

Sec. 8. 23 V.S.A. § 203 is amended to read:

§ 203. COUNTERFEITING, FRAUD, AND MISUSE; PENALTY

(a) A person shall not:

* * *

(2) display or cause or permit to be displayed, or have in his or her possession, any fictitious or fraudulently altered operator license, learner's permit, nondriver identification card, inspection sticker, or registration certificate, or display for any fraudulent purpose an expired or counterfeit insurance identification card or similar document;

* * *

(b)(1) A Except as provided in subdivision (2) of this subsection, a violation of subsection (a) of this section shall be a traffic violation for which there shall be a penalty of not more than \$1,000.00. If a person is found to have committed the violation, the person's privilege to operate motor vehicles shall be suspended for 60 days.

(2) If a person may be charged with a violation of subdivision (a)(2) of this section or with a violation of 7 V.S.A. § 656, the person shall be charged with a violation of 7 V.S.A. § 656 and not with a violation of this section.

Sec. 9. 4 V.S.A. § 1105 is amended to read:

§ 1105. ANSWER TO COMPLAINT; DEFAULT

(a) A violation shall be charged upon a summons and complaint form approved and distributed by the Court Administrator. The complaint shall be signed by the issuing officer or by the State's Attorney. The original shall be filed with the Judicial Bureau; a copy shall be retained by the issuing officer or State's Attorney and two copies shall be given to the defendant. The Judicial Bureau may, consistent with rules adopted by the Supreme Court pursuant to 12 V.S.A. § 1, accept electronic signatures on any document, including the signatures of issuing officers, State's Attorneys, and notaries public. The

complaint shall include a statement of rights, instructions, notice that a defendant may ~~admit, not contest, or deny a violation~~ request a hearing or accept the penalties without a hearing, notice of the fee for failure to answer within ~~20~~ 21 days, and other notices as the Court Administrator deems appropriate. The Court Administrator, in consultation with appropriate law enforcement agencies, may approve a single form for charging all violations, or may approve two or more forms as necessary to administer the operations of the Judicial Bureau.

(b) A person who is charged with a violation shall have ~~20~~ 21 days from the date the complaint is issued to ~~admit or deny the allegations or to state that he or she does not contest the allegations in the complaint~~ request a hearing or to state that he or she will accept the penalties without a hearing. The Judicial Bureau shall assess against a defendant a fee of \$20.00 for failure to answer a complaint within the time allowed. The fee shall be assessed in the default judgment and deposited in the Court Technology Special Fund established pursuant to section 27 of this title.

(c) A person who ~~admits or does not contest the allegations~~ accepts the penalties may so indicate and sign the complaint. The Bureau shall accept the admission or statement that the allegations are not contested and accept payment of the waiver penalty.

(d) If the person sends in the amount of the waiver penalty without signing the complaint, the Bureau shall accept the payment indicating that payment was made and that the allegations were not contested.

(e) A person who denies the allegations or who wishes to have a hearing on the complaint for any other reason may so indicate and sign the complaint. Upon receipt, the Bureau shall schedule a hearing.

* * *

Sec. 10. 12 V.S.A. § 2903(d) is amended to read:

(d) If a judgment lien is not satisfied within 30 days of recording, it may be foreclosed and redeemed as provided in this title and V.R.C.P. 80.1. Unless the court finds that as of the date of foreclosure the amount of the outstanding debt exceeds the value of the real property being foreclosed, ~~section 4531~~ chapter 172 of this title shall apply to foreclosure of a judgment lien.

Sec. 11. 12 V.S.A. § 5812 is amended to read:

§ 5812. OATH TO BE ADMINISTERED TO ATTORNEYS

You solemnly swear (affirm) that you will do no falsehood, nor consent that any be done in court, and if you know of any, you will give knowledge thereof to the judges of the court or some of them, that it may be reformed; that you will not wittingly, willingly, or knowingly promote, sue, or procure to be sued, any false or unlawful suit, or give aid or consent to the same; that you will delay no ~~man~~ person for lucre or malice, but will act in the office of attorney within the court, according to your best learning and discretion, with all good fidelity as well to the court as to your client. So help you God (or, “under the pains and penalties of perjury”).

Sec. 12. 13 V.S.A. § 1029 is amended to read:

§ 1029. ALCOHOLISM, LIMITATIONS, EXCEPTIONS

(a) No political subdivision of the State may adopt or enforce a law or rule having the force of law that includes being found in an intoxicated condition as one of the elements of the offense giving rise to a criminal or civil penalty. No political subdivision may interpret or apply any law of general application to circumvent this provision.

(b) Nothing in this section affects any law or rule against operating a motor vehicle or other machinery under the influence of alcohol or possession or use of alcoholic beverages at stated times and places or by a particular class of persons.

(c) This section does not make intoxication or incapacitation as defined in ~~18 V.S.A. § 9142~~ 18 V.S.A. § 4802 an excuse or defense for any criminal act. Nothing contained herein shall change current law relative to insanity as a defense for any criminal act.

(d) This section does not relieve any person from civil liability for any injury to persons or property caused by that person while intoxicated or incapacitated.

Sec. 13. 13 V.S.A. § 7602 is amended to read:

§ 7602. EXPUNGEMENT AND SEALING OF RECORD,
POSTCONVICTION; PROCEDURE

* * *

(b)(1) The court shall grant the petition and order that the criminal history record be expunged pursuant to section 7606 of this title if the following conditions are met:

* * *

(C) Any restitution and surcharges ordered by the court ~~has~~ have been paid in full, provided that payment of surcharges shall not be required if the surcharges have been waived by the court pursuant to section 7282 of this title.

* * *

(c)(1) The court shall grant the petition and order that the criminal history record be expunged pursuant to section 7606 of this title if the following conditions are met:

* * *

(D) Any restitution and surcharges ordered by the court for any crime of which the person has been convicted has been paid in full, provided that payment of surcharges shall not be required if the surcharges have been waived by the court pursuant to section 7282 of this title.

* * *

(d) For petitions filed pursuant to subdivision (a)(1)(B) of this section, unless the court finds that expungement would not be in the interests of justice, the court shall grant the petition and order that the criminal history record be expunged in accordance with section 7606 of this title if the following conditions are met:

* * *

(2) Any restitution and surcharges ordered by the court ~~has~~ have been paid in full, provided that payment of surcharges shall not be required if the surcharges have been waived by the court pursuant to section 7282 of this title.

* * *

Sec. 14. 13 V.S.A. § 7609 is amended to read:

§ 7609. EXPUNGEMENT OF CRIMINAL HISTORY RECORDS OF AN INDIVIDUAL 18–21 YEARS OF AGE

(a) Procedure. Except as provided in subsection (b) of this section, the record of the criminal proceedings for an individual who was 18–21 years of age at the time the individual committed a qualifying crime shall be expunged within 30 days after the date on which the individual successfully completed the terms and conditions of the sentence for the conviction of the qualifying crime, absent a finding of good cause by the court. The court shall issue an order to expunge all records and files related to the arrest, citation, investigation, charge, adjudication of guilt, criminal proceedings, and probation related to the sentence. A copy of the order shall be sent to each

agency, department, or official named in the order. Thereafter, the court, law enforcement officers, agencies, and departments shall reply to any request for information that no record exists with respect to such individual. Notwithstanding this subsection, the record shall not be expunged until restitution has and surcharges have been paid in full, provided that payment of surcharges shall not be required if the surcharges have been waived by the court pursuant to section 7282 of this title.

* * *

Sec. 15. 14 V.S.A. § 107 is amended to read:

§ 107. ALLOWANCE OF WILL; CUSTODY OF PROPERTY

(a) If consents are filed by all the heirs at law and surviving spouse, a will may be allowed without hearing. If consents are not obtained, the court shall schedule a hearing and notice shall be given as provided by the Rules of Probate Procedure.

(b) Objections to allowance of the will must be filed in writing not less than seven days prior to the hearing. In the event that no timely objections are filed, ~~the will may be allowed without hearing if it meets criteria set out in section 108 of this title~~ the court may:

(1) allow the will on the testimony of only one of the subscribing witnesses if the witness testifies that the will was executed as provided in chapter 1 of this title; or

(2) allow the will without hearing if it meets criteria set out in section 108 of this title.

* * *

Sec. 16. 14 V.S.A. § 1203 is amended to read:

§ 1203. LIMITATIONS ON PRESENTATION OF CLAIMS

* * *

(c) Nothing in this section affects or prevents:

(1) any proceeding to enforce any mortgage, pledge, or other lien upon property of the estate; ~~or~~

(2) to the limits of the insurance protection only, any proceeding to establish liability of the decedent or the executor or administrator for which he or she is protected by liability insurance; or

(3) the enforcement of any tax liability.

Sec. 17. 14 V.S.A. § 2643 is amended to read:

§ 2643. RELEASE BY COURT AND PARENT ON BEHALF OF MINOR

(a) The Superior judge of the Superior Court within and for the county where the minor resides, on behalf of a minor, must approve of and consent to a release to be executed by a parent in the settlement of any claim that does not exceed the sum of ~~\$1,500.00~~ \$10,000.00. A release so furnished shall be binding on the minor and both parents, their heirs, executors, administrators, or assigns, respectively.

(b) Any claim settled for a sum in excess of ~~\$1,500.00~~ \$10,000.00 shall require the approval of a court-appointed guardian.

Sec. 18. 15 V.S.A. § 663 is amended to read:

§ 663. SUPPORT ORDERS; REQUIRED CONTENTS

* * *

(c) Every order for child support made or modified under this chapter on or after July 1, 1990, shall:

(1) include an order for immediate wage withholding or, if not subject to immediate wage withholding, include a statement that wage withholding will take effect under the expedited procedure set forth in section 782 of this title;

(2) require payments to be made to the Registry in the Office of Child Support unless subject to an exception under 33 V.S.A. § 4103;

(3) require that every party to the order must notify the Registry in writing of their current mailing address and current residence address and of any change in either address within seven business days of the change, until all obligations to pay support or support arrearages or to provide for visitation are satisfied;

(4) include in bold letters notification of remedies available under section 798 of this title; and

(5) include in bold letters notification that the parent may seek a modification of his or her support obligation if there has been a showing of a real, substantial, and unanticipated change of circumstances.

* * *

Sec. 19. 15 V.S.A. § 664 is amended to read:

§ 664. DEFINITIONS

As used in this subchapter:

(1) "Parental rights and responsibilities" means the rights and responsibilities related to a child's physical living arrangements, ~~parent-child contact~~, education, medical and dental care, religion, travel, and any other matter involving a child's welfare and upbringing.

* * *

Sec. 20. 18 V.S.A. § 7510 is amended to read:

§ 7510. PRELIMINARY HEARING

(a) Within five days after a person is admitted to a designated hospital for emergency examination, he or she may request the ~~Criminal Division of the~~ Superior Court to conduct a preliminary hearing to determine whether there is probable cause to believe that he or she was a person in need of treatment at the time of his or her admission.

* * *

Sec. 21. 32 V.S.A. § 1434 is amended to read:

§ 1434. PROBATE CASES

(a) The following entry fees shall be paid to the Probate Division of the Superior Court for the benefit of the State, except for subdivisions (18) and (19) of this subsection, which shall be for the benefit of the county in which the fee was collected:

* * *

(28) ~~Petitions for minor settlement pursuant to 14 V.S.A. § 2643 \$90.00~~
[Repealed.]

* * *

Sec. 22. 33 V.S.A. § 5117 is amended to read:

§ 5117. RECORDS OF JUVENILE JUDICIAL PROCEEDINGS

* * *

(b)(1) Notwithstanding the foregoing, inspection of such records and files by the following is not prohibited:

* * *

(D) court personnel, the State's Attorney or other prosecutor authorized to prosecute criminal or juvenile cases under State law, the child's guardian ad litem, the attorneys for the parties, probation officers, and law enforcement officers who are actively participating in criminal or juvenile proceedings involving the child;

(E) the child who is the subject of the proceeding, the child's parents, guardian, and custodian, ~~and guardian ad litem~~ may inspect such records and files upon approval of the Family Court judge;

* * *

Sec. 23. 33 V.S.A. § 5119 is amended to read:

§ 5119. SEALING OF RECORDS

* * *

(m) Notwithstanding the provisions of this section, a criminal record may not be sealed if restitution and surcharges are owed, provided that payment of surcharges shall not be required if the surcharges have been waived by the court pursuant to 13 V.S.A. § 7282.

Sec. 24. REPEAL

12 V.S.A. chapter 215, subchapter 1 (voluntary arbitration for medical malpractice cases) is repealed.

Sec. 25. PERSONS WITH SUSPENDED DRIVER'S LICENSES;
REINSTATEMENT FEE WAIVER PROGRAM

(a) There is established the Reinstatement Fee Waiver Program to permit the Department of Motor Vehicles to waive all license reinstatement fees for motor vehicle operators whose licenses have been suspended under certain circumstances. The Reinstatement Fee Waiver Program shall comply with the guidelines set forth in this section.

(b) On or before April 30, 2021, the Department of Motor Vehicles shall:

(1) waive all license reinstatement fees for any person whose operator's license has been:

(A) suspended for noncriminal reasons for one year or longer and who has satisfied all other reinstatement conditions and requirements; or

(B) suspended prior to July 1, 2014 for failure to pay the amount due in a Judicial Bureau judgment and who has satisfied all other reinstatement conditions and requirements;

(2) reinstate the operator's licenses of each person whose reinstatement fees are waived pursuant to subdivision (b)(1) of this section; and

(3) notify each person whose reinstatement fees are waived pursuant to subdivision (b)(1) of this section that the person's license has been reinstated or that the person's license is ineligible for reinstatement and the reason for ineligibility.

(c) As used in this section:

(1) “Amount due” means the same as in 4 V.S.A. § 1109(a).

(2) “Reinstatement conditions and requirements” shall not include the amount due in a Judicial Bureau judgment.

(3) “Suspended for noncriminal reasons” shall not include a license that is under suspension on April 30, 2021 for the accumulation of 10 or more points.

Sec. 26. CONFORMING REVISIONS; “MARIJUANA” AND
“CANNABIS”

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Council shall replace “marijuana” with “cannabis” throughout the statutes as needed for consistency with this act, provided the revisions have no other effect on the meaning of the affected statutes.

Sec. 27. 4 V.S.A. § 33 is amended to read:

§ 33. JURISDICTION; FAMILY DIVISION

(a) Notwithstanding any other provision of law to the contrary, the Family Division shall have exclusive jurisdiction to hear and dispose of the following proceedings filed or pending on or after October 1, 1990:

* * *

(18) Concurrent with the Probate Division, special immigration judicial determinations regarding the custody and care of children within the meaning of the federal Immigration and Nationality Act (8 U.S.C. § 1101(a)(27)(J) and 8 C.F.R. § 204.11) issued pursuant to 14 V.S.A. chapter 111, subchapter 14.

* * *

Sec. 28. 4 V.S.A. § 35 is amended to read:

§ 35. JURISDICTION; PROBATE DIVISION

The Probate Division shall have jurisdiction of:

* * *

(25) grandparent visitation proceedings under 15 V.S.A. chapter 18; ~~and~~

(26) other matters as provided by law; and

(27) concurrent with the Family Division, special immigration judicial determinations regarding the custody and care of children within the meaning of the federal Immigration and Nationality Act (8 U.S.C. § 1101(a)(27)(J) and 8 C.F.R. § 204.11) issued pursuant to 14 V.S.A. chapter 111, subchapter 14.

Sec. 29. 14 V.S.A. chapter 111, subchapter 14 is added to read:

Subchapter 14. Special Immigration Status

§ 3098. SPECIAL IMMIGRATION JUVENILE STATUS; JURISDICTION AND FINDINGS

(a) The court has jurisdiction under Vermont law to make judicial determinations regarding the custody and care of children within the meaning of the federal Immigration and Nationality Act (8 U.S.C. § 1101(a)(27)(J) and 8 C.F.R. § 204.11). The court is authorized to make the findings necessary to enable a child to petition the U.S. Citizenship and Immigration Service for classification as a special immigrant juvenile pursuant to 8 U.S.C. § 1101(a)(27)(J).

(b)(1) If an order is requested from the court making the necessary findings regarding special immigrant juvenile status as described in subsection (a) of this section, the court shall issue an order if there is evidence to support those findings, which may include a declaration by the child who is the subject of the petition. The order issued by the court shall include all of the following findings:

(A) The child was either of the following:

(i) Declared a dependent of the court.

(ii) Legally committed to or placed under the custody of a State agency or department or an individual or entity appointed by the court. The court shall indicate the date on which the dependency, commitment, or custody was ordered.

(B) That reunification of the child with one or both of the child's parents was determined not to be viable because of abuse, neglect, abandonment, or a similar basis pursuant to Vermont law. The court shall indicate the date on which reunification was determined not to be viable.

(C) That it is not in the best interests of the child to be returned to the child's or his or her parent's previous country of nationality or country of last habitual residence.

(2) If requested by a party, the court may make additional findings that are supported by evidence.

(c) In any judicial proceedings in response to a request that the court make the findings necessary to support a petition for classification as a special immigrant juvenile, information regarding the child's immigration status that is not otherwise protected by State laws shall remain confidential. This information shall also be exempt from public inspection and copying under the

Public Records Act and shall be kept confidential, except that the information shall be available for inspection by the court, the child who is the subject of the proceeding, the parties, the attorneys for the parties, the child's counsel, and the child's guardian.

(d) As used in this section, "court" means the Probate Division and the Family Division of the Superior Court.

Sec. 30. 13 V.S.A. § 2821 is amended to read:

§ 2821. DEFINITIONS

As used in this chapter:

* * *

(3) "Performance" means:

(A) an event that is photographed, filmed, or visually recorded; or

(B) a play, dance, or other visual presentation or exhibition before an audience.

* * *

Sec. 31. EXPUNGEMENT OF MARIJUANA CRIMINAL HISTORY RECORDS

(a) As used in this section:

(1) "Court" means the Criminal Division of the Superior Court.

(2) "Criminal history record" means all information documenting an individual's contact with the criminal justice system, including data regarding identification, arrest or citation, arraignment, judicial disposition, custody, and supervision.

(b) The court shall order the expungement of criminal history records of violations of 18 V.S.A. § 4230(a)(1) that occurred prior to January 1, 2021. The process for expunging these records shall be completed by the court and all entities subject to the order not later than January 1, 2022.

(c) Upon entry of an expungement order, the order shall be legally effective immediately and the person whose record is expunged shall be treated in all respects as if he or she had never been arrested, convicted, or sentenced for the offense. The court shall issue an order to expunge all records and files related to the arrest, citation, investigation, charge, adjudication of guilt, criminal proceedings, and probation related to the sentence. The court shall issue the person a certificate stating that the offense for which the person was convicted has been decriminalized and therefore warrants issuance of the

order and that its effect is to annul the record of arrest, conviction, and sentence. The court shall provide notice of the expungement to the person who is the subject of the record at the person's last known address, the Vermont Crime Information Center (VCIC), the arresting agency, and any other entity that may have a record related to the order to expunge. The VCIC shall provide notice of the expungement to the Federal Bureau of Investigation's National Crime Information Center.

(d) On and after January 1, 2021, a person who was arrested or convicted of a violation of 18 V.S.A. § 4230(a)(1) prior to such date:

(1) shall not be required to acknowledge the existence of such a criminal history record or answer questions about the record in any application for employment, license, or civil right or privilege or in an appearance as a witness in any proceeding or hearing;

(2) may deny the existence of the record regardless of whether the person has received notice from the court that an expungement order has been issued on the person's behalf; and

(3) may utilize the procedures in chapter 230 of Title 13 to seek expungement or sealing of the record prior to the court taking steps to issue an expungement order pursuant to this section.

(e) Nothing in this section shall affect any right of the person whose record has been expunged to rely on it as a bar to any subsequent proceedings for the same offense.

(f)(1) The court shall keep a special index of cases that have been expunged together with the expungement order and the certificate issued pursuant to this chapter. The index shall list only the name of the person convicted of the offense, his or her date of birth, the docket number, and the criminal offense that was the subject of the expungement.

(2) The special index and related documents specified in subdivision (1) of this subsection shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.

(3) Inspection of the expungement order and the certificate may be permitted only upon petition by the person who is the subject of the case. The Chief Superior Judge may permit special access to the index and the documents for research purposes pursuant to the rules for public access to court records.

(4) All other court documents in a case that are subject to an expungement order shall be destroyed.

(5) The court shall follow policies adopted pursuant to 13 V.S.A. § 7606 in implementing this section.

(g) Upon receiving an inquiry from any person regarding an expunged record, an entity shall respond that “NO RECORD EXISTS.”

Sec. 32. 18 V.S.A. § 4230 is amended to read:

§ 4230. MARIJUANA

(a) Possession and cultivation.

(1)(A) No person shall knowingly and unlawfully possess more than one ounce of marijuana or more than five grams of hashish or cultivate more than two mature marijuana plants or four immature marijuana plants. A person who violates this subdivision shall be assessed a civil penalty as follows:

(A) not more than \$100.00 for a first offense;

(B) not more than \$200.00 for a second offense; and

(C) not more than \$500.00 for a third or subsequent offense.

(2)(A) No person shall knowingly and unlawfully possess two ounces or more of marijuana or ten grams or more of hashish or more than three mature marijuana plants or six immature marijuana plants. For a first offense under this subdivision (A)(2), a person shall be provided the opportunity to participate in the Court Diversion Program unless the prosecutor states on the record why a referral to the Court Diversion Program would not serve the ends of justice. A person convicted of a first offense under this subdivision shall be imprisoned not more than six months or fined not more than \$500.00, or both.

(B) A person convicted of a second or subsequent offense of knowingly and unlawfully possessing more than one ounce of marijuana or more than five grams of hashish or cultivating more than two mature marijuana plants or four immature marijuana plants violating subdivision (a)(2)(A) of this section shall be imprisoned not more than two years or fined not more than \$2,000.00, or both.

(C) Upon an adjudication of guilt for a first or second offense under this subdivision, the court may defer sentencing as provided in 13 V.S.A. § 7041, except that the court may in its discretion defer sentence without the filing of a presentence investigation report and except that sentence may be imposed at any time within two years from and after the date of entry of deferment. The court may, prior to sentencing, order that the defendant submit to a drug assessment screening, which may be considered at sentencing in the same manner as a presentence report.

~~(2)~~(3) A person knowingly and unlawfully possessing ~~two~~ eight ounces of marijuana or ~~10 grams~~ 1.4 ounces of hashish or knowingly and unlawfully cultivating more than four mature marijuana plants or eight immature marijuana plants shall be imprisoned not more than three years or fined not more than \$10,000.00, or both.

~~(3)~~(4) A person knowingly and unlawfully possessing more than one pound of marijuana or more than 2.8 ounces of hashish or knowingly and unlawfully cultivating more than six mature marijuana plants or 12 immature marijuana plants shall be imprisoned not more than five years or fined not more than \$10,000.00, or both.

