

Senators Sears, Benning and White,

As you may know, Joint Rules met today and approved the conference committee meeting. That allows us to sign a conference committee report. In order to expedite that process, please find attached the S. 54 Conference Committee Report. Rob and I have signed the report via email. Janet has a family commitment tonight, but indicated that she would sign tomorrow. I have noted our position on the remaining areas of disagreement below. Given the limited time left in this session, we would urge you to sign the conference report by Tuesday. That will allow the House to notice the conference report on Wednesday and vote on it on Thursday.

### **Farming and Use Value Appraisal**

We want to thank you for being willing to amend the language regarding 7 VSA § 869 by reducing the amount of land currently enrolled in current use that may continue to stay in the program if it is used to cultivate cannabis from one acre to 1000 square feet. We also agree with the extension of these land use and environmental provisions to medical dispensaries. These proposals are contained in the conference committee report.

### **Advertising**

While we understand the Attorney General Office's concerns, we feel strongly that Vermont should not be promoting the sale of cannabis. Our medical cannabis program has had a ban on advertising for several years and that ban has not been challenged in the courts. Now that medical and adult-use cannabis will be regulated by the same body it is important to have a consistent approach with respect to advertising. We retain the advertising ban in the conference committee report.

### **Taxes and Fees**

After hearing the discussion in Senate Finance on the House and Senate proposed tax and fee structures, we were surprised that you chose to maintain your position. Fees are more straightforward and easier to set and adjust. At this point, we don't even know how the calculation to distribute the 200 basis points from the 14% excise tax will be equitably distributed among municipalities that host one or more cannabis establishments. We retain our tax and fee structure in the conference committee report.

We appreciate the hard work that the Senate has put into creating legislation that would allow an adult-use cannabis market in Vermont. We also appreciate the cordial and worthwhile discussions that the conference committee has had over the last month. If the conference committee report is acceptable, each of you will need to email John Bloomer, the Clerk of the Senate, and William McGill, the Clerk of the House, and indicate your willingness to sign the conference committee report.

Thank you,

John

Rep. John Gannon  
Halifax, Whitingham & Wilmington