~~(4)~~(5) A person knowingly and unlawfully possessing more than 10 pounds of marijuana or more than one pound of hashish or knowingly and unlawfully cultivating more than 12 mature marijuana plants or 24 immature marijuana plants shall be imprisoned not more than 15 years or fined not more than \$500,000.00, or both.

~~(5)~~(6) If a court fails to provide the defendant with notice of collateral consequences in accordance with 13 V.S.A. § 8005(b) and the defendant later at any time shows that the plea and conviction for a violation of this subsection may have or has had a negative consequence, the court, upon the defendant's motion, shall vacate the judgment and permit the defendant to withdraw the plea or admission and enter a plea of not guilty. Failure of the court to advise the defendant of a particular collateral consequence shall not support a motion to vacate.

~~(6)~~(7) The amounts of marijuana in this subsection shall not include marijuana cultivated, harvested, and stored in accordance with section 4230e of this title.

* * *

Sec. 33. 13 V.S.A. § 7601 is amended to read:

§ 7601. DEFINITIONS

As used in this chapter:

* * *

(4) "Qualifying crime" means:

* * *

(G) a violation of 18 V.S.A. § 4230(a) related to possession and cultivation of marijuana;

* * *

Sec. 34. EFFECTIVE DATES

This act shall take effect on July passage, except that Sec. 32 (marijuana penalties) shall take effect on January 1, 2021.

UNFINISHED BUSINESS OF SEPTEMBER 21, 2020

GOVERNOR'S VETO

An act relating to addressing climate change.

Pending question (to be voted by call of the roll): Shall the bill pass, notwithstanding the Governor's refusal to approve the bill? (Two-thirds of the members present required to override the Governor's veto.)

Text of Communication from Governor

The text of the communication to the House from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 688** to the House as follows:

“September 15, 2020

The Honorable William M. MaGill
Clerk of the Vermont House of Representatives
State House
Montpelier, VT 05633

Dear Mr. MaGill:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning H.688, *An act relating to addressing climate change*, commonly referred to as the “Global Warming Solutions Act” (GWSA), without my signature because of my objections described herein:

As passed, this legislation simply does not propose, or create a sustainable framework for, long-term mitigation and adaptation solutions to address climate change. As noted in my August 12 letter to Speaker Johnson, Senate President Pro Tem Ashe, and Committee Chairs Briglin and Bray, I share the Legislature’s commitment to reducing greenhouse gas emissions and enhancing the resilience of Vermont’s infrastructure and landscape in the face of a changing climate. In that same letter, I outlined three specific concerns with this bill and resubmitted changes to address these concerns and create a path forward.

To reiterate what I have shared publicly, and my Administration has shared with the Committees of Jurisdiction and Legislative Leadership, the three primary areas of concern that I have with H.688 are as follows:

1. the creation of a cause of action which could lead to costly litigation and delay, instead of putting forward tangible solutions and actions we can take now;
2. the structure and charge of the Vermont Climate Council (Council) presents an unconstitutional separation of powers issue; and
3. the absence of a process ensuring the Legislature would formally vote on the Vermont Climate Action Plan (Plan) promulgated by an unelected, unaccountable Council.

This, put simply, is poorly crafted legislation that would lead to bad government and expensive delays and lawsuits that would impair – not support – our emissions reductions goals. And it is unconstitutional – with the Legislature ignoring its duty to craft policy and enact actual global warming solutions on one hand and unconstitutionally usurping the Executive Branch role to execute the laws on the other. Unlike other boards and commissions, this Council would be constructed in a way that allows them to require action without the consensus or participation of the Executive Branch. Not just a majority, but a quorum of the body is composed of Legislative appointees and the Executive Branch rulemaking function, which “shall” be performed under the “guidance” of the Council, is relegated to a ministerial act to codify the Council’s Plan. The Council’s Plan would not need to be passed by both houses of the Legislature, nor presented to the Governor for approval.

I have also consistently, and repeatedly, noted that our recent work on a comprehensive clean water plan is a proven model. The most valuable lesson of our clean water approach is that, with careful work, tied to specific outcomes, we can develop, fund, and implement a plan that has *both* positive economic and environmental results. H.688 does not follow this model.

More specifically, our work on clean water included carefully inventorying what we were already doing, identifying where gaps existed and what needs to be done, honestly estimating costs, and putting in place a funding strategy that we can demonstrate is both affordable and sustainable for Vermonters.

We should use this model for climate change work from the start – not after costly litigation. Because, while our recent clean water work has been a success, the fact is it took nearly two decades to reach this point with early attempts delayed by expensive and unnecessary litigation and the uncertainty those suits created.

H.688 as passed puts us on the same costly path the clean water work followed from 2002 to 2016, rather than the productive work that followed. And to what end? To send the state back to the drawing board. Again, no solutions. We simply do not have time for this sort of delay, or taxpayer money or state resources, to waste on attorneys' fees and avoidable lawsuits that divert time and money from addressing climate change.

The legal, policy, modeling and research necessary to develop the statutory, budget, management, and regulatory proposals the Plan envisions, in the timeframe set, will require significant staffing and resources – work and positions that have not been funded by the Legislature. I recognize the House has included some onetime funding in its version of the FY21 budget, but this is onetime funding and it is unlikely to be sufficient. There are also no guarantees a final budget will include those resources. Given the Senate previously removed funding for this legislation and the House concurred with those changes passage of the proper funding seems uncertain at best.

To prioritize the emission reductions necessary to address climate change, we need to learn the lessons of building a comprehensive clean water plan. H.688, as written, will lead to inefficient spending and long, costly court battles, not the tangible investments in climate-resilient infrastructure, and affordable weatherization and clean transportation options that Vermonters need.

In January, I proposed applying a portion of the revenues from the efficiency charge toward electrification of the transportation sector, our largest contributor to global warming. This month the Legislature passed S.337, *An act relating to energy efficiency entities and programs to reduce greenhouse gas emissions in the thermal energy and transportation sectors*. S.337 is consistent with that direction, as well as with strategic goals in Vermont's 2016 Comprehensive Energy Plan and the goals of the Climate Action Commission. This bill exemplifies the type of practical and concrete solutions we need and can implement without additional costs to Vermonters.

These are the types of measures that have immediate impact on fighting global warming.

While I am vetoing H.688, I hope the Legislature will revisit it before it adjourns, or at the very least in January, using my input and what we have learned from our clean water work to make it better.

In the meantime, I will ask that the Legislature send me S.337 forthwith so we can take a valuable step forward.

Sincerely,
/s/Philip B. Scott
Governor

PBS/kp”

Text of Bill as Passed By House and Senate

The text of the bill as passed by the House of Representatives and Senate is as follows:

H. 688 An act relating to addressing climate change

It is hereby enacted by the General Assembly of the State of Vermont:

* * * Title and Findings * * *

Sec. 1. SHORT TITLE

This act may be cited as the Vermont Global Warming Solutions Act of 2020.

Sec. 2. LEGISLATIVE FINDINGS

The General Assembly finds that:

(1) According to the Intergovernmental Panel on Climate Change (IPCC), the climate crisis is both caused and exacerbated by greenhouse gas emissions that result from human activity. The IPCC has determined that industrialized countries must cut their emissions to net zero by 2050, which is necessary to achieve the Paris Agreement’s goal of keeping the increase in global average temperature to below 2°C. A climate emergency threatens our communities, State, and region and poses a significant threat to human health and safety, infrastructure, biodiversity, our common environment, and our economy.

(2) The State of Vermont is part of the U.S. Climate Alliance, a bipartisan coalition of 25 states that have committed to reducing greenhouse gas emissions consistent with the goals of the Paris Agreement. Working in parallel with other members of the U.S. Climate Alliance, the State of Vermont will help accelerate solutions that address the climate crisis in the absence of federal action. By implementing climate mitigation, adaptation, and resilience strategies, Vermont will also position its economy to benefit and thrive from the global transition to carbon neutrality and national and international efforts to address the crisis.

(3) According to the IPCC and the World Bank, a failure to substantially reduce emissions over the next ten years will require even more substantial reductions later and will increase the costs of decarbonization. Delaying necessary policy action to address the climate crisis risks significant economic damage to Vermont.

(4) According to the IPCC and the State of Vermont, adaptation and resilience measures are necessary to address climate risks.

(5) According to the IPCC, the climate crisis disproportionately impacts rural and marginalized, disenfranchised, and disinvested communities, which already bear significant public health, environmental, socioeconomic, and other burdens. Mitigation, adaptation, and resilience strategies must prioritize the allocation of investment of public resources to these communities and minimize, to the greatest extent practicable, potential regressive impacts.

(6) According to the Vermont Agency of Natural Resources, the adverse impacts of climate change in Vermont include an increase in the severity and frequency of extreme weather events, a rise in vector-borne diseases including Lyme disease, more frequent cyanobacteria blooms, adverse impacts to forest and agricultural soils, forest and crop damage, shorter and irregular sugaring seasons, a reduction in seasonal snow cover, and variable and rising average temperatures that result in uncertain and less snowfall.

(7) According to the Vermont Agency of Natural Resources, the conservation and restoration of Vermont forests, floodplains, and wetlands and the promotion of forest management and farming practices that sequester and store carbon are critical to achieving climate mitigation, adaptation, and resilience and support a host of co-benefits, such as improving air and water quality, economic vitality, ecosystem functions, local food systems, and creating more climate resilient communities and landscapes.

(8) The credit rating industry is now analyzing the adaptation and resilience strategies of issuers of state and municipal bonds and may apply a negative credit factor for issuers with insufficient strategies. Establishing robust adaptation and resilience strategies for Vermont will help protect the State from a climate crisis-related credit downgrade.

* * * Greenhouse Gas Reduction Requirements * * *

Sec. 3. 10 V.S.A. § 578 is amended to read:

§ 578. GREENHOUSE GAS REDUCTION GOALS REQUIREMENTS

(a) ~~General goal of greenhouse~~ Greenhouse gas reduction requirements. ~~It is the goal of the State to Vermont shall~~ reduce emissions of greenhouse gases from within the geographical boundaries of the State and those emissions

outside the boundaries of the State that are caused by the use of energy in Vermont ~~in order to make an appropriate contribution to achieving the regional goals of reducing emissions of greenhouse gases from the 1990 baseline, as measured and inventoried pursuant to section 582 of this title,~~ by:

(1) ~~25~~ not less than 26 percent from 2005 greenhouse gas emissions by January 1, 2012 ~~2025~~ pursuant to the State's membership in the United States Climate Alliance and commitment to implement policies to achieve the objectives of the 2016 Paris Agreement;

(2) ~~50~~ not less than 40 percent from 1990 greenhouse gas emissions by January 1, 2028 ~~2030~~ pursuant to the State's 2016 Comprehensive Energy Plan; and

(3) ~~if practicable using reasonable efforts, 75~~ not less than 80 percent from 1990 greenhouse gas emissions by January 1, 2050 pursuant to the State's 2016 Comprehensive Energy Plan.

* * *

(c) Implementation of State programs to reduce greenhouse gas emissions. In order to facilitate the State's compliance with the goals established in this section, all State agencies shall consider, ~~whenever practicable,~~ any increase or decrease in greenhouse gas emissions in their decision-making procedures with respect to the purchase and use of equipment and goods; the siting, construction, and maintenance of buildings; the assignment of personnel; and the planning, design, and operation of programs, services, and infrastructure.

* * *

* * * Vermont Climate Council and Vermont Climate Action Plan * * *

Sec. 4. 10 V.S.A. chapter 24 is added to read:

CHAPTER 24. VERMONT CLIMATE COUNCIL AND CLIMATE ACTION PLAN

§ 590. DEFINITIONS

As used in this chapter:

(1) "Adaptation" means reducing vulnerability and advancing resilience through planned and implemented enhancements to, or avoiding degradation of, natural and built systems and structures.

(2) "Greenhouse gas" has the same meaning as in section 552 of this title.

(3) “Mitigation” means reduction of anthropogenic greenhouse gas emissions, and preservation and enhancement of natural systems to sequester and store carbon, in order to stabilize and reduce greenhouse gases in the atmosphere.

(4) “Resilience” means the capacity of individuals, communities, and natural and built systems to withstand and recover from climatic events, trends, and disruptions.

§ 591. VERMONT CLIMATE COUNCIL

(a) There is created the Vermont Climate Council (Council). The Council shall be composed of the following members:

(1) the Secretary of Administration, who shall serve as the Chair of the Council;

(2) the Secretary of Natural Resources or designee;

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

(4) the Secretary of Commerce and Community Development or designee;

(5) the Secretary of Human Services or designee;

(6) the Secretary of Transportation or designee;

(7) the Commissioner of Public Safety or designee;

(8) the Commissioner of Public Service or designee;

(9) the following members who shall be appointed by the Speaker of the House:

(A) one member with expertise and professional experience in the design and implementation of programs to reduce greenhouse gas emissions;

(B) one member to represent rural communities;

(C) one member to represent the municipal governments;

(D) one member to represent distribution utilities;

(E) one member to represent a statewide environmental organization;

(F) one member to represent the fuel sector;

(G) one member with expertise in climate change science; and

(H) one member to represent Vermont manufacturers.

(10) the following members who shall be appointed by the Committee on Committees:

(A) one member with expertise in the design and implementation of programs to increase resilience to and respond to natural disasters resulting from climate change;

(B) one member to represent the clean energy sector;

(C) one member to represent the small business community;

(D) one member to represent the Vermont Community Action Partnership;

(E) one member to represent the farm and forest sector;

(F) one youth member; and

(G) one member of a Vermont-based organization with expertise in energy and data analysis.

(b) The Council shall:

(1) Identify, analyze, and evaluate strategies and programs to reduce greenhouse gas emissions; achieve the State's reduction requirements pursuant to section 578 of this title; and build resilience to prepare the State's communities, infrastructure, and economy to adapt to the current and anticipated effects of climate change, including:

(A) creating an inventory of all existing programs that impact greenhouse gas emissions and their efficacy;

(B) evaluating and analyzing the technical feasibility and cost-effectiveness of existing strategies and programs and identifying, evaluating, and analyzing new strategies and programs that are based upon emerging scientific and technical information;

(C) analyzing each source or category of sources of greenhouse gas emissions and identifying which strategies and programs will result in the largest greenhouse gas emissions reductions in the most cost-effective manner;

(D) identifying, analyzing, and evaluating public and private financing strategies to support the transition to a reduced greenhouse gas emissions economy and a more resilient State; and

(E) evaluating and analyzing existing strategies and programs that build resilience, and identifying, evaluating, and analyzing new strategies and programs to prepare the State's communities, infrastructure, and economy to adapt to the current and anticipated effects of climate change.

(2) On or before December 1, 2021, adopt the Vermont Climate Action Plan (Plan) and update the Plan on or before July 1 every four years thereafter. The Plan shall set forth the specific initiatives, programs, and strategies that the State shall pursue to reduce greenhouse gas emissions; achieve the State's reduction requirements pursuant to section 578 of this title; and build resilience to prepare the State's communities, infrastructure, and economy to adapt to the current and anticipated effects of climate change.

(3) Identify the means to accurately measure:

(A) the State's greenhouse gas emissions and progress towards meeting the reduction requirements pursuant to section 578 of this title, including publishing emissions data in a timely manner;

(B) the effectiveness of the specific initiatives, programs, and strategies set forth in the Plan and updates to the Plan in reducing greenhouse gas emissions;

(C) the effect of climate change on the State's climate, wildlife, and natural resources; and

(D) the existing resilience of the State's communities, infrastructure, and economy and progress towards improving resilience to adapt to the current and anticipated effects of climate change.

(4) Provide guidance to the Secretary of Natural Resources concerning the form, content, and subject matter of rules to be adopted pursuant to section 593 of this chapter.

(c) Subcommittees. The Council shall create the subcommittees listed in this subsection and may also create other subcommittees to advise the Council, assist in preparing the Plan, and carry out other duties. The Council may appoint members of the Council to serve as members of subcommittees and may also appoint individuals who are not members of the Council to serve as members of subcommittees.

(1) Rural Resilience and Adaptation Subcommittee. The Rural Resilience and Adaptation Subcommittee shall focus on the pressures that climate change adaptation will impose on rural transportation, electricity, housing, emergency services, and communications infrastructure, and the difficulty of rural communities in meeting the needs of its citizens. The Subcommittee shall:

(A) develop a municipal vulnerability index to include factors measuring a municipality's population, average age, employment, and grand list trends; active public and civic organizations; and distance from emergency services and shelter;

(B) develop best practice recommendations specific to rural communities for reducing municipal, school district, and residential fossil fuel consumption; fortifying critical transportation, electricity, and community infrastructure; and creating a distributed, redundant, storage-supported local electrical system;

(C) recommend a means of securely sharing self-identified vulnerable residents' information with State and local emergency responders and utilities;

(D) recommend tools for municipalities to assess their climate emergency preparedness, evaluate their financial capacity to address infrastructure resilience, and prioritize investment in that infrastructure; and

(E) utilize Vermont Emergency Management biennial reports to recommend program, policy, and legislative changes that will enhance municipal resilience to increased hazards presented by climate change.

(2) Cross-Sector Mitigation Subcommittee. This subcommittee shall focus on identifying the most scientifically and technologically feasible strategies and programs that will result in the largest possible greenhouse gas emissions reductions in the most cost-effective manner.

(3) Just Transitions Subcommittee. This subcommittee shall focus on ensuring that strategies to reduce greenhouse gas emissions and to build resilience to adapt to the effects of climate change benefit and support all residents of the State fairly and equitably. This subcommittee shall ensure that strategies consider the disproportionate impact of climate change on rural, low income, and marginalized communities and that programs and incentives for building resilience are designed to be accessible to all Vermonters and do not unfairly burden any groups, communities, geographic locations, or economic sectors. This subcommittee may adopt a measurement tool to assess the equitability of programs and strategies considered by the Council.

(4) Agriculture and Ecosystems Subcommittee. This subcommittee shall focus on the role Vermont's natural and working lands play in carbon sequestration and storage, climate adaptation, and ecosystem and community resilience. This subcommittee will seek to understand current initiatives in the agricultural and forestry sectors and the businesses that depend on them and to develop actions and policies that restore wetlands; increase carbon stored on agricultural and forest land and in forest products; and support healthy agricultural soils and local food systems.

(d) The Council shall recommend necessary legislation to the General Assembly concerning:

(1) adopting market-based or alternative compliance mechanisms as part of the State's greenhouse gas emissions reduction strategies;

(2) changes to land use and development, including to chapter 151 of this title and 30 V.S.A. § 248, to reduce greenhouse gas emissions and promote resilience in response to climate change;

(3) statutory authority necessary to implement the Plan; and

(4) any other matter the Council deems appropriate.

(e) The Council shall have the administrative, technical, and legal assistance of the Agency of Natural Resources and the Department of Public Service and may request the assistance of any Executive Branch Agency and Department.

(f) A majority of the sitting members of the Council shall constitute a quorum, and action taken by the Council may be authorized by a majority of the members present and voting at any meeting at which a quorum is present. The Council may permit any or all members to participate in a meeting by, or conduct the meeting through the use of, any means of communication, including electronic, telecommunications, and video- or audio-conferencing technology, by which all members participating may simultaneously or sequentially communicate with each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting. The Council shall meet at the call of the Chair or a majority of the members of the Council, and the Council may elect officers and adopt any other procedural rules as it shall determine necessary and appropriate to perform its work.

(g) Members of the Council who are not State employees shall be entitled to per diem compensation and reimbursement of expenses for each day spent in the performance of their duties, as permitted under 32 V.S.A. § 1010. These payments shall be made from monies appropriated to the Agency of Natural Resources.

(h) The members of the Council appointed pursuant to subdivision (a)(8) of this section shall be appointed to initial terms of two years, and members appointed pursuant to subdivision (a)(9) of this section shall be appointed to initial terms of three years. Thereafter, each appointed member shall serve a term of three years or until his or her earlier resignation or removal. A vacancy shall be filled by the appointing authority for the remainder of the unexpired term. An appointed member shall not serve more than three full consecutive three-year terms.

(i) On or before January 15, 2021 and every January 15 thereafter, the Council shall submit a written report to the General Assembly concerning the Council's activities and the State's progress towards meeting the greenhouse gas reduction requirements pursuant to section 578 of this title. On or before November 1, 2021 and every second November 1 thereafter, the Director of Vermont Emergency Management shall file a report with the Council concerning Vermont's overall municipal resilience to increased hazards presented by climate change that shall include hazard mitigation plans, local emergency management plans, and survey results as deemed appropriate by the Director. Subsequent reports shall include updates to document progress in local resilience. The report shall inform Council recommendations on policies to address gaps in local resilience.

§ 592. THE VERMONT CLIMATE ACTION PLAN

(a) On or before December 1, 2021, the Vermont Climate Council (Council) shall adopt the Vermont Climate Action Plan (Plan) and update the Plan on or before July 1 every four years thereafter.

(b) The Plan shall set forth the specific initiatives, programs, and strategies, including regulatory and legislative changes, necessary to achieve the State's greenhouse gas emissions reduction requirements pursuant to section 578 of this title and build resilience to prepare the State's communities, infrastructure, and economy to adapt to the current and anticipated effects of climate change. The Plan shall include specific initiatives, programs, and strategies that will:

(1) reduce greenhouse gas emissions from the transportation, building, regulated utility, industrial, commercial, and agricultural sectors;

(2) encourage smart growth and related strategies;

(3) achieve long-term sequestration and storage of carbon and promote best management practices to achieve climate mitigation, adaption, and resilience on natural working lands;

(4) achieve net zero emissions by 2050 across all sectors;

(5) reduce energy burdens for rural and marginalized communities;

(6) limit the use of chemicals, substances, or products that contribute to climate change; and

(7) build and encourage climate adaptation and resilience of Vermont communities and natural systems.

(c) The analysis, development, and selection of the specific initiatives, programs, and strategies contained in the Plan and updates to the Plan shall be based upon:

(1) the Council’s analysis and evaluation of strategies and programs pursuant to subdivision 591(b)(1) of this chapter;

(2) reports, plans, and information pertaining to greenhouse gas emissions reduction and climate resilience strategies from the Agency of Natural Resources, the Department of Public Service, other State agencies and departments, and, where appropriate, the State Comprehensive Energy Plan prepared pursuant to 30 V.S.A. § 202b and the 2018 Vermont Climate Action Commission Report to the Governor; and

(3) other reports, plans, and information.

(d) The specific initiatives, programs, and strategies contained in the Plan and updates to the Plan shall further the following objectives:

(1) to prioritize the most cost-effective, technologically feasible, and equitable greenhouse gas emissions reduction pathways and adaptation and preparedness strategies informed by scientific and technical expertise;

(2) to provide for greenhouse gas emissions reductions that reflect the relative contribution of each source or category of source of emissions;

(3) to minimize negative impacts on marginalized and rural communities and upon individuals with low and moderate income;

(4) to ensure that all regions of the State benefit from greenhouse gas emissions reductions, including sharing in the resulting economic, quality-of-life, and public health benefits;

(5) to support economic sectors and regions of the State that face the greatest barriers to emissions reductions, especially rural and economically distressed regions and industries;

(6) to support industries, technology, and training that will allow workers and businesses in the State to benefit from greenhouse gas emissions reduction solutions;

(7) to support the use of natural solutions to reduce greenhouse gas emissions and increase resilience, including the use of working lands to sequester and store carbon and protect against severe weather events; and

(8) to maximize the State’s involvement in interstate and regional initiatives and programs designed to reduce regional greenhouse gas emissions and build upon state, national, and international partnerships and programs designed to mitigate climate change and its impacts.

(e) The Plan shall form the basis for the rules adopted by the Secretary of Natural Resources pursuant to section 593 of this chapter. If the Council fails to adopt the Plan or update the Plan as required by this chapter, the Secretary shall proceed with adopting and implementing rules pursuant to subsection 593(j) of this chapter to achieve the greenhouse gas emissions reductions requirements pursuant to section 578 of this title.

§ 593. RULES

(a) The Secretary of Natural Resources shall adopt rules pursuant to 3 V.S.A. chapter 25 consistent with the Vermont Climate Action Plan (Plan). In adopting rules pursuant to this section the Secretary shall:

(1) Ensure that the rules are consistent with the specific initiatives, programs, and strategies set forth in the Plan and updates to the Plan; follow the Vermont Climate Council's guidance provided pursuant to subdivision 591(b)(4) of this chapter; and further the objectives pursuant to subsection 592(d) of this chapter.

(2) Develop a detailed record containing facts; data; and legal, scientific, and technical information sufficient to establish a reasonable basis to believe that the rules shall achieve the State's greenhouse gas emissions reductions requirements pursuant to section 578 of this title. This detailed record shall be included with the rule and filed with the Secretary of State pursuant to 3 V.S.A. § 838.

(b) On or before December 1, 2022, the Secretary shall adopt and implement rules consistent with the specific initiatives, programs, and strategies set forth in the Plan and achieve the 2025 greenhouse gas emissions reduction requirement pursuant to section 578 of this title.

(c) The Secretary shall conduct public hearings across the State concerning the proposed rules. The Secretary shall conduct a portion of these hearings in areas and communities that have the most significant exposure to the impacts of climate change, including disadvantaged, low-income, and rural communities and areas.

(d) The Secretary shall, on or before July 1, 2024, review and, if necessary, update the rules required by subsection (b) of this section in order to ensure that the 2025 greenhouse gas emissions reduction requirement pursuant to section 578 of this title is achieved. In performing this review and update, the Secretary shall observe the requirements of subsection (c) of this section.

(e) On or before July 1, 2026, the Secretary shall adopt and implement rules consistent with the specific initiatives, programs, and strategies set forth in the Plan and updates to the Plan and achieve the 2030 greenhouse gas

emissions reduction requirement pursuant to section 578 of this title. The Secretary shall observe the requirements of subsection (c) of this section.

(f) The Secretary shall, at his or her discretion, but not less frequently than once every two years between 2026 and 2030, review and, if necessary, update the rules required by subsection (e) of this section in order to ensure that the 2030 greenhouse gas emissions reduction requirement pursuant to section 578 of this title is achieved. In performing this review and update, the Secretary shall observe the requirements of subsection (c) of this section.

(g) On or before July 1, 2040, the Secretary shall adopt and implement rules consistent with the specific initiatives, programs, and strategies set forth in the Plan and updates to the Plan and achieve the 2050 greenhouse gas emissions reduction requirement pursuant to section 578 of this title.

(h) The Secretary shall, at his or her discretion, but not less frequently than once every two years between 2040 and 2050, review and, if necessary, update the rules required by subsection (g) of this section in order to ensure that the 2050 greenhouse gas emissions reduction requirement pursuant to section 578 of this title is achieved. In performing this review and update, the Secretary shall observe the requirements of subsection (c) of this section.

(i) The Secretary may establish alternative reduction mechanisms to be used by sources of greenhouse gas emissions, if necessary, to achieve net zero emissions after 2050.

(1) The use of alternative reduction mechanisms shall account for not more than 20 percent of statewide greenhouse gas emissions estimated as a percentage of 1990 emissions. The use of a mechanism must offset a quantity of greenhouse gas emissions equal to or greater than the amount of greenhouse gasses emitted.

(2) The Secretary shall verify that any greenhouse gas emissions offset projects authorized as alternative reduction mechanisms represent equivalent emissions reductions or carbon sequestration that are real, additional, verifiable, enforceable, and permanent.

(j) If the Council fails to adopt the Plan or update the Plan as required by section 592 of this chapter, the Secretary shall adopt and implement rules pursuant to 3 V.S.A. chapter 25 to achieve the greenhouse gas emissions reductions requirements pursuant to section 578 of this title.

(k) Nothing in this section shall be construed to limit the existing authority of a State agency, department, or entity to regulate greenhouse gas emissions or establish strategies or adopt rules to mitigate climate risk and build resilience to climate change.

(1) The General Assembly may repeal, revise, or modify any rule or amendment to any rule, and its action shall not be abridged, enlarged, or modified by subsequent rule.

§ 594. CAUSE OF ACTION

(a) Any person may commence an action based upon the failure of the Secretary of Natural Resources to adopt or update rules pursuant to the deadlines in section 593 of this chapter.

(1) The action shall be brought pursuant to Rule 75 of the Vermont Rules of Civil Procedure in the Civil Division of the Superior Court of Washington County.

(2) The complaint shall be filed within one year after expiration of the time in which the Secretary of Natural Resources was required to adopt or update rules pursuant to section 593 of this chapter. However, a person shall not commence an action under this subsection until at least 60 days after providing notice of the alleged violation to the Secretary.

(3) If the court finds that the Secretary has failed to adopt or update rules pursuant to the deadlines in section 593 of this chapter, the court shall enter an order directing the Secretary to adopt or update rules. If the court finds that the Secretary is taking prompt and effective action to adopt or update rules, the court may grant the Secretary a reasonable period of time to do so.

(b) Any person may commence an action alleging that rules adopted by the Secretary pursuant to section 593 of this chapter have failed to achieve the greenhouse gas emissions reductions requirements pursuant to section 578 of this title.

(1) The action shall be brought in the Civil Division of the Superior Court of Washington County.

(2) The complaint shall be filed within one year after the Vermont Greenhouse Gas Emission Inventory and Forecast published pursuant to section 582 of this title indicates that the rules adopted by the Secretary have failed to achieve the greenhouse gas emissions reductions requirements pursuant to section 578 of this title. However, a person shall not commence an action under this subsection until at least 60 days after providing notice of the alleged violation to the Secretary.

(3) If the court finds that the rules adopted by the Secretary pursuant to section 593 of this chapter are a substantial cause of failure to achieve the greenhouse gas emissions reductions requirements pursuant to section 578 of this title, the court shall enter an order remanding the matter to the Secretary to adopt or update rules that achieve the greenhouse gas emissions reductions

requirements consistent with this chapter. If the court finds that the Secretary is taking prompt and effective action to comply, the court may grant the Secretary a reasonable period of time to do so.

(c) In an action brought pursuant to this section, a prevailing party or substantially prevailing party:

(1) that is a plaintiff shall be awarded reasonable costs and attorney's fees unless doing so would not serve the interests of justice; or

(2) that is a defendant may be awarded reasonable costs and attorney's fees if the action was frivolous or lacked a reasonable basis in law or fact.

(d) Nothing in this section shall be construed to limit the rights, procedures, and remedies available under any law, including the Vermont Administrative Procedure Act pursuant to 3 V.S.A. chapter 25.

* * * Rulemaking and Appointment of Council Members * * *

Sec. 5. RULES REQUIRED PURSUANT TO 10 V.S.A. § 593

(a) Any proposed rules and access to the detailed record required pursuant to section 10 V.S.A. § 593 shall be:

(1) provided to the Vermont Climate Council not less than 45 days prior to submitting the proposed rule or rules to the Interagency Committee on Administrative Rules (ICAR);

(2) provided to the members of the House Committees on Energy and Technology, on Natural Resources, Fish, and Wildlife, and on Transportation, to the Senate Committees on Finance, on Natural Resources and Energy, and on Transportation, and to the Joint Carbon Emissions Reduction Committee not less than 30 days prior to submitting the proposed rule or rules to ICAR; and

(3) filed with ICAR on or before July 1, 2022.

(b) Upon the adoption of the Action Plan (Plan) pursuant to 10 V.S.A. § 592, the Joint Fiscal Office of the General Assembly (JFO) shall prepare, or hire a consultant to prepare, an analysis of the economic, budgetary, and fiscal costs and benefits of the Plan. JFO shall submit the analysis to the House Committees on Energy and Technology, on Natural Resources, Fish, and Wildlife, on Appropriations and on Transportation, to the Senate Committees on Finance, on Appropriations, on Natural Resources and Energy, and on Transportation, and to the Joint Carbon Emissions Reduction Committee.

Sec. 6. VERMONT CLIMATE COUNCIL; APPOINTMENT OF MEMBERS
AND FIRST MEETING

All members of the Vermont Climate Council established pursuant to section 10 V.S.A. § 591 shall be appointed within 60 days of the effective date of this act, and the Chair shall call the first meeting of the Council within 30 days after all members have been appointed.

* * * State Energy Policy and the Comprehensive Energy Plan * * *

Sec. 7. 30 V.S.A. § 202a is amended to read:

§ 202a. STATE ENERGY POLICY

It is the general policy of the State of Vermont:

(1) To ~~assure~~, ensure to the greatest extent practicable, that Vermont can meet its energy service needs in a manner that is adequate, reliable, secure, and sustainable; that ~~assures~~ ensures affordability and encourages the State's economic vitality, the efficient use of energy resources, and cost-effective demand-side management; and that is environmentally sound.

(2) To identify and evaluate, on an ongoing basis, resources that will meet Vermont's energy service needs in accordance with the principles of reducing greenhouse gas emissions and least-cost integrated planning; including efficiency, conservation, and load management alternatives; wise use of renewable resources; and environmentally sound energy supply.

(3) To meet Vermont's energy service needs in a manner that will achieve the greenhouse gas emissions reductions requirements pursuant to 10 V.S.A. § 578 and is consistent with the Vermont Climate Action Plan adopted and updated pursuant to 10 V.S.A. § 592.

Sec. 8. 30 V.S.A. § 202b is amended to read:

§ 202b. STATE COMPREHENSIVE ENERGY PLAN

(a) The Department of Public Service, in conjunction with other State agencies designated by the Governor, shall prepare a State Comprehensive Energy Plan covering at least a 20-year period. The Plan shall seek to implement the State energy policy set forth in section 202a of this title, including meeting the State's greenhouse gas emissions reductions requirements pursuant to 10 V.S.A. § 578, and shall be consistent with the relevant goals of 24 V.S.A. § 4302 and with the Vermont Climate Action Plan adopted and updated pursuant to 10 V.S.A. § 592. The State Comprehensive Energy Plan shall include:

* * *

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on passage.

House Proposals of Amendment

S. 352

An act relating to making certain amendments to the Front-Line Employees Hazard Pay Grant Program.

The House proposes to the Senate to amend the bill as follows:

First: In Sec. 3, 2020 Acts and Resolves No. 136, Sec. 14, by striking out subdivision (a)(1)(B) in its entirety and inserting in lieu thereof the following:

(B) a prospective workforce stabilization program for staff employed at family child care homes and center-based child care and preschool programs regulated by the Department for Children and Families for risks associated with elevated exposure to COVID-19;

Second: In Sec. 3, 2020 Acts and Resolves No. 136, Sec. 14, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) Once the Department has determined how the appropriation set forth in this section shall be distributed, but not later than August 18, 2020, it shall report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare regarding how the funds are to be distributed across programs Appropriations made pursuant to subdivision (a)(1)(B) of this section shall not occur until all allowable expenses for the purposes set forth in subdivisions (a)(1)(A), (C), and (D) of this section are allocated.

Third: In Sec. 3, 2020 Acts and Resolves No. 136, Sec. 14, by striking out subdivision (a)(1)(B) in its entirety and inserting in lieu thereof the following:

(B) a prospective workforce stabilization program for staff employed at Department-regulated family child care homes, center-based child care and preschool programs, and afterschool programs that are not otherwise serving as school-age child care hubs for risks associated with elevated exposure to COVID-19;

Fourth: In Sec. 1, 2020 Act and Resolves No. 136, Sec. 6, in subdivision (b)(2)(A), by striking out subdivisions (xiv) and (xv) and inserting in lieu thereof subdivisions (xiv) through (xvi) to read as follows:

(xiv) a traveling nurse agency or other business whose employees provide temporary or contract nursing services to or on behalf of a covered employer listed in subdivisions (i)–(v) and (vii)–(x) of this subdivision (b)(2)(A), provided that such an employer shall only be permitted to receive a grant to provide hazard pay to its eligible employees who provided nursing services to a covered employer listed in subdivisions (i)–(v) and (vii)–(x) of this subdivision (b)(2)(A) during the eligible period;

(xv) a cleaning or janitorial service that provides cleaning or janitorial services to a covered employer listed in subdivisions (i)–(v) and (vii)–(x) of this subdivision (b)(2)(A) in locations that are open to the general public or regularly used by the residents or patients of that covered employer, provided that such an employer shall only be permitted to receive a grant to provide hazard pay to its eligible employees who provided cleaning or janitorial services to another covered employer during the eligible period; or

(xvi) a food service provider that prepares and provides meals for residents or patients of a covered employer listed in subdivisions (i)–(v) and (vii)–(x) of this subdivision (b)(2)(A), provided that such an employer shall only be permitted to receive a grant to provide hazard pay to its eligible employees who provided food services to the residents or patients of a covered employer during the eligible period.

Fifth: In Sec. 1, 2020 Acts and Resolves No. 136, Sec. 6, by striking out subdivision (b)(4)(A)(iv) in its entirety and inserting in lieu thereof a new subdivision (b)(4)(A)(iv) to read as follows:

(iv) except in the case of employees of home health agencies and nursing homes, earns employees of an employer described in subdivision (2)(A)(xiv) of this subsection (b) that provides nursing services to or on behalf of a home health agency or nursing home, and resident physicians and dentists employed by an employer described in subdivision (2)(A)(v), earned an hourly base wage of \$25.00 or less during the eligible period;

Sixth: In Sec. 1, 2020 Acts and Resolves No. 136, Sec. 6, by striking out subdivision (c)(3) in its entirety and inserting in lieu thereof a new subdivision (c)(3) to read as follows:

(3) An eligible employee may elect not to receive hazard pay funded by a grant provided pursuant to the Program by providing notice to his or her employer pursuant to procedures adopted by the employer.

Seventh: In Sec. 1, 2020 Acts and Resolves No. 136, Sec. 6, in subdivision (c)(7), in the first sentence, by striking out the word “may” and inserting in lieu thereof the word shall

Eighth: In Sec. 1, 2020 Acts and Resolves No. 136, Sec. 6, by striking out subdivision (j)(1)(B) and inserting in lieu thereof a new subdivision (j)(1)(B) to read as follows:

(B) The notice sent to each potentially eligible employee pursuant to this subdivision (1) shall inform the individual that he or she is not required to apply for a grant.

Ninth: In Sec. 2, hazard pay; identification of former employees, in the first sentence, following the words “shall send notice to the covered employer” by striking out the words “that it may identify” and inserting in lieu thereof the words requesting that it identify

Proposal of amendment to S. 352 to be offered by Senator Kitchel

Senator Kitchel moves that the Senate concur in the House proposal of amendment with further proposal of amendment as follows:

In Sec. 1, 2020 Acts and Resolves No. 136, Sec. 6, by striking out subdivision (b)(4)(A)(iv) in its entirety and inserting in lieu thereof a new subdivision (b)(4)(A)(iv) to read as follows:

(iv) except in the case of employees of home health agencies and nursing homes, earns and employees of an employer described in subdivision (2)(A)(xiv) of this subsection (b) that provides nursing services to or on behalf of a home health agency or nursing home, earned an hourly base wage of \$25.00 or less during the eligible period;

S. 353

An act relating to expanding the Front-Line Employees Hazard Pay Grant Program.

The House proposes to the Senate to amend the bill as follows:

First: By striking out Sec. 1, 2020 Acts and Resolves No. 136, Sec. 6, and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 2020 Acts and Resolves No. 136, Sec. 6 is amended to read:

Sec. 6. FRONT-LINE EMPLOYEES HAZARD PAY GRANT PROGRAM

(a)(1) There is established in the Agency of Human Services the Front-Line Employees Hazard Pay Grant Program to administer and award grants to certain ~~public safety, public health, health care, and human services~~ employers whose employees were engaged in activities substantially dedicated to mitigating or responding to the COVID-19 public health emergency during the eligible period or were providing essential services to Vermonters.

* * *

(b) As used in this section:

(1) “Agency” means the Agency of Human Services.

(2)(A) “Covered employer” means an entity that employs one or more individuals in Vermont in relation to its operation of one of the following:

* * *

(xv) a cleaning or janitorial service that provides cleaning or janitorial services to a covered employer listed in subdivisions (i)–(v) and (vii)–(x) of this subdivision (b)(2)(A) in locations that are open to the general public or regularly used by the residents or patients of that covered employer, provided that such an employer shall only be permitted to receive a grant to provide hazard pay to its eligible employees who provided cleaning or janitorial services to another covered employer during the eligible period; or

(xvi) a food service provider that prepares and provides meals for residents or patients of a covered employer listed in subdivisions (i)–(v) and (vii)–(x) of this subdivision (b)(2)(A), provided that such an employer shall only be permitted to receive a grant to provide hazard pay to its eligible employees who provided food services to the residents or patients of a covered employer during the eligible period;

(xvii) a grocery store;

(xviii) a pharmacy;

(xix) a retailer identified as essential in Sec. 6, paragraphs f and h of Addendum 6 to Executive Order 01-20, provided that, during the eligible period, the retail establishment was open to the general public for in-person sales;

(xx) a wholesale distributor making deliveries to a retailer described in subdivisions (xvii)–(xix) of this subdivision (b)(2)(A);

(xxi) a trash collection, waste management, or septic service;

(xxii) an operator of a privately owned water pollution abatement and control facility, provided that such an employer shall only be permitted to receive a grant to provide hazard pay to its eligible employees who performed work in the water pollution abatement and control facility;

(xxiii) a child care facility as defined in 33 V.S.A. § 3511 that provided child care services to essential service providers pursuant to Directive 2 of Executive Order 01-20;

(xxiv) a vocational rehabilitation service provider;

* * *

(4)(A) “Eligible employee” means an individual who:

* * *

~~(C) “Eligible employee” does not include an individual who has received unemployment insurance benefits for any week during the eligible period.~~

~~(xxv) a funeral establishment or crematory establishment as defined in 26 V.S.A. § 1211; or~~

~~(xxvi) an agency licensed pursuant to 26 V.S.A. § 3172 that provides security services, as defined in 26 V.S.A. § 3151, to another covered employer, provided that such an employer shall only be permitted to receive a grant to provide hazard pay to its eligible employees who provided security services to another covered employer during the eligible period.~~

* * *

~~(i)(1) The definition of “covered employer” set forth in subdivision (b)(2) of this section shall be deemed to include to the types of employers listed in subdivision (b)(2) of this subsection to the extent permitted by federal law and any applicable guidance if either of the following occurs:~~

~~(A) the permissible uses of monies in the Coronavirus Relief Fund pursuant to Sec. 5001 of the CARES Act, Pub. L. No. 116-136, as amended, and any related guidance are expanded to permit the payment of hazard pay to employees of some or all of the types of employers listed in subdivision (2) of this subsection (i); or~~

~~(B) a federal program that grants money directly to the State, which may be used to provide hazard pay to employees of some or all of the types of employers listed in subdivision (2) of this subsection (i), is enacted.~~

~~(2) The following types of employers may be deemed to be included within the definition of “covered employer” set forth in subdivision (b)(2) of this section if the requirements of subdivision (1) of this subsection are met:~~

~~(A) a grocery store;~~

~~(B) a pharmacy;~~

~~(C) a retailer identified as essential in Sec. 6, paragraphs f and h of addendum 6 to Executive Order 01-20, provided that, during the eligible period, the majority of the retail establishment was open to the general public for in-person sales rather than curbside pickup or delivery;~~

~~(D) a wholesale distributor making deliveries to a retailer described in subdivisions (A)–(C) of this subdivision (i)(2);~~

~~(E) a trash collection or waste management service;~~

~~(F) a janitorial service that provides cleaning or janitorial services to another covered employer;~~

~~(G) a child care facility as defined in 33 V.S.A. § 3511 that is providing child care services to essential service providers pursuant to Directive 2 of Executive Order 01-20;~~

~~(H) a vocational rehabilitation service provider; or~~

~~(I) a funeral establishment or crematory establishment as defined in 26 V.S.A. § 1211.~~

Second: By striking out Sec. 4, effective date, in its entirety and inserting in lieu thereof Secs. 4 through 10 to read as follows:

Sec. 4. 21 V.S.A. § 1347 is amended to read:

§ 1347. NONDISCLOSURE OR MISREPRESENTATION

* * *

(e)(1) In addition to the foregoing, when it is found by the Commissioner finds that a person intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits and in the event the person is not prosecuted under section 1368 of this title and the penalty provided in section 1373 of this title is not imposed, the person shall be disqualified and shall not be entitled to receive benefits to which he or she would otherwise be entitled after the determination for such number of weeks not exceeding a period of not more than 26 weeks as the Commissioner shall deem deems just. The notice of determination shall also specify the period of disqualification imposed hereunder.

(2) During a state of emergency declared by the Governor in relation to a public health emergency or disaster that has caused the statewide seasonally adjusted unemployment rate for any month to rise to a level that is at least one percentage point above the average statewide seasonally adjusted unemployment rate for the previous 12 months, a period of disqualification imposed pursuant to subdivision (1) of this subsection (e) shall be temporarily suspended until the first full calendar week following the termination of the state of emergency. Nothing in this subdivision shall be construed to diminish the period of disqualification that a person shall be required to serve following the termination of the state of emergency.

* * *

Sec. 5. SUSPENSION OF PERIOD OF DISQUALIFICATION DURING
COVID-19 PUBLIC HEALTH EMERGENCY

Notwithstanding any provision of law to the contrary, during the state of emergency imposed pursuant to Executive Order 01-20, as amended, any period of disqualification imposed pursuant to 21 V.S.A. § 1347(e) shall be temporarily suspended until the first full calendar week following the termination of the state of emergency declared in relation to COVID-19 by Executive Order 01-20, as amended. Nothing in this section shall be construed to diminish a period of disqualification imposed pursuant to 21 V.S.A. § 1347.

Sec. 6. 21 V.S.A. § 1344 is amended to read:

§ 1344. DISQUALIFICATIONS

(a) An individual shall be disqualified for benefits:

* * *

(2) For any week benefits are claimed, except as provided in subdivision (a)(3) of this section, until he or she has presented evidence to the satisfaction of the Commissioner that he or she has performed services in employment for a bona fide employer and has had earnings in excess of six times his or her weekly benefit amount if the Commissioner finds that such individual is unemployed because:

* * *

(C) He or she has failed, without good cause, either to apply for available, suitable work when so directed by the employment office or the Commissioner, or to accept suitable work when offered him or her, or has during the course of a job interview for available employment made verbal statements ~~which~~ that are either untrue, show an unreasonable lack of interest, or are calculated to preclude an offer of work or a directive being made, or to return to his or her customary self-employment, if any, when so directed by the Commissioner. An individual shall not suffer more than one disqualification for these causes.

(D)(i) In determining whether or not any work or employment is suitable for an individual for purposes of this subdivision, the Commissioner shall consider the degree of risk involved to his or her health, safety, and morals, his or her physical fitness and prior training, his or her experience and prior earnings, his or her length of unemployment and prospects for securing local work in his or her customary occupation, and the distance of the available work from his or her residence.

(ii) Notwithstanding any other factors the Commissioner may consider in determining the degree of risk to an individual's health or safety, the Commissioner shall determine that work or employment that an individual has failed to apply for or declined to accept an offer for is not suitable for the individual based on the risk to his or her health or safety, or both, under the following circumstances:

(I) the individual is self-isolating or quarantining at the recommendation of a health care provider or pursuant to a specific recommendation, directive, or order issued by a public health authority with jurisdiction, the Governor, or the President for one of the following reasons:

(aa) the individual has been diagnosed with COVID-19;

(bb) the individual is experiencing the symptoms of COVID-19;

(cc) the individual has been exposed to COVID-19; or

(dd) the individual belongs to a specific class or group of persons that have been identified as being at high risk if exposed to or infected with COVID-19;

(II) there is an unreasonable risk that the individual could be exposed to or become infected with COVID-19 at the individual's place of employment;

(III) the individual is caring for or assisting a family member who is self-isolating or quarantining at the recommendation of a health care provider or pursuant to a specific recommendation, directive, or order issued by a public health authority with jurisdiction, the Governor, or the President for one of the following reasons:

(aa) the family member has been diagnosed with COVID-19;

(bb) the family member is experiencing the symptoms of COVID-19;

(cc) the family member has been exposed to COVID-19; or

(dd) the family member belongs to a specific class or group of persons that have been identified as being at high risk if exposed to or infected with COVID-19;

(IV) the individual is caring for or assisting a family member who has left employment because of an unreasonable risk that they could be exposed to or become infected with COVID-19 at their place of employment; or

(V) the individual is caring for a child under 18 years of age because the child's school or child care has been closed or the child care provider is unavailable due to a public health emergency related to COVID-19.

* * *

Sec. 7. 2020 Acts and Resolves No. 91, Sec. 33 is amended to read:

Sec. 33. 21 V.S.A. § 1344 is amended to read:

§ 1344. DISQUALIFICATIONS

(a) An individual shall be disqualified for benefits:

* * *

(2) For any week benefits are claimed, except as provided in subdivision (a)(3) of this section, until he or she has presented evidence to the satisfaction of the Commissioner that he or she has performed services in employment for a bona fide employer and has had earnings in excess of six times his or her weekly benefit amount if the Commissioner finds that such individual is unemployed because:

(A) He or she has left the employ of his or her last employing unit voluntarily without good cause attributable to such employing unit. An individual shall not suffer more than one disqualification by reason of such separation. However, an individual shall not be disqualified for benefits if:

(i) the individual left such employment to accompany a spouse who:

(i) is on active duty with the U.S. Armed Forces and is required to relocate due to permanent change of station orders, activation orders, or unit deployment orders, and when such relocation would make it impractical or impossible, as determined by the Commissioner, for the individual to continue working for such employing unit; or

(ii) holds a commission in the U.S. Foreign Service and is assigned overseas, and when such relocation would make it impractical or impossible, as determined by the Commissioner, for the individual to continue working for such employing unit;

~~(ii) the individual has left employment to self-isolate or quarantine at the recommendation of a healthcare provider, or pursuant to a specific~~

~~recommendation, directive, or order issued by a public health authority with jurisdiction, the Governor, or the President for one of the following reasons:~~

- ~~(I) the individual has been diagnosed with COVID-19;~~
- ~~(II) the individual is experiencing the symptoms of COVID-19;~~
- ~~(III) the individual has been exposed to COVID-19; or~~
- ~~(IV) the individual belongs to a specific class or group of persons that have been identified as being at high risk if exposed to or infected with COVID-19;~~

~~(iii) the individual has left employment because of an unreasonable risk that the individual could be exposed to or become infected with COVID-19 at the individual's place of employment;~~

~~(iv) the individual has left employment to care for or assist a family member of the individual who is self-isolating or quarantining at the recommendation of a healthcare provider or pursuant to a specific recommendation, directive, or order issued by a public health authority with jurisdiction, the Governor, or the President for one of the following reasons:~~

- ~~(I) the family member has been diagnosed with COVID-19;~~
- ~~(II) the family member is experiencing the symptoms of COVID-19;~~
- ~~(III) the family member has been exposed to COVID-19; or~~
- ~~(IV) the family member belongs to a specific class or group of persons that have been identified as being at high-risk if exposed to or infected with COVID-19;~~

~~(v) the individual has left employment to care for or assist a family member who has left employment because of an unreasonable risk that they could be exposed to or become infected with COVID-19 at their place of employment; or~~

~~(vi) the individual left such employment to care for a child under 18 years of age because the child's school or child care has been closed or the child care provider is unavailable due to a public health emergency related to COVID-19.~~

~~* * *~~

~~(G) As used in this subdivision (a)(2):~~

~~(i) "Family member" means an individual's parent, grandparent, spouse, child, brother, sister, parent-in-law, grandchild, or foster child. As~~

~~used in this subdivision (a)(2)(G)(i), “spouse” includes a domestic partner or civil union partner.~~

~~(ii) “An unreasonable risk that the individual could be exposed to or become infected with COVID-19 at the individual’s place of employment” shall include the individual’s place of employment being out of compliance with the Guidance on Preparing Workplaces for COVID-19 issued by the U.S. Occupational Safety and Health Administration (OSHA) or any similar guidance issued by OSHA, the U.S. Centers for Disease Control, or the Vermont Department of Health and any other conditions or factors that the Commissioner determines to create an unreasonable risk.~~

~~(H)(i) Except as otherwise provided pursuant to subdivision (2) of this subdivision (a)(2)(H), an unemployed individual who is eligible for benefits pursuant to subdivisions (2)(A)(ii)–(vi) of this subsection shall be ineligible for benefits under those subdivisions if the individual becomes eligible for benefits provided pursuant to:~~

~~(I) enacted federal legislation that amends or establishes a federal program providing benefits for unemployed individuals that are similar to the benefits provided pursuant to subdivisions (2)(A)(ii)–(vi); or~~

~~(II) a national emergency declared by the President that results in the provision of benefits pursuant to Disaster Unemployment Assistance, Emergency Unemployment Compensation, Extended Unemployment Compensation, or any similar type program.~~

~~(ii) An individual who is receiving benefits pursuant to a federal program as set forth in subdivision (i) of this subdivision (a)(2)(H) shall not receive benefits pursuant to subdivisions (2)(A)(ii)–(vi) of this subsection except when and to the extent that the benefits provided by the applicable federal program are different from or are not in lieu of the benefits that are available pursuant to subdivisions (2)(A)(ii)–(vi) of this subsection, in which case the benefits provided under subdivisions (2)(A)(ii)–(vi) of this subsection shall continue.~~

~~(iii) Nothing in this subdivision (a)(2)(H) shall be construed to prevent an individual from receiving benefits pursuant to subdivisions (2)(A)(ii)–(vi) of this subsection if the individual’s employer refuses or fails to pay the individual for leave under the federal Emergency Family and Medical Leave Expansion Act or the federal Emergency Paid Sick Leave Act.~~

~~* * *~~

(D)(i) In determining whether or not any work or employment is suitable for an individual for purposes of this subdivision, the Commissioner shall consider the degree of risk involved to his or her health, safety, and morals, his or her physical fitness and prior training, his or her experience and prior earnings, his or her length of unemployment and prospects for securing local work in his or her customary occupation, and the distance of the available work from his or her residence.

~~(ii) Notwithstanding any other factors the Commissioner may consider in determining the degree of risk to an individual's health or safety, the Commissioner shall determine that work or employment that an individual has failed to apply for or declined to accept an offer for is not suitable for the individual based on the risk to his or her health or safety, or both, under the following circumstances:~~

~~(I) the individual is self-isolating or quarantining at the recommendation of a health care provider or pursuant to a specific recommendation, directive, or order issued by a public health authority with jurisdiction, the Governor, or the President for one of the following reasons:~~

~~(aa) the individual has been diagnosed with COVID-19;~~

~~(bb) the individual is experiencing the symptoms of COVID-19;~~

~~(cc) the individual has been exposed to COVID-19; or~~

~~(dd) the individual belongs to a specific class or group of persons that have been identified as being at high-risk if exposed to or infected with COVID-19;~~

~~(II) there is an unreasonable risk that the individual could be exposed to or become infected with COVID-19 at the individual's place of employment;~~

~~(III) the individual is caring for or assisting a family member who is self-isolating or quarantining at the recommendation of a health care provider or pursuant to a specific recommendation, directive, or order issued by a public health authority with jurisdiction, the Governor, or the President for one of the following reasons:~~

~~(aa) the family member has been diagnosed with COVID-19;~~

~~(bb) the family member is experiencing the symptoms of COVID-19;~~

~~(cc) the family member has been exposed to COVID-19; or~~

~~(dd) the family member belongs to a specific class or group of persons that have been identified as being at high-risk if exposed to or infected with COVID-19;~~

~~(IV) the individual is caring for or assisting a family member who has left employment because of an unreasonable risk that they could be exposed to or become infected with COVID-19 at their place of employment; or~~

~~(V) the individual is caring for a child under 18 years of age because the child's school or child care has been closed or the child care provider is unavailable due to a public health emergency related to COVID-19.~~

* * *

(5) For any week in which the individual is receiving or has received remuneration in the form of:

* * *

~~(F) Sick pay or pay received pursuant to the federal Emergency Family and Medical Leave Expansion Act or the federal Emergency Paid Sick Leave Act.~~

* * *

Sec. 8. UNEMPLOYMENT INSURANCE RATE SCHEDULE FOR BENEFIT YEAR BEGINNING JULY 1, 2021

(a) Notwithstanding any provision of 21 V.S.A. § 1326 to the contrary, the unemployment insurance contribution rate schedule for the benefit year beginning on July 1, 2021 shall not be more than two schedules higher than the contribution rate schedule for the previous benefit year.

(b) The provisions of this section shall not apply if, on April 15, 2021, the balance of the Unemployment Insurance Trust Fund is either below \$90,000,000.00 or projected to drop below that amount on or before December 31, 2021.

Sec. 9. UNEMPLOYMENT INSURANCE; BASE OF CONTRIBUTIONS FOR 2021

(a) Notwithstanding 21 V.S.A. § 1321(b), the base of contributions for calendar year 2021 shall be the same amount as for calendar year 2020.

(b) On or before March 15, 2021, the Commissioner of Labor shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs that provides an assessment and recommendation regarding whether the base of contributions for calendar year 2022 can be reduced to the amount that, but for the provisions of subsection (a) of this section, it would have been set at for calendar year 2021 pursuant to the provisions of 21 V.S.A. § 1321(b).

Sec. 10. EFFECTIVE DATE

This act shall take effect on passage.

Report of Committee of Conference

S. 54.

An act relating to the regulation of cannabis.

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House Bill entitled:

S.54. An act relating to the regulation of cannabis

Respectfully reports that it has met and considered the same and recommends that the House recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Title Redesignation * * *

Sec. 1. Title 7 of the V.S.A. is redesignated to read:

7. ALCOHOLIC BEVERAGES, CANNABIS, AND TOBACCO

* * * Cannabis Generally; Cannabis Control Board * * *

Sec. 2. 7 V.S.A. chapter 31 is added to read:

CHAPTER 31. CANNABIS

Subchapter 1. General Provisions

§ 831. DEFINITIONS

As used in this chapter:

(1) “Board” means the Cannabis Control Board.

(2)(A) “Cannabis” means all parts of the plant Cannabis sativa L., except as provided by subdivision (B) of this subdivision (2), whether growing or harvested, and includes:

- (i) the seeds of the plant;
- (ii) the resin extracted from any part of the plant; and
- (iii) any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.

(B) “Cannabis” does not include:

- (i) the mature stalks of the plant and fiber produced from the stalks;
- (ii) oil or cake made from the seeds of the plant;
- (iii) any compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, fiber, oil, or cake;
- (iv) the sterilized seed of the plant that is incapable of germination; or
- (v) hemp or hemp products, as defined in 6 V.S.A. § 562.

(3) “Cannabis product” means concentrated cannabis and a product that is composed of cannabis and other ingredients and is intended for use or consumption, including an edible product, ointment, and tincture. Cannabis product shall include a vaporizer cartridge containing cannabis oil that is intended for use with a battery-powered device.

(4) “Chair” means the chair of the Cannabis Control Board.

(5) “Criminal history record” shall have the same meaning as in 20 V.S.A. § 2056a(a).

(6) “Public place” means any street, alley, park, sidewalk, public building other than individual dwellings, any place of public accommodation as defined in 9 V.S.A. § 4501, and any place where the use or possession of a lighted tobacco product, tobacco product, or tobacco substitute is prohibited by law pursuant to 18 V.S.A. chapter 37.

§ 832. CANNABIS POSSESSED UNLAWFULLY SUBJECT TO SEIZURE AND FORFEITURE

Cannabis possessed unlawfully in violation of this title may be seized by law enforcement and is subject to forfeiture.

§ 833. CONSUMPTION OF CANNABIS IN A PUBLIC PLACE

No person shall consume cannabis in a public place unless specifically authorized by law. Violations shall be punished in accordance with 18 V.S.A. § 4230a.

Subchapter 2. Cannabis Control Board

§ 841. CANNABIS CONTROL BOARD; APPOINTMENT

(a) When a vacancy occurs on the Cannabis Control Board, the Governor shall make a public announcement about the vacancy. The Governor shall submit at least five names of potential candidates per vacancy to the Cannabis Control Board Nominating Committee for review.

(b) The Committee shall review the candidates to determine which candidates are well-qualified for appointment to the Board and shall recommend those candidates to the Governor. The names of candidates shall be confidential.

(c) The Governor shall appoint, with the advice and consent of the Senate, a chair and two members of the Board from the list of well-qualified candidates sent to the Governor by the Committee.

§ 842. CANNABIS CONTROL BOARD NOMINATING COMMITTEE

(a) Creation. The Cannabis Control Board Nominating Committee is created for the purpose of assessing the qualifications of applicants for appointment to the Cannabis Control Board in accordance with section 841 of this title.

(b) Members. The Committee shall consist of seven members who shall be selected as follows:

(1) The Governor shall appoint three members from the Executive Branch.

(2) The Speaker of the House of Representatives shall appoint two members from the House of Representatives.

(3) The Senate Committee on Committees shall appoint two members from the Senate.

(c) Duties. When the Governor submits the names of candidates for appointment to the Cannabis Control Board in accordance with section 841 of this title, the Committee shall review candidates to determine which candidates are well-qualified for the Board and submit those names to the Governor.

(d) Terms. The members of the Committee shall serve for terms of two years. Members shall serve until their successors are appointed. Members shall serve not more than three consecutive terms in any capacity. A legislative member who is appointed as a member of the Committee shall retain the position for the term for which he or she was appointed to the

Committee even if the member is subsequently not reelected to the General Assembly during the member's term on the Committee.

(e) Chair. The members shall elect their own chair.

(f) Quorum. A quorum of the Committee shall consist of four members.

(g) Staff and services. The Committee is authorized to use the staff and services of appropriate State agencies and departments as necessary to conduct investigations of applicants.

(h) Confidentiality. Except as provided in subsection (i) of this section, proceedings of the Committee, including the names of candidates considered by the Committee and information about any candidate submitted by the Governor, shall be confidential. The provisions of 1 V.S.A. 317(e) (expiration of Public Records Act exemptions) shall not apply to the exemptions or confidentiality provisions in this subsection.

(i) Public information. The following shall be public:

(1) operating procedures of the Committee;

(2) standard application forms and any other forms used by the Committee, provided they do not contain personal information about a candidate or confidential proceedings;

(3) all proceedings of the Committee prior to the Board's receipt of the first candidate's completed application; and

(4) at the time the Committee sends the names of the candidates to the Governor, the total number of applicants for the vacancies and the total number of candidates sent to the Governor.

(j) Reimbursement. Legislative members of the Committee shall be entitled to per diem compensation and reimbursement for expenses in accordance with 2 V.S.A. § 406. Compensation and reimbursement shall be paid from the legislative appropriation.

§ 843. CANNABIS CONTROL BOARD; DUTIES; MEMBERS

(a) Creation. There is created within the Executive Branch an independent commission named the Cannabis Control Board for the purpose of safely, equitably, and effectively implementing and administering the laws enabling access to adult-use cannabis in Vermont.

(b) Duties. The duties of the Board shall be:

(1) rulemaking in accordance with this chapter, chapters 33–37 of this title, and 3 V.S.A. chapter 25;

(2) administration of a program for licensed cannabis establishments, which shall include compliance and enforcement;

(3) administration of the Medical Cannabis Registry on and after March 1, 2022;

(4) administration of a program for licensed medical cannabis dispensaries, which shall include compliance and enforcement, on and after March 1, 2022; and

(5) submission of an annual budget to the Governor.

(c) Membership.

(1) The Board shall be composed of a chair and two members appointed by the Governor in accordance with sections 841 and 842 of this title.

(2) All Board members shall serve for a term of three years or until a successor is appointed and shall be eligible for reappointment, provided that no member may serve more than three terms.

(3) A vacancy created before the expiration of a term shall be filled in the same manner as the original appointment for the unexpired portion of the term. A member appointed to fill a vacancy created before the expiration of a term shall not be deemed to have served a term for the purpose of subdivision (2) of this subsection.

(4) A member may be removed only for cause by the remaining members of the Commission in accordance with the Vermont Administrative Procedure Act.

(d) Conflicts of interest.

(1) No Board member shall, during his or her term or terms on the Board, be an officer of, director of, organizer of, employee of, consultant to, or attorney for any person subject to regulation by the Board.

(2) No Board member shall participate in creating or applying any law, rule, or policy or in making any other determination if the Board member, individually or as a fiduciary, or the Board member's spouse, parent, or child wherever residing or any other member of the Board member's family residing in his or her household has an economic interest in the matter before the Board or has any more than a de minimus interest that could be substantially affected by the proceeding.

(3) No Board member shall, during his or her term or terms on the Board, solicit, engage in negotiations for, or otherwise discuss future employment or a future business relationship of any kind with any person subject to supervision or regulation by the Board.

(4) No Board member may appear before the Board or any other State agency on behalf of a person subject to supervision or regulation by the Board for a period of one year following his or her last day as a member of the Cannabis Control Board.

(e) Salaries. The Chair and all members of the Board shall be full-time State employees and shall be exempt from the State classified system. The Chair shall receive compensation equal to two-thirds that of a Superior Court Judge and other members shall receive compensation equal to one-half that of a Superior Court Judge.

(f) Executive Director. The Board shall appoint an Executive Director who shall be an attorney with experience in legislative or regulatory matters. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:

(1) supervising and administering the operation and implementation of this chapter and chapters 35 and 37 of this title and the rules adopted by the Board as directed by the Board;

(2) assisting the Board in its duties and administering the licensing requirements of this chapter and chapters 35 and 37 of this title;

(3) acting as Secretary to the Board, but as a nonvoting member of the Board;

(4) employing such staff as may be required to carry out the functions of the Board; and

(5) preparing an annual budget for submission to the Board.

(g) Consultant. The Board is authorized to hire a consultant as needed to assist with its duties under this section.

(h) Advisory committee.

(1) There is an advisory committee established within the Board that shall be composed of members with expertise and knowledge relevant to the Board's mission. The advisory committee shall be composed of the following 12 members:

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

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

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

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

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

(F) one member with an expertise in substance misuse prevention appointed by the Senate Committee on Committees;

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

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

(I) one member with an expertise in municipal issues appointed by the Treasurer;

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

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

(L) the Secretary of Natural Resources or designee.

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

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

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

§ 844. AUTHORITY FOR CRIMINAL BACKGROUND CHECKS

The Board shall establish a user agreement with the Vermont Crime Information Center in accordance with 20 V.S.A. chapter 117 for the purpose of obtaining Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation as required by chapters 33 (cannabis establishments) and 37 (medical cannabis dispensaries) of this title.

§ 845. CANNABIS REGULATION FUND

(a) There is established the Cannabis Regulation Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall be maintained by the Cannabis Control Board.

(b) The Fund shall be composed of:

(1) all State application fees, annual license fees, renewal fees, and civil penalties collected by the Board pursuant to chapters 33 (cannabis establishments) and 37 (medical cannabis dispensaries) of this title; and

(2) all annual and renewal fees collected by the Board pursuant to chapter 35 (medical cannabis registry) of this title.

(c) Monies from the fund shall only be appropriated for the purposes of implementation, administration, and enforcement of this chapter and chapter 33 of this title.

§ 846. FEES

(a) The Board shall have the authority to charge and collect State and local license fees as provided under this chapter and chapter 33 of this title. State and local license fees shall be due and payable at the time of application or renewal.

(b) The Board shall deposit State fees into the Cannabis Regulation Fund.

(c) After reduction for costs of administration and collection, the Board shall pay local license fees on a quarterly basis to the municipality in which the fees were collected.

§ 847. APPEALS

(a)(1) A party aggrieved by a final decision of the Board may, within 30 days of the decision, appeal that decision by filing a notice of appeal with the Executive Director who shall assign the case to an appellate officer.

(2)(A) The review shall be conducted on the basis of the record created before the Board.

(B) In cases of alleged irregularities in procedure before the Board not shown in the record, proof on that issue may be taken by the appellate officer.

(b) The appellate officer shall not substitute his or her judgment for that of the Board as to the weight of the evidence on questions of fact. The appellate officer may affirm the decision or may reverse and remand the matter with recommendations if substantial rights of the appellant have been prejudiced because the Board's finding, inferences, conclusions, or decisions are:

(1) in violation of constitutional or statutory provisions;

(2) in excess of the statutory authority of the Board;

(3) made upon unlawful procedure;

(4) affected by other error of law;

(5) clearly erroneous in view of the evidence on the record as a whole;

(6) arbitrary or capricious; or

(7) characterized by abuse of discretion or clearly unwarranted exercise of discretion.

(c) A party aggrieved by a decision of the appellate officer may appeal to the Supreme Court, which shall review the matter on the basis of the records created before the Board.

(d) The Board shall have the authority to contract for the services of an appellate officer.

Sec. 3. IMPLEMENTATION OF THE CANNABIS CONTROL BOARD

(a) The Cannabis Control Board, created in Sec. 2 of this act, is established.

(b) Appointments to the Cannabis Control Board Nominating Committee shall be made on or before November 1, 2020.

(c) The Governor shall send the names of candidates to the Committee on or before November 4, 2020.

(d) The Committee shall send the names of well-qualified candidates to the Governor on or before December 18, 2020.

(e) The Governor shall appoint members to the Board on or before January 8, 2021.

(f) The Senate shall take up the issue of confirmation of the Governor's appointments to the Board on or before January 15, 2021

(g) Board members shall begin their terms on January 19, 2021.

(h)(1) In order to stagger the terms of the members of the Board, the initial terms of those members shall be as follows:

(A) the Chair shall serve for a three-year term;

(B) one member shall serve for a two-year term; and

(C) one member shall serve for a one-year term.

(2) After the expiration of the initial terms set forth in subdivision (1) of this subsection, Board member terms shall be as set forth in 7 V.S.A. § 843.

Sec. 4. IMPLEMENTATION OF RULEMAKING BY THE CANNABIS CONTROL BOARD

On or before June 1, 2021, the Cannabis Control Board shall initiate rulemaking for cannabis establishments pursuant to 7 V.S.A. § 881, the Medical Cannabis Registry pursuant to 7 V.S.A. § 952, and medical cannabis dispensaries pursuant to 7 V.S.A. § 974.

Sec. 5. CANNABIS CONTROL BOARD REPORT TO THE GENERAL ASSEMBLY; PROPOSAL FOR POSITIONS, FEES, AND APPROPRIATIONS FOR FISCAL YEARS 2022 AND 2023; LAND USE, ENVIRONMENTAL, ENERGY, AND EFFICIENCY REQUIREMENTS OR STANDARDS; ADVERTISING; OUTREACH, TRAINING, AND EMPLOYMENT PROGRAMS; ONLINE ORDERING AND DELIVERY; ADDITIONAL TYPES OF LICENSES

(a) On or before April 1, 2021, the Executive Director of the Cannabis Control Board shall provide recommendations to the General Assembly on the following:

(1) Resources necessary for implementation of this act for fiscal years 2022 and 2023, including positions and funding. The Board shall consider utilization of current expertise and resources within State government and cooperation with other State departments and agencies where there may be an overlap in duties.

(2) State fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The State fees submitted in accordance with this subdivision shall be projected to be sufficient to fund the duties of the Cannabis Control Board as provided in 7 V.S.A. § 843. To the extent possible, the recommend fees shall include an amount to repay over a period, not greater

than 10 years, to the General Fund any application of excise taxes to the Cannabis Regulation Fund made pursuant to Sec. 6c of this act.

(A) Application fees, initial annual license fees, and annual license renewal fees for each type of cannabis establishment license as provided in 7 V.S.A. § 846: cultivator, product manufacturer, wholesaler, retailer, testing laboratory, and integrated. If the Board establishes tiers within a licensing category, it shall provide a fee recommendation for each tier.

(B) Fee for a cannabis establishment identification card as provided in 7 V.S.A. § 884.

(3) Whether monies expected to be generated by State fees identified in subdivision (2) of this subsection are sufficient to support the statutory duties of the Board and whether any portion of the tax established pursuant to 32 V.S.A. § 7902 should be allocated to the Cannabis Regulation Fund to ensure these duties are met.

(4) Local fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The Board shall recommend local fees that are designed to help defray the costs incurred by municipalities in which cannabis establishments are located.

(b) On or before April 1, 2021, the Executive Director of the Cannabis Control Board, after consultation with the Secretary of Natural Resources, the Chair of the Natural Resources Board, and the Secretary of Agriculture, Food and Markets, shall recommend to the General Assembly exemptions, specific criteria, or additional requirements under applicable State or local environmental or land use law for cannabis establishments in the State. The recommendations shall address whether additional groundwater quality requirements are required for the cultivation of cannabis in order to protect the groundwater resources of the State from overuse. The Executive Director may provide the recommendations based on a tier, type, or category of cannabis cultivation or cannabis establishment.

(c) On or before April 1, 2021, the Executive Director of the Cannabis Control Board, after consultation with the Commissioner of Public Service and the Chair of the Public Utility Commission, shall recommend to the General Assembly energy or efficiency requirements or standards for the operation of cannabis establishments in the State. The recommendations shall include:

(1) recommended building energy standards for cannabis establishments if different from existing commercial building standards;

(2) recommended energy audits for cannabis establishments, including the recommended frequency of audits and who should perform the audits; and

(3) energy efficiency and conservation measures applicable to cannabis establishments.

(d) In making the recommendations required under subsections (b) and (c) of this section, the Executive Director of the Cannabis Control Board shall recommend the permits, licenses, or standards that a licensed cannabis cultivator or cannabis product manufacturer shall demonstrate, as a condition of licensure, or as a condition for licensure renewal if such standards are not established prior to initial licensure.

(e) On or before April 1, 2021, the Executive Director of the Cannabis Control Board shall submit to the General Assembly the Board's recommendation whether licensed cannabis product manufacturers and dispensaries should be considered food manufacturing establishments or food processors pursuant to 18 V.S.A. § 4301(7) for the purpose of licensing and regulation by the Department of Health.

(f) The Executive Director of the Cannabis Control Board, in consultation with the Office of the Attorney General and the Department of Health, shall develop a proposal for advertising for both the adult-use and medical cannabis programs established in this act. The proposal shall reflect the General Assembly's priorities of not promoting cannabis use, limiting exposure of cannabis advertising to persons under 21 years of age, and ensuring consumer protection and public safety. The proposal shall take into consideration constitutional protections for commercial speech that may exist regarding the cannabis market. The Board shall report its recommendations to the General Assembly on or before April 1, 2021.

(g) On or before January 15, 2022, the Executive Director of the Cannabis Control Board shall submit to the General Assembly:

(1) a summary of its work with the Department of Labor, Agency of Commerce and Community Development, the Department of Corrections, and the Director of Racial Equity to develop outreach, training, and employment programs focused on providing economic opportunities to individuals who historically have been disproportionately impacted by cannabis prohibition;

(2) a summary of the experience of other jurisdictions with regulated cannabis markets that allow licensed retail cannabis establishments to accept online ordering for in-store pick-up of items and to deliver to customers and the advantages and disadvantages of allowing such services in Vermont;

(3) recommendations as to whether the General Assembly should consider adding additional types of cannabis licenses, including a craft cooperative license, delivery license, or special event license;

(4) recommendations as to whether cannabis and cannabis products should have a minimum amount of cannabidiol to aid in the prevention of the cannabis-induced psychosis that occurs in some users of cannabis and cannabis products; and

(5) recommendations regarding the display and sale of cannabis-related paraphernalia that is sold by persons who are not licensed as a cannabis establishment or a dispensary.

Sec. 6. CANNABIS CONTROL BOARD; POSITIONS

The following new permanent positions are created in the Cannabis Control Board:

- (1) three full-time, exempt members of the Board;
- (2) one full-time, exempt Executive Director of the Board; and
- (3) one full-time, classified Administrative Assistant.

Sec. 6a. BUILDINGS AND GENERAL SERVICES; SPACE ALLOCATION

The Commissioner of Buildings and General Services shall allocate space for the Cannabis Control Board established in Sec. 2 of this act. This space shall be allocated on or before January 19, 2021.

Sec. 6b. APPROPRIATION

In fiscal year 2021, \$650,000.00 is appropriated from the Cannabis Regulation Fund to the Cannabis Control Board. This appropriation is made in anticipation of receipts in the Fund.

Sec. 6c. CONTINGENT CANNABIS REGULATION FUND DEFICIT OFFSET; REPAYMENT

(a) To the extent that the Cannabis Regulation Fund has a negative balance at the close of the fiscal year 2022, proceeds in that amount from the tax established in 32 V.S.A. § 7901 in fiscal year 2023 shall be deposited into the Cannabis Regulation Fund.

(b) To the extent that a positive balance exists in the Cannabis Regulation Fund at the close of any fiscal year and any application of excise taxes to the Cannabis Regulation Fund made pursuant to subsection (a) of this section has not been fully repaid to the General Fund, the positive Cannabis Regulation Fund balance shall be transferred to the General Fund.

(c) Thirty percent of any transfers made to the General Fund pursuant to subsection (b) of this section or subdivision 5(a)(2) of Sec. 5 of this act shall be allocated to substance misuse prevention activities consistent with Sec. 19 of this act.

Sec. 6d. AUDITOR OF ACCOUNTS REPORT

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

Sec. 6e. REPEAL OF CANNABIS CONTROL BOARD

The following are repealed on July 1, 2024:

(1) 7 V.S.A. § 841 (Cannabis Control Board; appointment);

(2) 7 V.S.A. § 842 (Cannabis Control Board Nominating Committee);
and

(3) 7 V.S.A. § 843 (Cannabis Control Board; members; duties).

* * * Cannabis Establishments * * *

Sec. 7. 7 V.S.A. chapter 33 is added to read:

CHAPTER 33. CANNABIS ESTABLISHMENTS

Subchapter 1. General Provisions

§ 861. DEFINITIONS

As used in this chapter:

(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 cannabis establishment pursuant to this chapter.

(3) “Board” means the Cannabis Control Board.

(4) “Cannabis” shall have the same meaning as provided in section 831 of this title.

(5) “Cannabis cultivator” or “cultivator” means a person licensed by the Board to engage in the cultivation of cannabis in accordance with this chapter.

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

(7) “Cannabis product” shall have the same meaning as provided in section 831 of this title.

(8) “Cannabis product manufacturer” or “product manufacturer” means a person licensed by the Board to manufacture cannabis products in accordance with this chapter.

(9) “Cannabis retailer” or “retailer” means a person licensed by the Board to sell cannabis and cannabis products to adults 21 years of age and older for off-site consumption in accordance with this chapter.

(10) “Cannabis testing laboratory” or “testing laboratory” means a person licensed by the Board to test cannabis and cannabis products in accordance with this chapter.

(11) “Cannabis wholesaler” or “wholesaler” means a person licensed by the Board to purchase, process, transport, and sell cannabis and cannabis products in accordance with this chapter.

(12) “Chair” means the Chair of the Cannabis Control Board.

(13) “Characterizing flavor” means a taste or aroma, other than the taste or aroma of cannabis, imparted either prior to or during consumption of a cannabis product. The term includes tastes or aromas relating to any fruit, chocolate, vanilla, honey, maple, candy, cocoa, dessert, alcoholic beverage, mint, menthol, wintergreen, herb or spice, or other food or drink or to any conceptual flavor that imparts a taste or aroma that is distinguishable from cannabis flavor but may not relate to any particular known flavor.

(14) “Child-resistant packaging” means packaging that is designed or constructed to be significantly difficult for children under five years of age to open or obtain a toxic or harmful amount of the substance in the container within a reasonable time and not difficult for normal adults to use properly, but does not mean packaging that all children under five years of age cannot open or obtain a toxic or harmful amount of the substance in the container within a reasonable time.

(15) “Controls,” “is controlled by,” and “under common control” mean the power to direct, or cause the direction or management and policies of a person, whether through the direct or beneficial ownership of voting securities, by contract, or otherwise. A person who directly or beneficially owns 10 percent or more equity interest, or the equivalent thereof, of another person shall be deemed to control the person.

(16) “Dispensary” means a business organization licensed pursuant to chapter 37 of this title or 18 V.S.A. chapter 86.

(17) “Enclosed, locked facility” means a building, room, greenhouse, outdoor fenced-in area, or other location that is enclosed on all sides and prevents cannabis from easily being viewed by the public. The facility shall be equipped with locks or other security devices that permit access only by:

(A) Employees, agents, or owners of the cultivator, all of whom shall be 21 years of age or older.

(B) Government employees performing their official duties.

(C) Contractors performing labor that does not include cannabis cultivation, packaging, or processing. Contractors shall be accompanied by an employee, agent, or owner of the cultivator when they are in areas where cannabis is being grown, processed, packaged, or stored.

(D) Registered employees of other cultivators, members of the media, elected officials, and other individuals 21 years of age or older visiting the facility, provided they are accompanied by an employee, agent, or owner of the cultivator.

(18) “Flavored oil cannabis product” means any oil cannabis product that contains an additive to give it a characterizing flavor.

(19) “Integrated licensee” means a person licensed by the Board to engage in the activities of a cultivator, wholesaler, product manufacturer, retailer, and testing laboratory in accordance with this chapter.

(20) “Municipality” means a town, city, or incorporated village.

(21) “Person” shall include any natural person; corporation; municipality; the State of Vermont or any department, agency, or subdivision of the State; and any partnership, unincorporated association, or other legal entity.

(22) “Plant canopy” means the square footage dedicated to live plant production and does not include areas such as office space or areas used for the storage of fertilizers, pesticides, or other products.

(23) “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.

(24) “Small cultivator” means a cultivator with a plant canopy or space for cultivating plants for breeding stock of not more than 1,000 square feet.

§ 862. NOT APPLICABLE TO HEMP OR THERAPEUTIC USE OF CANNABIS

This chapter applies to the regulation of cannabis establishments by the Board and shall not apply to activities regulated by 6 V.S.A. chapter 34 (hemp), 18 V.S.A. chapter 86 (therapeutic use of cannabis), or chapters 35 (Medical Cannabis Registry) and 37 (cannabis medical dispensaries) of this title.

§ 863. REGULATION BY LOCAL GOVERNMENT

(a)(1) Prior to a cannabis retailer or an integrated licensee operating within a municipality, the municipality shall affirmatively permit the operation of such cannabis establishments by majority vote of those present and voting by Australian ballot at an annual or special meeting warned for that purpose. A municipality may place retailers or integrated licensees, or both, on the ballot for approval.

(2) A vote to permit the operation of a licensed cannabis retailer or integrated licensee within the municipality shall remain in effect until rescinded by majority vote of those present and voting by Australian ballot at a subsequent annual or special meeting warned for that purpose. A rescission of the permission to operate a licensed cannabis retailer or integrated licensee within the municipality under this subdivision shall not apply to a licensed cannabis retailer or integrated licensee that is operating within the municipality at the time of the vote.

(b) A municipality that hosts any cannabis establishment may establish a cannabis control commission composed of commissioners who may be members of the municipal legislative body. The local cannabis control commission may issue and administer local control licenses under this subsection for cannabis establishments within the municipality. The commissioners may condition the issuance of a local control license upon compliance with any bylaw adopted pursuant to 24 V.S.A. § 4414 or ordinances regulating signs or public nuisances adopted pursuant to 24 V.S.A. § 2291. The commission may suspend or revoke a local control license for a violation of any condition placed upon the license. The Board shall adopt rules relating to a municipality’s issuance of a local control license in accordance with this subsection and the local commissioners shall administer the rules furnished to them by the Board as necessary to carry out the purposes of this section.

(c) Prior to issuing a license to a cannabis establishment under this chapter, the Board shall ensure that the applicant has obtained a local control license from the municipality, if required.

(d) A municipality shall not:

(1) prohibit the operation of a cannabis establishment within the municipality through an ordinance adopted pursuant to 24 V.S.A. § 2291 or a bylaw adopted pursuant to 24 V.S.A. § 4414;

(2) condition the operation of a cannabis establishment, or the issuance or renewal of a municipal permit to operate a cannabis establishment, on any basis other than the conditions in subsection (b) of this section; and

(3) exceed the authority granted to it by law to regulate a cannabis establishment.

§ 864. [Reserved]

§ 865. EDUCATION

(a) A licensee shall complete an enforcement seminar every three years conducted by the Board. A license shall not be renewed unless the records of the Board show that the licensee has complied with the terms of this subsection.

(b) A licensee shall ensure that each employee involved in the sale of cannabis or cannabis products to the public completes a training program approved by the Board prior to selling cannabis or cannabis products and at least once every 24 months thereafter. The training shall include information about the health effects of the use of cannabis and cannabis products. A licensee shall keep a written record of the type and date of training for each employee, which shall be signed by each employee. A licensee may comply with this requirement by conducting its own training program on its premises, using information and materials furnished by the Board. A licensee who fails to comply with the requirements of this section shall be subject to a suspension of not less than one day of the license issued under this chapter.

§ 866. YOUTH

(a) A cannabis establishment licensed pursuant to this chapter shall not dispense or sell cannabis to a person under 21 years of age or employ a person under 21 years of age. The Board may assess civil penalties against or suspend or revoke the license of a cannabis establishment that dispenses or sells cannabis or cannabis products to a person under 21 years of age.

(b) A cannabis establishment shall not permit a person under 21 years of age to enter a building or enclosure on the premises where cannabis is located. This subsection shall not apply to a registered patient visiting a dispensary even if that dispensary is located in a building that is located on the same premises of a cannabis establishment.

(c) The Board, in consultation with the Department of Health, shall adopt rules in accordance with section 881 of this title to:

(1) prohibit cannabis products or the packaging of such products that are designed to make the product more appealing to persons under 21 years of age;

(2) prohibit the packaging of cannabis and cannabis products that is designed to make the product more appealing to persons under 21 years of age;

(3) require that cannabis products sold by licensed retailers and integrated licensees are contained in child-resistant packaging; and

(4) require that cannabis and cannabis products sold by licensed retailers and integrated licensees are packaged with labels that clearly indicate that the contents of the package contain cannabis and should be kept away from persons under 21 years of age.

§ 867. STANDARD SYMBOL FOR CANNABIS

The Board shall create a standard symbol that shall be used on all cannabis and cannabis products sold by a licensed cannabis retailer to indicate that the contents of a package contain cannabis.

§ 868. PROHIBITED PRODUCTS

(a) The following are prohibited products and may not be cultivated, produced or sold pursuant to a license issued under this chapter:

(1) cannabis flower with greater than 30 percent tetrahydrocannabinol;

(2) solid concentrate cannabis products with greater than 60 percent tetrahydrocannabinol;

(3) oil cannabis products except for those that are sold prepackaged for use with battery-powered devices;

(4) flavored oil cannabis products sold prepackaged for use with battery-powered devices and any cannabis flower that contains characterizing flavor that is not naturally occurring in the cannabis;

(5) cannabis products that contain delta-9 tetrahydrocannabinol and nicotine or alcoholic beverages; and

(6) any cannabis, cannabis products, or packaging of such items that are designed to make the product more appealing to persons under 21 years of age.

§ 869. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND USE STANDARDS

(a)(1) A cannabis establishment shall not be regulated as “farming” under the Required Agricultural Practices, 6 V.S.A. chapter 215, or other State law, and cannabis produced from cultivation shall not be considered an agricultural product or agricultural crop for the purposes of 32 V.S.A. chapter 124, 32 V.S.A. § 9741, or other relevant State law.

(2) Notwithstanding subdivision (1) of this subsection, the cultivation of cannabis on agricultural land and the use of farm buildings to dry or process that cannabis shall not disqualify the land or buildings from the use value appraisal program or constitute “development” under 32 V.S.A. § 3752(5), provided that:

(A) the agricultural land or farm building is enrolled in the use value appraisal program at the time cannabis cultivation commences;

(B) the agricultural land or farm building is not transferred to another owner;

(C) the cultivation, drying, or processing of cannabis is done by a licensed small cultivator on 1,000 square feet or less of agricultural land; and

(D) all other requirements under 32 V.S.A. chapter 124 continue to be met.

(b) The cultivation, processing, and manufacturing of cannabis regulated under this chapter shall comply with all applicable State, federal, and local environmental, energy, or public health law, unless otherwise provided under this chapter.

(c) A cannabis establishment regulated under this chapter shall be subject to regulation under 24 V.S.A. chapter 117 as authorized by this chapter.

(d)(1) The cultivation, processing, and manufacturing of cannabis regulated under this chapter shall comply with the following sections of the Required Agricultural Practices:

(A) section 6, regarding conditions, restriction, and operating standards;

(B) section 8, regarding groundwater quality and groundwater quality investigations; and

(C) section 12, regarding subsurface tile drainage.

(2) Application of or compliance with the Required Agricultural Practices under subdivision (1) of this subsection shall not be construed to provide a presumption of compliance with or exemption to any applicable State, federal, and local environmental, energy, public health, or land use law required under subsections (b) and (c) of this section.

(e) Persons cultivating cannabis or handling pesticides for the purposes of the manufacture of cannabis products shall comply with the worker protection standard of 40 C.F.R. part 170.

Subchapter 2. Administration

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

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

(1) Rules concerning any cannabis establishment shall include:

(A) the form and content of license and renewal applications;

(B) qualifications for licensure that are directly and demonstrably related to the operation of a cannabis establishment, including:

(i) a requirement to submit an operating plan, which shall include information concerning:

(I) the type of business organization, the identity of its controlling owners and principals, and the identity of the controlling owners and principals of its affiliates; and

(II) the sources, amount, and nature of its capital, assets, and financing; the identity of its financiers; and the identity of the controlling owners and principals of its financiers;

(ii) a requirement to file an amendment to its operating plan in the event of a significant change in organization, operation, or financing; and

(iii) the requirement for a fingerprint-based criminal history record check and regulatory record check pursuant to section 883 of this title;

(C) oversight requirements, including provisions to ensure that a licensed establishment complies with State and federal regulatory requirements governing insurance, securities, workers' compensation, unemployment insurance, and occupational health and safety;

(D) inspection requirements;

(E) records to be kept by licensees and the required availability of the records;

- (F) employment and training requirements;
- (G) security requirements, including any appropriate lighting, physical security, video, and alarm requirements;
- (H) health and safety requirements;
- (I) regulation of additives to cannabis and cannabis products, including those that are toxic or designed to make the product more addictive, more appealing to persons under 21 years of age, or to mislead consumers;
- (J) procedures for seed-to-sale traceability of cannabis, including any requirements for tracking software;
- (K) regulation of the storage and transportation of cannabis;
- (L) sanitary requirements;
- (M) procedures for the renewal of a license, which shall allow renewal applications to be submitted up to 90 days prior to the expiration of the cannabis establishment's license;
- (N) procedures for suspension and revocation of a license;
- (O) requirements for banking and financial transactions, including provisions to ensure that the Board, the Department of Financial Regulation, and financial institutions have access to relevant information concerning licensed establishments to comply with State and federal regulatory requirements;
- (P) disclosure or eligibility requirements for a financier, its owners and principals, and its affiliates, which may include:
 - (i) requirements to disclose information to a licensed establishment, the Board, or the Department of Financial Regulation;
 - (ii) a minimum age requirement and a requirement to conduct a background check for natural persons;
 - (iii) requirements to ensure that a financier complies with applicable State and federal laws governing financial institutions, licensed lenders, and other financial service providers; and
 - (iv) any other requirements, conditions, or limitations on the type or amount of loans or capital investments made by a financier or its affiliates, which the Board, in consultation with the Department of Financial Regulation, determines is necessary to protect the public health, safety, and general welfare; and

(Q) policies and procedures for conducting outreach and promoting participation in the regulated cannabis market by diverse groups of individuals, including those who have been disproportionately harmed by cannabis prohibition.

(2)(A) Rules concerning cultivators shall include:

(i) creation of a tiered system of licensing based on the plant canopy size of the cultivation operation or plant count for breeding stock;

(ii) pesticides or classes of pesticides that may be used by cultivators, provided that any rules adopted under this subdivision shall comply with and shall be at least as stringent as the Agency of Agriculture, Food and Markets' Vermont Pesticide Control Regulations;

(iii) standards for indoor cultivation of cannabis;

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

(v) labeling requirements for cannabis sold to retailers and integrated licensees, including health warnings developed in consultation with the Department of Health;

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

(vii) facility inspection requirements and procedures.

(B) The Board shall consider the different needs and risks of small cultivators when adopting rules and shall make an exception or accommodation to such rules for cultivators of this size where appropriate.

(3) Rules concerning product manufacturers shall include:

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

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

(ii) cannabis products sold to a dispensary pursuant to 18 V.S.A. chapter 86 and regulations issued pursuant to that chapter;

(B) requirements that cannabis products are labeled in a manner that states the number of servings of tetrahydrocannabinol in the product, measured in servings of a maximum of five milligrams per serving, except:

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

(ii) cannabis products sold to a dispensary pursuant to 18 V.S.A. chapter 86 and regulations issued pursuant to that chapter;

(C) requirements that cannabis products are labeled with the date the product was manufactured, the date the product is best used by, the ingredients contained in the product, information on the length of time it typically takes for products to take effect, and appropriate warnings developed by the Board in consultation with the Department of Health;

(D) requirements that a cannabis product is clearly identifiable with a standard symbol adopted by the Board indicating that it contains cannabis;

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

(F) requirements for opaque, child-resistant packaging.

(4) Rules concerning wholesalers shall include any provisions the Board has not addressed in subdivision (a)(1) of this section that are appropriate for safe regulation of wholesalers in accordance with this chapter.

(5) Rules concerning retailers shall include:

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

(B) restrictions that cannabis shall be stored behind a counter or other barrier to ensure a customer does not have direct access to the cannabis;

(C) requirements that if the retailer sells hemp or hemp products, the hemp and hemp products are clearly labeled as such and displayed separately from cannabis and cannabis products;

(D) requirements for opaque, child-resistant packaging of cannabis and cannabis products at point of sale to customer; and

(E) facility inspection requirements and procedures.

(6) Rules concerning testing laboratories shall include:

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

(B) reporting requirements, including requirements for chain-of-custody record keeping; and

(C) procedures for destruction of all cannabis and cannabis products samples.

(7) Rules concerning integrated licensees shall include the provisions provided in subdivisions (1)–(6) of this subsection and any additional provisions the Board deems appropriate for safe regulation of integrated licensees in accordance with this chapter.

(b) The Board shall consult with other State agencies and departments as necessary in the development and adoption of rules where there is shared expertise and duties.

§ 882. SUSPENSION AND REVOCATION OF LICENSES; CIVIL PENALTIES

(a) The Board shall have the authority to suspend or revoke a cannabis establishment license for violations of this chapter in accordance with rules adopted pursuant to this chapter.

(b) The Board shall have authority to issue civil citations for violations of this chapter in accordance with rules adopted pursuant to this chapter. Any proposed rule under this section shall include the full, minimum, and waiver penalty amounts for each violation.

§ 883. CRIMINAL BACKGROUND RECORD CHECKS; APPLICANTS

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

(b) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a cannabis establishment license because of his or her criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify an applicant.

§ 884. CANNABIS ESTABLISHMENT IDENTIFICATION CARD

(a) Every owner, principal, and employee of a cannabis establishment shall obtain an identification card issued by the Board.

(b)(1) Prior to issuing the identification card, the Board shall obtain from the Vermont Crime Information Center a copy of the person's Vermont fingerprint-based criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation.

(2) The Board shall adopt rules that set forth standards for determining whether a person should be denied a cannabis establishment identification card because of his or her criminal history record based on factors that demonstrate

whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify an applicant.

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

(d) An identification card shall expire one year after its issuance or upon the expiration of the cannabis establishment's license, whichever occurs first.

Subchapter 3. Licenses

§ 901. GENERAL PROVISIONS

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

(b) All licenses shall be valid for one year and expire at midnight on the eve of the anniversary of the date the license was issued. A licensee may apply to renew the license annually.

(c) Applications for licenses and renewals shall be submitted on forms provided by the Board and shall be accompanied by the fees provided for in section 909 of this title.

(d)(1) There shall be six types of licenses available:

- (A) a cultivator license;
- (B) a wholesaler license;
- (C) a product manufacturer license;
- (D) a retailer license;
- (E) a testing laboratory license; and
- (F) an integrated license.

(2)(A) The Board shall develop tiers for:

(i) cultivator licenses based on the plant canopy size of the cultivation operation or plant count for breeding stock; and

(ii) retailer licenses.

(B) The Board may develop tiers for other types of licenses.

(3)(A) Except as provided in subdivision (B) of this subdivision (3), an applicant and its affiliates may obtain a maximum of one type of each type of license as provided in subdivisions (1)(A)–(E) of this subsection (d). Each license shall permit only one location of the establishment.

(B) An applicant and its affiliates that are a dispensary registered pursuant to 18 V.S.A. chapter 86 may obtain one integrated license provided in subdivision (1)(F) of this subsection (d) or a maximum of one of each type of license provided in subdivisions (1)(A)–(E) of this subsection (d). An integrated licensee may not hold a separate cultivator, wholesaler, product manufacturer, retailer, or testing laboratory license. An integrated license shall permit only one location for each of the types of activities permitted by the license: cultivation, wholesale operations, product manufacturing, retail sales, and testing.

(e) A dispensary that obtains a retailer license or an integrated license pursuant to this chapter shall maintain the dispensary and retail operations in a manner that protects patient and caregiver privacy in accordance with rules adopted by the Board.

(f) Each licensee shall obtain and maintain commercial general liability insurance in accordance with rules adopted by the Board. Failure to provide proof of insurance to the Board, as required, may result in revocation of the license.

(g) All licenses may be renewed according to procedures adopted through rulemaking by the Board.

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

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

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

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

§ 902. LICENSE QUALIFICATIONS AND APPLICATION PROCESS

(a) An applicant, principal of an applicant, and person who owns or controls an applicant, who is a natural person:

(1) shall be 21 years of age or older; and

(2) shall consent to the release of his or her criminal and administrative history records.

(b) As part of the application process, each applicant shall submit, in a format prescribed by the Board, an operating plan. The Board shall adopt rules regarding the required components of an application for each type of license.

(c) The Board shall obtain a fingerprint-based 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:

(1) the applicant;

(2) each proposed principal; and

(3) each individual who would control the business.

(d) An applicant who is denied a license may appeal the Board's determination in accordance with section 847 of this title.

§ 903. PRIORITIES; BUSINESS AND TECHNICAL ASSISTANCE

(a) The Board shall issue licenses pursuant to this chapter as determined according to a system of priorities adopted by rule by the Board. The system of priorities shall require consideration of criteria, including:

(1) whether the applicants have an existing medical cannabis dispensary license in good standing;

(2) whether the applicants would foster social justice and equity in the cannabis industry by being a minority or women-owned business;

(3) whether the applicants propose specific plans to recruit, hire, and implement a development ladder for minorities, women, or individuals who have historically been disproportionately impacted by cannabis prohibition;

(4) whether applicants propose specific plans to pay employees a living wage and offer benefits;

(5) whether the project incorporates principles of environmental resiliency or sustainability, including energy efficiency; and

(6) the geographic distribution of cannabis establishments based on population and market needs.

(b) The Agency of Commerce and Community Development, in collaboration with the Agency of Agriculture, Food and Markets, shall provide

business and technical assistance to Vermont applicants with priority for services based on criteria adopted by the Board in accordance with subsection (a) of this section.

(c) No later than September 1, 2021, the Board shall begin working with the Department of Labor, Agency of Commerce and Community Development, the Department of Corrections, and the Director of Racial Equity to develop outreach, training, and employment programs focused on providing economic opportunities to individuals who historically have been disproportionately impacted by cannabis prohibition.

§ 904. CULTIVATOR LICENSE

(a) A cultivator licensed under this chapter may cultivate, process, package, label, transport, test, and sell cannabis to a licensed wholesaler, product manufacturer, retailer, integrated licensee, and dispensary.

(b) Cultivation of cannabis shall occur only in an enclosed, locked facility.

(c) Representative samples of each lot or batch of cannabis intended for human consumption shall be tested for safety and potency in accordance with rules adopted by the Board.

(d) Each cultivator shall create packaging for its cannabis.

(1) Packaging shall include:

(A) The name and registration number of the cultivator.

(B) The strain and variety of cannabis contained.

(C) The potency of the cannabis represented by the amount of tetrahydrocannabinol and cannabidiol in milligrams total and per serving.

(D) A “produced on” date reflecting the date that the cultivator finished producing the cannabis.

(E) Appropriate warnings as prescribed by the Board in rule.

(F) Any additional requirements contained in rules adopted by the Board in accordance with this chapter. Rules shall take into consideration that different labeling requirements may be appropriate depending on whether the cannabis is sold to a wholesaler, product manufacturer, or retailer.

(2) Packaging shall not be designed to appeal to persons under 21 years of age.

(e)(1) Only unadulterated cannabis shall be offered for sale. If, upon inspection, the Board finds any violative pesticide residue or other

contaminants of concern, the Board shall order the cannabis, either individually or in blocks, to be:

- (A) put on stop-sale;
- (B) treated in a particular manner; or
- (C) destroyed according to the Board's instructions.

(2) Cannabis ordered destroyed or placed on stop-sale shall be clearly separable from salable cannabis. Any order shall be confirmed in writing within seven days. The order shall include the reason for action, a description of the cannabis affected, and any recommended treatment.

(3) A person may appeal an order issued pursuant to this section within 15 days after receiving the order. The appeal shall be made in writing and in accordance with section 847 of this title and shall clearly identify the cannabis affected and the basis for the appeal.

§ 904a. SMALL CULTIVATORS

(a) It is the intent of the General Assembly to move as much of the illegal cannabis market as possible into the regulated market for the purposes of consumer protection and public safety. It is also the intent of the General Assembly to encourage participation in the regulated cannabis market by small, local farmers. In furtherance of these goals, the Board shall consider policies to promote small cultivators as defined in section 861 of this title.

(b) The application for small cultivator licenses shall be prioritized over larger cultivation licenses during the initial application period.

(c) In accordance with subdivision 881(a)(2)(B) of this chapter, the Board shall consider the different needs and risks of small cultivators when adopting rules and shall make an exception or accommodation to such rules for cultivators of this size where appropriate, provided that the rules shall not provide for an exception or accommodation to the requirements of section 869 of this title.

(d) Upon licensing, a small cultivator may sell cannabis to a licensed dispensary at any time for sale to patients and caregivers pursuant to the dispensary license or to the public pursuant to an integrated license, including the time period before retail sales are permitted for licensed cannabis retailers.

§ 905. WHOLESALER LICENSE

A wholesaler licensed under this chapter may:

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

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

§ 906. PRODUCT MANUFACTURER LICENSE

A product manufacturer licensed under this chapter may:

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

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

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

§ 907. RETAILER LICENSE

(a) A retailer licensed under this chapter may:

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

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

(b) In a single transaction, a retailer may provide one ounce of cannabis or the equivalent in cannabis products, or a combination thereof, to a person 21 years of age or older upon verification of a valid government-issued photograph identification card.

(c)(1) Packaging shall include:

(A) the strain and variety of cannabis contained;

(B) the potency of the cannabis represented by the amount of tetrahydrocannabinol and cannabidiol in milligrams total and per serving;

(C) a “produced on” date reflecting the date that the cultivator finished producing the cannabis;

(D) appropriate warnings as prescribed by the Board in rule; and

(E) any additional requirements contained in rules adopted by the Board in accordance with this chapter.

(2) Packaging shall not be designed to appeal to persons under 21 years of age.

(d) A retailer shall display a safety information flyer at the point of purchase and offer a customer a copy of the flyer with each purchase. A retailer shall inform the customer that if the customer elects not to receive the flyer, the information contained in the flyer is available on the website for the Board. The flyer shall be developed by the Board in consultation with the Department of Health, posted on the Board's website, and supplied to the retailer free of charge. At a minimum, the flyer or flyers shall contain information concerning the methods for administering cannabis, the amount of time it may take for cannabis products to take effect, the risks of driving under the influence of cannabis, the potential health risks of cannabis use, the symptoms of problematic usage, how to receive help for cannabis abuse, and a warning that cannabis possession is illegal under federal law.

(e) Internet ordering and delivery of cannabis to customers are prohibited.

§ 908. TESTING LABORATORY LICENSE

(a) A testing laboratory licensed under this chapter may acquire, possess, analyze, test, and transport cannabis and cannabis products obtained from a licensed cannabis establishment, dispensary, or a member of the public.

(b) Testing may address the following:

- (1) residual solvents;
- (2) poisons or toxins;
- (3) harmful chemicals;
- (4) dangerous molds, mildew, or filth;
- (5) harmful microbials, such as E. coli or salmonella;
- (6) pesticides; and
- (7) tetrahydrocannabinol and cannabidiol potency.

(c) A testing laboratory shall have a written procedural manual made available to employees to follow meeting the minimum standards set forth in rules detailing the performance of all methods employed by the facility used to test the analytes it reports.

(d) In accordance with rules adopted pursuant to this chapter, a testing laboratory shall establish a protocol for recording the chain of custody of all cannabis samples.

(e) A testing laboratory shall establish, monitor, and document the ongoing review of a quality assurance program that is sufficient to identify problems in the laboratory systems when they occur.

(f) A cannabis establishment that is subject to testing requirements under this chapter or rules adopted pursuant to this chapter shall have its cannabis or cannabis products tested by an independent licensed testing laboratory and not a licensed testing laboratory owned or controlled by the license holder of the cannabis establishment.

§ 909. INTEGRATED LICENSE

(a) An integrated license shall allow the licensee to engage in the activities of a cultivator, wholesaler, product manufacturer, retailer, and testing laboratory as provided in sections 904–908 of this title.

(b) An integrated license is only available to an applicant and its affiliates that hold a dispensary registration on April 1, 2022. There shall be no more than five total integrated licenses, one for each registered dispensary. Upon compliance with all application procedures and requirements, the Board shall issue an integrated license to the applicant. The licensee shall have the right to renew the license in accordance with rules adopted by the Board.

Sec. 8. IMPLEMENTATION OF LICENSING CANNABIS ESTABLISHMENTS

(a)(1) The cannabis plant, cannabis product, and useable cannabis possession limits for a registered dispensary set forth in 18 V.S.A. chapter 86 shall no longer apply on and after February 1, 2022. A dispensary shall be permitted to cultivate cannabis and manufacture cannabis products for the purpose of transferring or selling such products to an integrated licensee on or after April 1, 2022 and engaging in the activities permitted by 7 V.S.A. chapter 33.

(2) On or before April 1, 2022, the Board shall begin accepting applications for integrated licenses.

(3) On or before May 1, 2022, the Board shall begin issuing integrated licenses to qualified applicants. An integrated licensee may begin selling cannabis and cannabis products transferred or purchased from a dispensary immediately.

(b)(1) On or before April 1, 2022, the Board shall begin accepting applications for small cultivator licenses and testing laboratories. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before May 1, 2022, the Board shall begin issuing small cultivator and testing laboratories licenses to qualified applicants. Upon licensing, small cultivators shall be permitted to sell cannabis legally grown pursuant to the license to an integrated licensee and a dispensary licensed pursuant to 18 V.S.A. chapter 86 prior to other types of cannabis establishment licensees beginning operations.

(c)(1) On or before May 1, 2022, the Board shall begin accepting applications for all cultivator licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before June 1, 2022, the Board shall begin issuing all cultivator licenses to qualified applicants.

(d)(1) On or before July 1, 2022, the Board shall begin accepting applications for product manufacturer licenses and wholesaler licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before August 1, 2022, the Board shall begin issuing product manufacturer and wholesaler licenses to qualified applicants.

(e)(1) On or before September 1, 2022, the Board shall begin accepting applications for retailer licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before October 1, 2022, the Board shall begin issuing retailer licenses to qualified applicants and sales of cannabis and cannabis products by licensed retailers to the public shall be allowed immediately.

* * * Medical Cannabis Registry * * *

Sec. 9. 7 V.S.A. chapter 35 is added to read:

CHAPTER 35. MEDICAL CANNABIS REGISTRY

§ 951. DEFINITIONS

As used in this chapter:

(1) “Board” means the Cannabis Control Board.

(2) “Cannabis” has the same meaning as provided in section 831 of this title.

(3) “Cannabis product” has the same meaning as provided in section 831 of this title.

(4) “Dispensary” means a business organization licensed pursuant to chapter 37 of this title or 18 V.S.A. chapter 86.

(5)(A) “Health care professional” means an individual licensed to practice medicine under 26 V.S.A. chapter 23 or 33, an individual licensed as a naturopathic physician under 26 V.S.A. chapter 81, an individual certified as a physician assistant under 26 V.S.A. chapter 31, or an individual licensed as an advanced practice registered nurse under 26 V.S.A. chapter 28.

(B) This definition includes individuals who are professionally licensed under substantially equivalent provisions in New Hampshire, Massachusetts, or New York.

(6) “Immature cannabis plant” means a female cannabis plant that has not flowered and that does not have buds that may be observed by visual examination.

(7) “Mature cannabis plant” means a female cannabis plant that has flowered and that has buds that may be observed by visual examination.

(8) “Qualifying medical condition” means:

(A) cancer, multiple sclerosis, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, glaucoma, Crohn’s disease, Parkinson’s disease, 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.

(9) “Registry” means the Vermont Medical Cannabis Registry.

§ 952. REGISTRY

(a) The Board shall establish and manage the Vermont Medical Cannabis Registry for the purpose of allowing persons with qualifying medical conditions and their caregivers to obtain privileges regarding cannabis and cannabis product possession, use, cultivation, and purchase.

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

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

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

(3) Purchase cannabis and cannabis products at a licensed medical cannabis dispensary. Pursuant to chapter 37 of this title, a dispensary may offer goods and services that are not permitted at a cannabis establishment licensed pursuant to chapter 33 of this title.

(c)(1) Individual names and identifying information about patients and caregivers on the Registry are exempt from public inspection and copying under the Public Records Act and shall be kept confidential. Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this subsection shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).

(2) In response to a person-specific or property-specific inquiry by a law enforcement officer or agency made in the course of a bona fide investigation or prosecution, the Board may verify the identities and registered property addresses of the registered patient and the patient's registered caregiver. The law enforcement officer or agency shall keep confidential any identities and addresses received pursuant to this subdivision.

(d) The Board shall establish an application process through rulemaking. The Board shall approve or deny the application for registration in writing within 30 days from receipt of a completed registration application.

§ 953. PATIENTS

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

(b) An application by a person under 18 years of age shall be signed by both the applicant and the applicant's parent or guardian.

§ 954. CAREGIVERS

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

(b)(1) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a caregiver card because of his or her criminal history record. An applicant shall not be denied solely on the basis of a criminal conviction that is not listed in 13 V.S.A. chapter 25 or 28.

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

(c) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a cannabis establishment license because of his or her criminal history record

(d)(1) Except as provided in subdivision (2) of this subsection, a caregiver shall serve only one patient at a time, and a patient shall have only one registered caregiver at a time. A patient may serve as a caregiver for one other patient.

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

§ 955. REGISTRATION; FEES

(a) A registration card shall expire one year after the date of issuance. A patient or caregiver may renew the card according to protocols adopted by the Board.

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

§ 956. RULEMAKING

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

Sec. 10. IMPLEMENTATION OF MEDICAL CANNABIS REGISTRY

(a) On March 1, 2022, patients and caregivers who are on the Department of Public Safety’s Medical Marijuana Registry pursuant to 18 V.S.A. chapter 86 shall transfer to the Cannabis Control Board’s Medical Cannabis Registry pursuant to 7 V.S.A. chapter 35. At such time, those patients and caregivers will be entitled to the privileges afforded registrants under 7 V.S.A. chapter 35 and rules adopted by the Board pursuant to 7 V.S.A. chapter 35.

(b) The registration card of a patient or caregiver who transfers to the new Registry shall expire on the date of the registration card and a patient or caregiver who wishes to continue participation on the Registry shall renew the registration card under rules adopted by the Board.

Sec. 11. REPEAL

18 V.S.A. chapter 86 (therapeutic use of cannabis) is repealed.

* * * Medical Cannabis Dispensaries * * *

Sec. 12. 7 V.S.A. chapter 37 is added to read:

CHAPTER 37. MEDICAL CANNABIS DISPENSARIES

§ 971. INTENT; PURPOSE

(a) It is the intent of the General Assembly to provide a well-regulated system of licensed medical cannabis dispensaries for the purpose of providing cannabis, cannabis products, and related services to patients and caregivers who are registered on the Medical Cannabis Registry pursuant to chapter 35 of this title. Vermont first authorized dispensaries in 2011, and it is the intent of the General Assembly that dispensaries continue to provide unique goods and services to registered patients and caregivers for therapeutic purposes in a market that also allows cannabis establishments licensed pursuant to chapter 33 of this title.

(b) A dispensary licensed pursuant to this chapter may engage in practices that are not permitted for a cannabis establishment. As such, a dispensary may:

- (1) be vertically integrated under one license;
- (2) sell tax-free cannabis and cannabis products to patients and caregivers;
- (3) deliver cannabis and cannabis products to patients and caregivers;
- (4) allow patients and caregivers to purchase cannabis and cannabis products without leaving their vehicles;

(5) produce and sell cannabis and cannabis products that have a higher THC content than is permitted for a cannabis establishment;

(6) produce and sell cannabis products that may not otherwise be permitted for a cannabis establishment, but that would be appropriate for use by a patient as determined by the Board through rulemaking; and

(7) sell larger quantities of cannabis and cannabis products than is permitted for a cannabis establishment.

§ 972. DEFINITIONS

As used in this chapter:

(1) “Board” means the Cannabis Control Board.

(2) “Cannabis” has the same meaning as provided in section 831 of this title.

(3) “Cannabis product” has the same meaning as provided in section 831 of this title.

(4) “Dispensary” means a business organization licensed under this chapter or 18 V.S.A. chapter 86.

(5) “Registry” means the Vermont Medical Cannabis Registry.

§ 973. DISPENSARY LICENSE

(a) A dispensary licensed pursuant to this chapter may:

(1) cultivate, package, label, test, and transport cannabis;

(2) produce, package, label, test, and transport cannabis products;

(3) sell and deliver cannabis and cannabis products to patients and caregivers registered under chapter 35 of this title;

(4) acquire, purchase, or borrow cannabis, cannabis products, and services from another licensed Vermont medical cannabis dispensary or give, sell, or lend cannabis, cannabis products, and services to another licensed Vermont medical cannabis dispensary; and

(5) purchase cannabis and cannabis products from a cannabis establishment licensed pursuant to chapter 33 of this title.

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

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

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

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

§ 974. RULEMAKING

(a)(1) The Board shall adopt rules to implement and administer this chapter. In adoption of rules, the Board shall strive for consistency with rules adopted for cannabis establishments pursuant to chapter 33 of this title where appropriate. No rule shall be more restrictive than any rule adopted by the Department of Public Safety pursuant to 18 V.S.A. chapter 86.

(2) Rules shall include:

(A) the form and content of license and renewal applications;

(B) qualifications for licensure that are directly and demonstrably related to the operation of a dispensary, including:

(i) a requirement to submit an operating plan, which shall include information concerning:

(I) the type of business organization; the identity of its controlling owners and principals; and the identity of the controlling owners and principals of its affiliates; and

(II) the sources, amount, and nature of its capital, assets, and financing; the identity of its financiers; and the identity of the controlling owners and principals of its financiers;

(ii) a requirement to file an amendment to its operating plan in the event of a significant change in organization, operation, or financing; and

(iii) the requirement for a fingerprint-based criminal history record check and regulatory record check pursuant to section 975 of this title;

(C) oversight requirements, including provisions to ensure that a licensed establishment complies with State and federal regulatory requirements governing insurance, securities, workers' compensation, unemployment insurance, and occupational health and safety;

(D) facility inspection requirements and procedures;

(E) records to be kept by licensees and the required availability of the records;

(F) employment and training requirements;

(G) security requirements, including any appropriate lighting, physical security, video, and alarm requirements;

(H) health and safety requirements;

(I) regulation of additives to cannabis and cannabis products, including those that are toxic or designed to make the product more addictive, more appealing to persons under 21 years of age, or to mislead consumers;

(J) procedures for seed-to-sale traceability of cannabis, including any requirements for tracking software;

(K) regulation of the storage and transportation of cannabis;

(L) sanitary requirements;

(M) procedures for the renewal of a license, which shall allow renewal applications to be submitted up to 90 days prior to the expiration of the cannabis establishment's license;

(N) procedures for suspension and revocation of a license;

(O) requirements for banking and financial transactions, including provisions to ensure that the Board, the Department of Financial Regulation, and financial institutions have access to relevant information concerning licensed establishments to comply with State and federal regulatory requirements;

(P) disclosure or eligibility requirements for a financier, its owners and principals, and its affiliates, which may include:

(i) requirements to disclose information to a licensed establishment, the Board, or the Department of Financial Regulation;

(ii) a minimum age requirement and a requirement to conduct a background check for natural persons;

(iii) requirements to ensure that a financier complies with applicable State and federal laws governing financial institutions, licensed lenders, and other financial service providers; and

(iv) any other requirements, conditions, or limitations on the type or amount of loans or capital investments made by a financier or its affiliates, which the Board, in consultation with the Department of Financial Regulation, determines is necessary to protect the public health, safety, and general welfare;

(Q) policies and procedures for conducting outreach and promoting participation in the regulated cannabis market by diverse groups of individuals, including those who have been disproportionately harmed by cannabis prohibition;

(R) pesticides or classes of pesticides that may be used by cultivators, provided that any rules adopted under this subdivision shall comply with and shall be at least as stringent as the Agency of Agriculture, Food and Markets' Vermont Pesticide Control Regulations;

(S) standards for indoor cultivation of cannabis;

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

(U) labeling requirements for cannabis sold to retailers and integrated licensees, including health warnings developed in consultation with the Department of Health;

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

(W) requirements that cannabis products are labeled in a manner that states the number of servings of tetrahydrocannabinol in the product, measured in servings of a maximum of five milligrams per serving, except cannabis products that are not consumable, including topical preparations;

(X) requirements that cannabis products are labeled with the date the product was manufactured, the date the product is best used by, the ingredients contained in the product, information on the length of time it typically takes for products to take effect, and appropriate warnings developed by the Board in consultation with the Department of Health;

(Y) requirements that a cannabis product is clearly identifiable with a standard symbol adopted by the Board indicating that it contains cannabis;

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

(AA) requirements for opaque, child-resistant packaging;

(BB) requirements for verification of a customer's Registry status;

(CC) restrictions that cannabis shall be stored behind a counter or other barrier to ensure a customer does not have direct access to the cannabis;

(DD) requirements that if the dispensary sells hemp or hemp products, the hemp and hemp products are clearly labeled as such and displayed separately from cannabis and cannabis products;

(EE) requirements for opaque, child-resistant packaging of cannabis and cannabis products at point of sale to customer;

(FF) facility inspection requirements and procedures;

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

(HH) reporting requirements, including requirements for chain-of-custody record keeping; and

(II) procedures for destruction of all cannabis and cannabis products samples.

(b) The Board shall consult with other State agencies and departments as necessary in the development and adoption of rules where there is shared expertise and duties.

§ 975. CRIMINAL BACKGROUND RECORD CHECKS; APPLICANTS

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

(b) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a medical cannabis dispensary license because of his or her criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify a candidate.

§ 976. DISPENSARY IDENTIFICATION CARD

(a) Every owner, principal, and employee of a dispensary shall obtain an identification card issued by the Board.

(b)(1) Prior to issuing the identification card, the Board shall obtain from the Vermont Crime Information Center a copy of the person's fingerprint-based Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation.

(2) The Board shall adopt rules that set forth standards for determining whether a person should be denied a medical cannabis dispensary identification card because his or her criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify a candidate.

(c) Once an identification card application has been submitted, a person may serve as an 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 Board shall issue a temporary permit to the person for this purpose, which shall expire upon the issuance of the identification card or disqualification of the person in accordance with this section.

(d) An identification card shall expire one year after its issuance or upon the expiration of the dispensary's license, whichever occurs first.

§ 977. FEES

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

- (1) application fees;
- (2) annual license fees; and
- (3) annual renewal fees.

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

§ 978. [Reserved]

§ 979. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND USE STANDARDS

(a)(1) A dispensary shall not be regulated as "farming" under the Required Agricultural Practices, 6 V.S.A. chapter 215, or other State law, and cannabis produced from cultivation shall not be considered an agricultural product or agricultural crop for the purposes of 32 V.S.A. chapter 124, 32 V.S.A. § 9741, or other relevant State law.

(2) Notwithstanding subdivision (1) of this subsection, the cultivation of cannabis on agricultural land and the use of farm buildings to dry or process that cannabis shall not disqualify the land or buildings from the use value appraisal program or constitute "development" under 32 V.S.A. § 3752(5), provided that:

(A) the agricultural land or farm building is enrolled in the use value appraisal program at the time cannabis cultivation commences;

(B) the agricultural land or farm building is not transferred to another owner;

(C) the cultivation, drying, or processing of cannabis is done by a license on 1,000 square feet or less of agricultural land; and

(D) all other requirements under 32 V.S.A. chapter 124 continue to be met.

(b) The cultivation, processing, and manufacturing of cannabis regulated under this chapter shall comply with all applicable State, federal, and local environmental, energy, or public health law, unless otherwise provided under this chapter.

(c) A dispensary regulated under this chapter shall be subject to regulation under 24 V.S.A. chapter 117 as authorized by this chapter.

(d)(1) The cultivation, processing, and manufacturing of cannabis regulated under this chapter shall comply with the following sections of the Required Agricultural Practices:

(A) section 6, regarding conditions, restriction, and operating standards;

(B) section 8, regarding groundwater quality and groundwater quality investigations; and

(C) section 12, regarding subsurface tile drainage.

(2) Application of or compliance with the Required Agricultural Practices under subdivision (1) of this subsection shall not be construed to provide a presumption of compliance with or exemption to any applicable State, federal, and local environmental, energy, public health, or land use law required under subsections (b) and (c) of this section.

(e) Persons cultivating cannabis or handling pesticides for the purposes of the manufacture of cannabis products shall comply with the worker protection standard of 40 C.F.R. part 170.

Sec. 13. IMPLEMENTATION OF MEDICAL CANNABIS REGISTRIES

(a) On March 1, 2022, regulation of medical marijuana dispensaries that are registered pursuant to 18 V.S.A. chapter 86 shall transfer from the Department of Public Safety to the Cannabis Control Board. At such time, those registered dispensaries shall operate pursuant to 7 V.S.A. chapter 37 and the rules adopted by the Board pursuant to chapter 37.

(b) The registration certificate of a dispensary that transfers to the Board shall expire on the date of issue of the certificate and a dispensary that wishes to continue operating as a dispensary shall apply to the Board for a dispensary license pursuant to 7 V.S.A. chapter 37 and the rules adopted by the Board pursuant to chapter 37.

* * * Creation of Excise Tax * * *

Sec. 14. 7 V.S.A. chapter 207 is added to read:

CHAPTER 207. CANNABIS EXCISE TAX

§ 7901. DEFINITIONS

As used in this chapter:

- (1) “Cannabis” has the same meaning as in section 831 of this title.
- (2) “Cannabis cultivator” has the same meaning as in section 861 of this title.
- (3) “Cannabis product” has the same meaning as in section 831 of this title.
- (4) “Cannabis product manufacturer” has the same meaning as in section 861 of this title.
- (5) “Cannabis retailer” has the same meaning as in section 861 of this title.
- (6) “Cannabis wholesaler” has the same meaning as in section 861 of this title.
- (7) “Integrated licensee” has the same meaning as in section 861 of this title.
- (8) “Retail sale” or “sold at retail” means any sale for any purpose other than for resale by a cannabis retailer or integrated licensee.
- (9) “Sales price” has the same meaning as in section 9701 of this title.

§ 7902. CANNABIS EXCISE TAX

- (a) There is imposed a cannabis excise tax equal to 14 percent of the sales price of each retail sale in this State of cannabis and cannabis products, including food or beverages.
- (b) The tax imposed by this section shall be paid by the purchaser to the retailer or integrated licensee. Each retailer or integrated licensee shall collect from the purchaser the full amount of the tax payable on each taxable sale.

(c) The tax imposed by this section is separate from and in addition to the general sales and use tax imposed by chapter 233 of this title. The tax imposed by this section shall not be part of the sales price to which the general sales and use tax applies. The cannabis excise tax shall be separately itemized from the general sales and use tax on the receipt provided to the purchaser.

(d) The following sales shall be exempt from the tax imposed under this section:

(1) sales under any circumstances in which the State is without power to impose the tax; and

(2) sales made by any dispensary as authorized under 7 V.S.A. chapter 37, provided that the cannabis or cannabis product is sold only to registered qualifying patients directly or through their registered caregivers.

§ 7903. LIABILITY FOR TAX

(a) Any tax collected in accordance with this chapter shall be deemed to be held by the retailer or integrated licensee in trust for the State of Vermont. Any tax collected under this chapter shall be accounted for separately so as clearly to indicate the amount of tax collected and that the same are the property of the State of Vermont.

(b) Every retailer or integrated licensee required to collect and remit the tax under this chapter to the Commissioner shall be personally and individually liable for the amount of such tax together with such interest and penalty as has accrued under the provisions of section 3202 of this title. If the retailer or integrated licensee is a corporation or other entity, the personal liability shall extend to any officer or agent of the corporation or entity who as an officer or agent of the same has the authority to collect and remit tax to the Commissioner of Taxes as required in this chapter.

(c) A retailer or integrated licensee shall have the same rights in collecting tax from his or her purchaser or regarding nonpayment of tax by the purchaser as if the tax were a part of the purchase price of cannabis or cannabis products and payable at the same time; provided, however, if the retailer or integrated licensee required to collect tax has failed to remit any portion of the tax to the Commissioner of Taxes, the Commissioner of Taxes shall be notified of any action or proceeding brought by the retailer or integrated licensee to collect tax and shall have the right to intervene in such action or proceeding.

(d) A retailer or integrated licensee required to collect tax may also refund or credit to the purchaser any tax erroneously, illegally, or unconstitutionally collected. No cause of action that may exist under State law shall accrue against the retailer or integrated licensee for tax collected unless the purchaser has provided written notice to a retailer or integrated licensee and the retailer or integrated licensee has had 60 days to respond.

§ 7904. RETURNS; RECORDS

(a) Any retailer or integrated licensee required to collect the tax imposed by this chapter shall, on or before the 25th day of every month, return to the Department of Taxes, under oath of a person with legal authority to bind the retailer or integrated licensee, a statement containing its name and place of business, the total amount of sales subject to the cannabis excise tax made in the preceding month, and any information required by the Department of Taxes, along with the total tax due. Retailers and integrated licensees shall not remit the tax collected to the Department of Taxes in cash absent the issuance of a waiver by the Commissioner of Taxes, and the Commissioner may require that returns be submitted electronically.

(b) Every retailer and integrated licensee shall maintain, for not less than three years, accurate records showing all transactions subject to tax liability under this chapter. The records are subject to inspection by the Department of Taxes at all reasonable times during normal business hours.

§ 7905. BUNDLED TRANSACTIONS

(a) Except as provided in subsection (b) of this section, a retail sale of a bundled transaction that includes cannabis or a cannabis product is subject to the cannabis excise tax imposed by this chapter on the entire sales price of the bundled transaction. If there is a conflict with the bundling transaction provisions applicable to another tax type, this section shall apply.

(b) If the sales price is attributable to products that are taxable and products that are not taxable under this chapter, the portion of the price attributable to the products that are nontaxable is subject to the tax imposed by this chapter unless the retailer or integrated licensee can identify by reasonable and verifiable standards the portion that is not subject to tax from its books and records that are kept in the regular course of business, and any discounts applied to the bundle must be attributed to the products that are nontaxable under this chapter.

(c) As used in this section, “bundled transaction” means:

(1) the retail sale of two or more products where the products are otherwise distinct and identifiable, are sold for one nonitemized price, and at least one of the products is or contains cannabis; or

(2) cannabis or a cannabis product that is provided free of charge with the required purchase of another product.

§ 7906. LICENSE

(a) Any retailer or integrated licensee required to collect tax imposed by this chapter must apply for and receive a cannabis retail tax license from the Commissioner for each place of business within the State where he or she sells cannabis or cannabis products prior to commencing business. The Commissioner shall issue without charge a license, or licenses, empowering the retailer or integrated licensee to collect the cannabis excise tax, provided that a retailer or integrated licensee’s application is properly submitted and the retailer or integrated licensee is otherwise in compliance with applicable laws, rules, and provisions.

(b) Each cannabis retail tax license shall state the place of business to which it is applicable and be prominently displayed in the place of business. The licenses shall be nonassignable and nontransferable and shall be surrendered to the Commissioner immediately upon the registrant ceasing to do business in the place named. A cannabis retail tax license shall be separate from and in addition to any licenses required by sections 9271 (meals and rooms tax) and 9707 (sales and use tax) of this title.

(c) The Cannabis Control Board may require the Commissioner of Taxes to suspend or revoke the tax licenses issued under this section for any retailer or integrated licensee that fails to comply with 7 V.S.A. chapter 33 or any rules adopted by the Board.

§ 7907. ADMINISTRATION OF THE CANNABIS EXCISE TAX

(a) The Commissioner of Taxes shall administer and enforce this chapter. The Commissioner may adopt rules pursuant to 3 V.S.A. chapter 25 to carry out such administration and enforcement.

(b) To the extent not inconsistent with this chapter, the provisions for the assessment, collection, enforcement, and appeals of the sales and use tax in chapter 233 of this title shall apply to the cannabis excise tax imposed by this chapter.

§ 7908. STATUTORY PURPOSE

The statutory purpose of the exemption for cannabis and cannabis products sold by any dispensary as authorized under 7 V.S.A. chapter 37 in subdivision 7902(d)(2) of this title is to lower the cost of medical products in order to support the health and welfare of Vermont residents.

Sec. 14a. 32 V.S.A. § 3102(d)(3) is amended to read:

(3) to any person who inquires, provided that the information is limited to whether a person is registered to collect Vermont income withholding, sales and use, ~~or meals and rooms,~~ or cannabis excise tax; whether a person is in good standing with respect to the payment of these taxes; whether a person is authorized to buy or sell property free of tax; or whether a person holds a valid license under chapter 205 or 239 of this title or 10 V.S.A. § 1942;

* * * Sales Tax Exemption * * *

Sec. 15. 32 V.S.A. § 9701(31) is amended to read:

(31) “Food and food ingredients” means substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value. “Food and food ingredients” does not include alcoholic beverages, tobacco, cannabis and cannabis products as defined under 7 V.S.A. § 831, or soft drinks.

Sec. 16. 32 V.S.A. § 9741(53) is added to read:

(53) Cannabis and cannabis products as defined under 7 V.S.A. § 831 sold by any dispensary as authorized under 7 V.S.A. chapter 37, provided that the cannabis or cannabis product is sold only to registered qualifying patients directly or through their registered caregivers.

* * * Tax Expenditure; Statutory Purpose * * *

Sec. 17. 32 V.S.A. § 9706(mm) is added to read:

(mm) The statutory purpose of the exemption for cannabis and cannabis products as defined under 7 V.S.A. § 831 in subdivision 9741(53) of this title is to lower the cost of medical products sold by any dispensary as authorized under 7 V.S.A. chapter 37 in order to support the health and welfare of Vermont residents.

* * * Meals and Rooms Tax * * *

Sec. 17a. 32 V.S.A. § 9202(10) is amended to read:

(10) “Taxable meal” means:

* * *

(D) “Taxable meal” shall not include:

(i) Food or beverage, other than that taxable under subdivision (10)(C) of this section, that is a grocery-type item furnished for take-out: whole pies or cakes, loaves of bread; single-serving bakery items sold in quantities of three or more; delicatessen and nonprepackaged candy sales by weight or measure, except party platters; whole uncooked pizzas; pint or larger closed containers of ice cream or frozen confection; eight ounce or larger containers of salad dressings or sauces; maple syrup; quart or larger containers of cider or milk.

* * *

(iii) Cannabis or cannabis products as defined under 7 V.S.A. § 831.

Sec. 17b. 32 V.S.A. § 9201(n) is added to read:

(n) The statutory purpose for the exemption for cannabis and cannabis products as defined under 7 V.S.A. § 831 in subdivision 9202(10)(D)(iii) of this title is to avoid having both the meals and rooms tax and the cannabis excise tax apply to edible cannabis products.

* * * Use of Sales and Use Tax Revenue * * *

Sec. 17c. DEDICATED USE OF SALES AND USE TAX ON CANNABIS

Notwithstanding 16 V.S.A. § 4025(b), revenue from the sales and use tax imposed by 32 V.S.A. chapter 233 on retail sales of cannabis or cannabis products in this State shall be used to fund a grant program to start or expand afterschool and summer learning programs, with a focus on increasing access in underserved areas of the State.

Sec. 17d. ANNUAL BUDGETING OF SALES AND USE TAX REVENUE

On or before November 15, 2021 and on or before each subsequent November 15, the Agency of Education shall submit to the General Assembly a plan to fund grants in furtherance of the purposes of Sec. 17c of this act. The grants shall be in an amount equal to the official forecasted revenues to be raised from the sales and use tax imposed by 32 V.S.A. chapter 233 on cannabis or cannabis products in this State. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the plan to be made under this subsection.

* * * Income Tax Deduction * * *

Sec. 18. 32 V.S.A. § 5811 is amended to read:

§ 5811. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context requires otherwise:

* * *

(18) “Vermont net income” means, for any taxable year and for any corporate taxpayer:

(A) the taxable income of the taxpayer for that taxable year under the laws of the United States, without regard to 26 U.S.C. § 168(k) of the Internal Revenue Code, and excluding income which under the laws of the United States is exempt from taxation by the states:

* * *

(ii) decreased by:

(I) the “gross-up of dividends” required by the federal Internal Revenue Code to be taken into taxable income in connection with the taxpayer’s election of the foreign tax credit; ~~and~~

(II) the amount of income ~~which~~ that results from the required reduction in salaries and wages expense for corporations claiming the Targeted Job or WIN credits; and

(III) any federal deduction or credit that the taxpayer would have been allowed for the cultivation, testing, processing, or sale of cannabis or cannabis products as authorized under 18 V.S.A. chapter 86 or 7 V.S.A. chapter 33 or 37, but for 26 U.S.C. § 280E.

* * *

(21) “Taxable income” means, in the case of an individual, federal adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

* * *

(B) Decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

* * *

(iii) recapture of State and local income tax deductions not taken against Vermont income tax; ~~and~~

(iv) the portion of federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e of this chapter; and

(v) the amount of any federal deduction or credit that the taxpayer would have been allowed for the cultivation, testing, processing, or sale of cannabis or cannabis products as authorized under 18 V.S.A. chapter 86 or 7 V.S.A. chapter 33 or 37, but for 26 U.S.C. § 280E; and

* * *

Sec. 18a. 32 V.S.A. § 5811(18)(A)(ii)(III) is amended to read:

(III) any federal deduction or credit that the taxpayer would have been allowed for the cultivation, testing, processing, or sale of cannabis or cannabis products as authorized under ~~18 V.S.A. chapter 86 or 7 V.S.A. chapter 33 or 37, but for 26 U.S.C. § 280E.~~

Sec. 18b. 32 V.S.A. § 5811(21)(B)(v) is amended to read:

(v) the amount of any federal deduction or credit that the taxpayer would have been allowed for the cultivation, testing, processing, or sale of cannabis or cannabis products as authorized under ~~18 V.S.A. chapter 86 or 7 V.S.A. chapter 33 or 37, but for 26 U.S.C. § 280E; and~~

Sec. 18c. LEGISLATIVE INTENT

It is the intent of the General Assembly to create an income tax deduction for dispensaries and cannabis establishments for the taxable years beginning on and after January 1, 2022. This deduction shall be available to dispensaries irrespective of their regulation under 18 V.S.A. chapter 86 or 7 V.S.A. chapter 37 and to cannabis establishments licensed and engaged in the activities permitted under 7 V.S.A. chapter 33.

* * * Substance Misuse Prevention * * *

Sec. 19. SUBSTANCE MISUSE PREVENTION FUNDING

Thirty percent of the revenues raised by the cannabis excise tax imposed by 32 V.S.A. § 7901, not to exceed \$10,000,000.00 per fiscal year, shall be used for the purpose of funding substance misuse prevention programming.

* * * Impaired Driving * * *

Sec. 20. 20 V.S.A. § 2358(f) is added to read:

(f) The criteria for all minimum training standards under this section shall include Advanced Roadside Impaired Driving Enforcement training as approved by the Vermont Criminal Justice Training Council. On or before December 31, 2021, law enforcement officers shall receive a minimum of 16 hours of training as required by this subsection.

Sec. 21. 23 V.S.A. § 1200 is amended to read:

§ 1200. DEFINITIONS

As used in this subchapter:

* * *

(3) “Evidentiary test” means a breath, saliva, or blood test ~~which~~ that indicates the person’s alcohol concentration or the presence of other drug and ~~which~~ that is intended to be introduced as evidence.

* * *

Sec. 22. 23 V.S.A. § 1201 is amended to read:

§ 1201. OPERATING VEHICLE UNDER THE INFLUENCE OF
ALCOHOL OR OTHER SUBSTANCE; CRIMINAL REFUSAL;
ENHANCED PENALTY FOR BAC OF 0.16 OR MORE

(a) A person shall not operate, attempt to operate, or be in actual physical control of any vehicle on a highway:

(1) when the person’s alcohol concentration is:

(A) 0.08 or more; or

(B) 0.02 or more if the person is operating a school bus as defined in subdivision 4(34) of this title; or

(C) 0.04 or more if the person is operating a commercial vehicle as defined in subdivision 4103(4) of this title; or

(2) when the person is under the influence of alcohol; or

(3) when the person is under the influence of any other drug or under the combined influence of alcohol and any other drug; ~~or~~

~~(4) when the person’s alcohol concentration is 0.04 or more if the person is operating a commercial motor vehicle as defined in subdivision 4103(4) of this title.~~

(b) A person who has previously been convicted of a violation of this section shall not operate, attempt to operate, or be in actual physical control of any vehicle on a highway and refuse a law enforcement officer's reasonable request under the circumstances for an evidentiary test where the officer had reasonable grounds to believe the person was in violation of subsection (a) of this section.

(c) A person shall not operate, attempt to operate, or be in actual physical control of any vehicle on a highway and be involved in an accident or collision resulting in serious bodily injury or death to another and refuse a law enforcement officer's reasonable request under the circumstances for an evidentiary test where the officer has reasonable grounds to believe the person has any amount of alcohol or drugs in ~~the~~ his or her system.

* * *

(i) Evidence of the results of a standardized field sobriety test conducted by a law enforcement officer trained in Advanced Roadside Impaired Driving Enforcement or a certified Drug Recognition Expert's systematic evaluation of observable signs and symptoms of a person charged with a violation of this section shall be presumptively admissible at trial to demonstrate whether or not the person was operating under the influence in violation of this section.

Sec. 23. 23 V.S.A. § 1202 is amended to read:

§ 1202. CONSENT TO TAKING OF TESTS TO DETERMINE BLOOD ALCOHOL CONTENT OR PRESENCE OF OTHER DRUG

(a)(1) Implied consent. Every person who operates, attempts to operate, or is in actual physical control of any vehicle on a highway in this State is deemed to have given consent to an evidentiary test of that person's breath for the purpose of determining the person's alcohol concentration or the presence of other drug in the blood. The test shall be administered at the direction of a law enforcement officer.

(2) Blood test. If breath testing equipment is not reasonably available or if the officer has reason to believe that the person is unable to give a sufficient sample of breath for testing or if the law enforcement officer has reasonable grounds to believe that the person is under the influence of a drug other than alcohol, the person is deemed to have given consent to the taking of an evidentiary sample of blood. If in the officer's opinion the person is incapable of decision or unconscious or dead, it is deemed that the person's consent is given and a sample of blood shall be taken. A blood test sought pursuant to this subdivision (2) shall be obtained pursuant to subsection (f) of this section.

(3) Saliva test. If the law enforcement officer has reasonable grounds to believe that the person is under the influence of a drug other than alcohol, or under the combined influence of alcohol and a drug, the person is deemed to have given consent to providing of an evidentiary sample of saliva. A saliva test sought pursuant to this subdivision (3) shall be obtained pursuant to subsection (f) of this section. Any saliva test administered under this section shall be used only for the limited purpose of detecting the presence of a drug in the person's body and shall not be used to extract DNA information.

(4) Evidentiary test. The evidentiary test shall be required of a person when a law enforcement officer has reasonable grounds to believe that the person was operating, attempting to operate, or in actual physical control of a vehicle in violation of section 1201 of this title.

~~(4)~~(5) Fatal collision or incident resulting in serious bodily injury. The evidentiary test shall also be required if the person is the surviving operator of a motor vehicle involved in a fatal incident or collision or an incident or collision resulting in serious bodily injury and the law enforcement officer has reasonable grounds to believe that the person has any amount of alcohol or other drug in his or her system.

(b) A refusal to take a breath test may be introduced as evidence in a criminal proceeding.

(c) A person who is requested by a law enforcement officer to submit to an evidentiary test or tests has a right as limited in this subsection to consult an attorney before deciding whether or not to submit to such a test or tests. The person must decide whether or not to submit to the evidentiary test or tests within a reasonable time and not later than 30 minutes after the time of the initial attempt to contact the attorney. The person must make a decision about whether to submit to the test or tests at the expiration of the 30 minutes, regardless of whether a consultation took place.

(d) At the time a test is requested, the person shall be informed of the following statutory information:

(1) Vermont law authorizes a law enforcement officer to request a test to determine whether the person is under the influence of alcohol or other drug.

(2) If the officer's request is reasonable and testing is refused, the person's license or privilege to operate will be suspended for at least six months.

(3) If a test is taken and the results indicate that the person is under the influence of alcohol or other drug, the person will be subject to criminal charges and the person's license or privilege to operate will be suspended for at least 90 days.

(4) A person who is requested by a law enforcement officer to submit to an evidentiary test or tests has the limited right to consult an attorney before deciding whether or not to submit to such a test or tests. The person must decide whether or not to submit to the evidentiary test or tests within a reasonable time and ~~no~~ not later than 30 minutes from the time of the initial attempt to contact the attorney, regardless of whether a consultation took place. The person also has the right to have additional tests made by someone of the person's own choosing at the person's own expense. The person shall also be informed of the location of one or more facilities available for drawing blood.

(5) A person who is requested by a law enforcement officer to submit to an evidentiary test administered with an infrared breath-testing instrument may elect to have a second infrared test administered immediately after receiving the results of the first test.

(6) If the person refuses to take an evidentiary test, the refusal may be offered into evidence against the person at trial, whether or not a search warrant is sought. The person may be charged with the crime of criminal refusal if the person:

(A) has previously been convicted of a violation of section 1201 of this title; or

(B) is involved in an accident or collision resulting in serious bodily injury or death to another, in which case the court may issue a search warrant and order the person to submit to a blood test, the results of which may be offered into evidence against the person at trial.

* * *

(f)(1) If a blood test is sought from a person pursuant to subdivision (a)(2) of this section, or if a person who has been involved in an accident or collision resulting in serious bodily injury or death to another refuses an evidentiary test, a law enforcement officer may apply for a search warrant pursuant to Rule 41 of the Vermont Rules of Criminal Procedure to obtain a sample of blood for an evidentiary test. If Pursuant to subdivision (d)(6) of this section, if a blood sample is obtained by search warrant, the fact of the refusal may still be introduced in evidence, in addition to the results of the evidentiary test. Once a law enforcement official begins the application process for a search warrant, the law enforcement official is not obligated to discontinue the

process even if the person later agrees to provide an evidentiary ~~breath~~ sample. The limitation created by Rule 41(g) of the Vermont Rules of Criminal Procedure regarding blood specimens shall not apply to search warrants authorized by this section.

(2) If an evidentiary saliva test is sought from a person pursuant to subdivision (a)(3) of this section, a law enforcement officer may apply for a search warrant pursuant Rule 41 of the Vermont Rules of Criminal Procedure to obtain a sample of saliva for the evidentiary test. Pursuant to subdivision (d)(6) of this section, if a saliva sample is obtained by search warrant, the fact of the refusal may still be introduced in evidence, in addition to the results of the evidentiary test.

(g) The Defender General shall provide statewide 24-hour coverage seven days a week to ~~assure~~ ensure that adequate legal services are available to persons entitled to consult an attorney under this section.

Sec. 24. 23 V.S.A. § 1203 is amended to read:

§ 1203. ADMINISTRATION OF TESTS; RETENTION OF TEST AND
VIDEOTAPE

(a) A breath test shall be administered only by a person who has been certified by the Vermont Criminal Justice Training Council to operate the breath testing equipment being employed. In any proceeding under this subchapter, a person's testimony that he or she is certified to operate the breath testing equipment employed shall be prima facie evidence of that fact.

(b)(1) Only a physician, licensed nurse, medical technician, physician assistant, medical technologist, or laboratory assistant, intermediate or advanced emergency medical technician, or paramedic acting at the request of a law enforcement officer may withdraw blood for the purpose of determining the presence of alcohol or other another drug. This limitation does Any withdrawal of blood shall not be taken at roadside. These limitations do not apply to the taking of a breath sample. A medical facility or business may not charge more than \$75.00 for services rendered when an individual is brought to a facility for the sole purpose of an evidentiary blood sample or when an emergency medical technician or paramedic draws an evidentiary blood sample.

(2) A saliva sample may be obtained by a person authorized by the Vermont Criminal Justice Training Council to collect a saliva sample for the purpose of evidentiary testing to determine the presence of a drug. Any saliva sample obtained pursuant to this section shall not be taken at roadside.

(c) ~~When a breath test which is intended to be introduced in evidence is taken with a crimper device or when~~ blood or saliva is withdrawn at an officer's request, a sufficient amount of breath saliva or blood, as the case may be, shall be taken to enable the person to have made an independent analysis of the sample, and shall be held for at least 45 days from the date the sample was taken. At any time during that period the person may direct that the sample be sent to an independent laboratory of the person's choosing for an independent analysis. The Department of Public Safety shall adopt rules providing for the security of the sample. At no time shall the defendant or any agent of the defendant have access to the sample. A preserved sample of breath shall not be required when an infrared breath-testing instrument is used. A person tested with an infrared breath-testing instrument shall have the option of having a second infrared test administered immediately after receiving the results of the first test.

(d) In the case of a breath, saliva, or blood test ~~administered using an infrared breath testing instrument~~, the test shall be analyzed in compliance with rules adopted by the Department of Public Safety. The analyses shall be retained by the State. A sample is adequate if the infrared breath testing instrument analyzes the sample and does not indicate the sample is deficient. ~~Analysis~~ An analysis of the person's breath saliva or blood ~~which that is~~ available to that person for independent analysis shall be considered valid when performed according to methods approved by the Department of Public Safety. The analysis performed by the State shall be considered valid when performed according to a method or methods selected by the Department of Public Safety. The Department of Public Safety shall use rule making procedures to select its method or methods. Failure of a person to provide an adequate breath or saliva sample constitutes a refusal.

(e) [Repealed.]

(f) When a law enforcement officer has reason to believe that a person may be violating or has violated section 1201 of this title, the officer may request the person to provide a sample of breath for a preliminary screening test using a device approved by the Commissioner of Public Safety for this purpose. The person shall not have the right to consult an attorney prior to submitting to this preliminary breath alcohol screening test. The results of this preliminary screening test may be used for the purpose of deciding whether an arrest should be made and whether to request an evidentiary test and shall not be used in any court proceeding except on those issues. Following the screening₂ test additional tests may be required of the operator pursuant to the provisions of section 1202 of this title.

(g) The Office of the Chief Medical Examiner shall report in writing to the Department of Motor Vehicles the death of any person as the result of an accident involving a vehicle and the circumstances of such accident within five days of such death.

(h) A Vermont law enforcement officer shall have a right to request a breath, saliva or blood sample in an adjoining state or country under this section unless prohibited by the law of the other state or country. If the law in an adjoining state or country does not prohibit an officer acting under this section from taking a breath, saliva, or blood sample in its jurisdiction, evidence of such sample shall not be excluded in the courts of this State solely on the basis that the test was taken outside the State.

(i) The Commissioner of Public Safety shall adopt emergency rules relating to the operation, maintenance, and use of preliminary alcohol screening devices for use by law enforcement officers in enforcing the provisions of this title. ~~The commissioner~~ Commissioner shall consider relevant standards of the National Highway Traffic Safety Administration in adopting such rules. Any preliminary alcohol screening device authorized for use under this title shall be on the qualified products list of the National Highway Traffic Safety Administration.

* * *

Sec. 25. 23 V.S.A. § 1203a(b) is amended to read:

(b) Arrangements for a blood test shall be made by the person submitting to the evidentiary breath or saliva test, by the person's attorney, or by some other person acting on the person's behalf unless the person is detained in custody after administration of the evidentiary test and upon completion of processing, in which case the law enforcement officer having custody of the person shall make arrangements for administration of the blood test upon demand but at the person's own expense.

Sec. 26. 23 V.S.A. § 1204 is amended to read:

§ 1204. PERMISSIVE INFERENCES

* * *

(b) The foregoing provisions shall not be construed as limiting the introduction of any other competent evidence bearing upon the question whether the person was under the influence of alcohol or under the combined influence of alcohol and another drug, nor shall they be construed as requiring that evidence of the amount of alcohol or drug in the person's blood, breath, urine, or saliva must be presented.

Sec. 27. DEPARTMENT OF PUBLIC SAFETY; DRUG RECOGNITION EXPERTS; REPORT

On or before March 1, 2022, the Department of Public Safety shall report to the House and Senate Committees on Judiciary and on Government Operations on how to:

(1) achieve geographic equity in Drug Recognition Expert availability to conduct roadside evaluations of drivers suspected of violating 23 V.S.A. § 1201 across Vermont; and

(2) whether to expand the availability of the Drug Recognition Expert program beyond law enforcement officers to other public safety officials to the extent authorized by the national qualification standards of the International Association of Chiefs of Police and the National Highway Traffic Safety Administration.

Sec. 28. DEPARTMENT OF PUBLIC SAFETY; SALIVA TESTING DEVICE; REPORT

Upon the identifying a threshold level of concentration of a psychoactive metabolite of cannabis in a person's bloodstream to establish impairment and approving a chemical testing device for roadside use capable of demonstrating such a threshold level of concentration of such psychoactive metabolite of cannabis in a person's system, the Department of Public Safety shall report to the House and Senate Committees on Judiciary and on Government Operations on a proposal to implement the use of such a device to evaluate individuals suspected of operating under the influence of marijuana in violation of 23 V.S.A. § 1201.

* * * Miscellaneous Cannabis Provisions * * *

Sec. 29. 6 V.S.A. § 567 is amended to read:

§ 567. AGENCY OF AGRICULTURE, FOOD AND MARKETS; TESTING

(a) 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, and hemp-infused products, cannabis, and cannabis products as defined in 7 V.S.A. § 831;

(2) to verify cannabinoid label guarantees of hemp, and hemp-infused products, cannabis, and cannabis products as defined in 7 V.S.A. § 831;

(3) to test for pesticides, solvents, heavy metals, mycotoxins, and bacterial and fungal contaminants in hemp, ~~and~~ hemp-infused products, cannabis, and cannabis products as defined in 7 V.S.A. § 831; and

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

(b) For purposes of this section, a laboratory operating under a dispensary registration pursuant to 18 V.S.A. chapter 86 that offers the services in subdivisions (2) and (3) of subsection (a) of this section on January 1, 2021 shall be deemed certified by the Agency.

(c) The cost of a test of a product produced at a registered dispensary and submitted to the Agency for the purpose of compliance testing to enforce the provisions of 18 V.S.A. chapter 86 shall be paid by the Department of Public Safety from the registration fee fund provided in 18 V.S.A. § 4474a.

Sec. 30. 18 V.S.A. § 4230a(a)(2)(A) is amended to read:

(2)(A) A person shall not consume ~~marijuana~~ cannabis in a public place. “Public place” ~~means any street, alley, park, sidewalk, public building other than individual dwellings, any place of public accommodation as defined in 9 V.S.A. § 4501, and any place where the use or possession of a lighted tobacco product, tobacco product, or tobacco substitute as defined in 7 V.S.A. § 1001 is prohibited by law~~ has the same meaning as provided by 7 V.S.A. § 831.

Sec. 31. 18 V.S.A. § 4230 is amended to read:

§ 4230. MARIJUANA CANNABIS

* * *

(b) Selling or dispensing.

(1) A person knowingly and unlawfully selling ~~marijuana~~ cannabis or hashish shall be imprisoned not more than two years or fined not more than \$10,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing more than one ounce of ~~marijuana~~ cannabis or five grams or more of hashish shall be imprisoned not more than five years or fined not more than \$100,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing one pound or more of ~~marijuana~~ cannabis or 2.8 ounces or more of hashish shall be imprisoned not more than 15 years or fined not more than \$500,000.00, or both.

(4) A person 21 years of age or older may dispense one ounce or less of cannabis or five grams or less of hashish to another person who is 21 years of age or older provided that the dispensing is not advertised or promoted to the public.

Sec. 32. STATUTORY REVISION AUTHORITY

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Counsel shall replace “marijuana” with “cannabis” throughout the statutes as needed for consistency with this act, provided the revisions have no other effect on the meaning of the affected statutes.

* * * Effective Dates * * *

Sec. 33. EFFECTIVE DATES

(a) This section and Secs. 1 (Title 7 redesignation), 2 (cannabis chapter), 3 (implementation of the Cannabis Control Board), 4 (implementation of rulemaking by the Cannabis Control Board), 5 (Cannabis Control Board; fees), 6 (creation of Board positions), 6a (space allocation), 6b (appropriation), 7 (cannabis establishments chapter), 8 (implementation of licensing of cannabis establishments), 17d (annual budgeting of sales and use tax revenue), 19 (Substance Misuse Prevention Fund), 20 (Advanced Roadside Impaired Driving Enforcement training), 26 (permissive inference), 27 (drug recognition experts report), 28 (saliva testing device report), 29 (Agency of Agriculture, Food and Markets; testing), 30 (public place definition), 31 (cannabis dispensing), and 32 (statutory revision authority) shall take effect on passage.

(b) The following shall take effect June 1, 2021:

(1) In Sec. 9 (Medical Cannabis Registry chapter), 7 V.S.A. § 956 (rulemaking); and

(2) Sec. 12 (Medical Cannabis Dispensaries), 7 V.S.A. § 974 (rulemaking).

(c) Secs. 10 (implementation of Medical Cannabis Registry), 13 (implementation of medical cannabis dispensaries), 18 (income tax deduction), 18c (legislative intent), 21 (definition of evidentiary test), 22 (operating vehicle under the influence of alcohol or other substance), 23 (consent to taking of tests to determine blood alcohol content or presence of other drug), 24 (administration of tests), and 25 (independent testing of evidentiary sample) shall take effect January 1, 2022.

(d) Secs. 9 (Medical Cannabis Registry chapter), except for 7 V.S.A. § 956 (rulemaking); 11 (Repeal); 12 (Medical Cannabis Dispensaries), except for 7 V.S.A. § 974 (rulemaking); 14 (creation of excise tax); 14a (tax license disclosure); 15 (sales tax exemption); 16 (tax exemption); 17 (tax expenditure); 17a (meals and rooms tax); 17b (meals and rooms tax expenditure); and 17c (dedicated use of sales and use tax revenue) shall take effect March 1, 2022.

(e) Sec. 6d (Auditor of Accounts report) shall take effect on July 1, 2022.

(f) Secs. 18a (net income definition) and 18b (taxable income definition) shall take effect January 1, 2023

(g) Sec. 6e (repeal of Cannabis Control Board) shall take effect on January 1, 2024.

(h) Sec. 6c (contingent Cannabis Regulation Fund deficit offset) shall take effect on July 1, 2024.

*RICHARD W. SEARS
JEANETTE K. WHITE
JOSEPH C. BENNING*

Committee on the part of the Senate

*JOHN M. GANNON
ROBERT B. LACLAIR
JANET ANCEL*

Committee on the part of the House

NEW BUSINESS

Third Reading

H. 673.

An act relating to tree wardens.

H. 833.

An act relating to the interbasin transfer of surface waters.

Second Reading
Favorable with Proposal of Amendment
H. 611.

An act relating to the Older Vermonters Act.

Reported favorably with recommendation of proposal of amendment by Senator Ingram for the Committee on Health and Welfare.

The Committee recommends that the Senate propose to the House to amend the bill as follows:

By adding a reader assistance heading and a new section to be Sec. 7a to read as follows:

* * * Home Health Agency Service Planning * * *

Sec. 7a. 33 V.S.A. § 6303(b) is amended to read:

~~(b) Upon initial designation or redesignation under this subchapter, each designated home health agency shall prepare for the Commissioner's approval a local community services plan, describing the need for home health services within the agency's geographic service area and the methods by which the agency will provide those services. The plan shall include a schedule for the anticipated provision of new or additional services for the next four years and shall specify the resources which are needed by and available to the agency to implement the plan. The plan shall reflect public input from the residents of the agency's geographic service area.~~ Designated home health agencies shall engage in planning and needs assessment processes as directed by State and federal law, which may include participating in the development of the Health Resource Allocation Plan published pursuant to 18 V.S.A. § 9405 and the community health needs assessment conducted in accordance with 26 U.S.C. § 501(r)(3).

(Committee vote: 4-0-1)

(For House amendments, see House Journal for June 16, 2020, pages 1197 - 1225.)

Reported favorably with s recommendation of proposal of amendment by Senator Sears for the Committee on Appropriations.

The Committee recommends that the bill be amended as recommended by the Committee on Health and Welfare with the following amendments thereto:

First: In Sec. 3, Vermont Action Plan for Aging Well; development process; report, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) The Vermont Action Plan for Aging Well shall provide strategies and cultivate partnerships for implementation across sectors to promote aging with health, choice, and dignity in order to establish and maintain an age-friendly State for all Vermonters and shall include a review of the Medicaid reimbursement rates paid to home- and community-based service providers. The Action Plan shall also address the additional needs and concerns of older Vermonters and their families in the event of a public health crisis, natural disaster, or other widespread emergency situation in this State.

Second: By striking out Sec. 6, home- and community-based service provider rate study; inflation factor; report, and its reader assistance heading in their entirety and inserting in lieu thereof the following:

Sec. 6. [Deleted.]

(Committee vote: 6-0-1)

CONFIRMATIONS

The following appointments will be considered by the Senate, as a group, under suspension of the Rules, as moved by the President *pro tempore*, for confirmation together and without debate, by consent thereby given by the Senate. However, upon request of any senator, any appointment may be singled out and acted upon separately by the Senate, with consideration given to the report of the Committee to which the appointment was referred, and with full debate; and further, all appointments for the positions of Secretaries of Agencies, Commissioners of Departments, Judges, Magistrates, and members of the Public Utility Commission shall be fully and separately acted upon.

Craig Bolio of Winooski – Commissioner, Department of Taxes – By Sen. Cummings for the Committee on Finance. (01/21/20)

Sabina Brochu of Williston - Member, State Board of Education - By Sen. Ingram for the Committee on Education. (01/24/20)

Kyle Courtois of Georgia - Member, State Board of Education - By Sen. Perchlik for the Committee on Education. (01/24/20)

Margaret Tandoh of South Burlington – Member, Board of Medical Practice – By Sen. McCormack for the Committee on Health and Welfare. (02/11/20)

Holly Morehouse of Burlington – Member, Children and Family Council for Prevention Programs – By Sen. Lyons for the Committee on Health and Welfare. (02/12/20)

Susan Hayward of Middlesex – Member, Capitol Complex Commission – By Sen. Benning for the Committee on Institutions. (02/14/20)

Heather Shouldice of Montpelier – Member, Capitol Complex Commission – By Sen. Benning for the Committee on Institutions. (02/14/20)

Dorinne Dorfman of Waterbury Center – Member, Children and Family Council for Prevention Programs – Sen. Cummings for the Committee on Health and Welfare. (02/25/20)

Richard Bernstein of Jericho – Member, Board of Medical Practice – Sen. Ingram for the Committee on Health and Welfare. (03/10/20)

Dawn Philibert of Williston – Member, State Board of Health – Sen. Ingram for the Committee on Health and Welfare. (03/10/20)