

S.54 as passed by Senate

H.196 as introduced

<p>Cannabis Control Board</p>	<p>Three members</p> <ul style="list-style-type: none"> • Chair appointed by Governor: background in business management or regulatory compliance • One member appointed by Senate CoC: background in agriculture, horticulture, or plant science • One member appointed by Speaker: background in systemic social justice and equity issues <p>Salaries</p> <ul style="list-style-type: none"> • Chair: $\frac{2}{3}$ of Superior Court Judge (\$105K) • Members: $\frac{1}{2}$ of Superior Court Judge (\$80K) <p>Executive director</p> <ul style="list-style-type: none"> • Required to be an attorney with experience in legislative or regulatory matters • Salary in appropriation is \$106K 	<p>Three members</p> <ul style="list-style-type: none"> • One member appointed by the Governor • One member appointed by the Speaker of the House • One member appointed by the Senate CoC <ul style="list-style-type: none"> • Chair selected by members of Board <p>Salaries</p> <ul style="list-style-type: none"> • All members receive 60% of Windsor County Probate Judge <p>Executive director</p> <ul style="list-style-type: none"> • No requirements or salary specified
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	<p>Required to report to GA, 1/15/20</p> <ul style="list-style-type: none"> • Recommended fees • Resources necessary for implementation of the act for fiscal year 2021 • Proposal to work with agencies to develop outreach, training, and employment programs focused on providing economic opportunities to individuals who historically have been disproportionately impacted by cannabis prohibition • Experience of other jurisdictions allowing retail cannabis deliveries • Whether tax money should be allocated from GF to Cannabis Regulation Fund to cover costs of running programs 	<p>Required to report to GA, 1/15/20</p> <ul style="list-style-type: none"> • Recommended fees
<p>Cannabis Regulation Fund</p>	<p>Composed of all application fees, annual license fees, renewal fees, and civil penalties for cannabis establishments and, after 1/1/21, for medical cannabis dispensaries; and, after 1/1/21, all annual and renewal fees for the medical cannabis registry.</p> <p>Monies from the Fund used for implementation, administration, and enforcement of the three programs.</p>	<p>Composed of same fees AND all taxes on cannabis</p> <p>Same</p>

Temporary Early Sales to the Public	N/A	<p>Allows current registered dispensaries to apply for temporary license to sell cannabis and cannabis products while new commercial regulatory program is developing.</p> <p>\$75K one-time fee per dispensary and taxes on sales of cannabis and cannabis products go to Cannabis Regulation Fund to support implementation of new program.</p>
Appropriation	Appropriates \$810,000.00 in FY20 from the Cannabis Regulation Fund to the Cannabis Control Board. This appropriation is made in anticipation of receipts in the fund.	N/A
Contingent Cannabis Regulation Fund Deficit Offset	If Fund has negative balance at the close of FY 22, proceeds from cannabis tax in that amount shall be deposited in the Fund.	N/A
Auditor of Accounts	Requires Auditor to report to GA by 4/1/23 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.	N/A

<p>Cannabis Establishments</p>	<p>Regulation by local government</p> <ul style="list-style-type: none"> • Opt-out provision by vote at annual or special meeting • May establish Cannabis Control Commission who <i>may</i> be members of municipal legislative body • Commission may issue local permits and condition permits on compliance with bylaws and ordinances • Requires Board to adopt rules relating to a municipality's issuance of a local permit for a cannabis establishment • All applications for and forms of municipal licenses and permits must be prescribed by the Board • Specifically prohibits a municipality from: <ul style="list-style-type: none"> ○ Banning cannabis establishments through bylaws or ordinance ○ Conditioning local permit on any basis not specified in section ○ Exceeding authority to regulate cannabis establishment 	<p>Regulation by local government</p> <ul style="list-style-type: none"> • Same opt-out process and allows local commission and permits, but not as many details
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	<p>Rulemaking</p> <ul style="list-style-type: none"> • Board must adopt 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 • Specific limitations on amount of THC in cannabis products • Prohibition on cannabis products or packaging designed to make the product more appealing to persons under 21 • Requirement that retailer clearly distinguish between cannabis and hemp products if selling both <p>Criminal history records</p> <ul style="list-style-type: none"> • Board must 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 <i>based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market.</i> Nonviolent drug offenses shall not automatically disqualify an applicant. 	<p>Rulemaking</p> <ul style="list-style-type: none"> • N/A • Limitations, but less proscriptive • Same, but slight language difference • N/A <p>Criminal history records</p> <ul style="list-style-type: none"> • 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. Nonviolent drug offenses shall not automatically disqualify a candidate.
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	<p>Public records</p> <ul style="list-style-type: none">• The following records shall be exempt from public inspection and copying under the Public Records Act and shall be confidential:<ul style="list-style-type: none">○ any record in an application for a license relating to security, public safety, transportation, or trade secrets; and○ any licensee record relating to security, public safety, transportation, trade secrets, or employees. <p>Priorities</p> <p>The Board shall issue licenses according to a system of priorities adopted by rule that shall require consideration of the following:</p> <ol style="list-style-type: none">(1) whether the applicants, a majority of principals, and those holding majority control of the proposed business are residents of Vermont;(2) whether the applicants have an existing medical cannabis dispensary license in good standing;(3) whether the applicants would foster social justice and equity in the cannabis industry	<p>Public records</p> <ul style="list-style-type: none">• All records relating to security, transportation, public safety, and trade secrets in an application for a license are exempt from public inspection and copying under the Public Records Act and shall be confidential. <p>Priorities</p> <p>Same, with small language differences</p>
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	<p>by being a minority- or women-owned business;</p> <p>(4) 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;</p> <p>(5) whether applicants propose specific plans to pay employees a living wage and offer benefits;</p> <p>(6) whether the project incorporates principles of environmental resiliency or sustainability, including energy efficiency; and</p> <p>(7) the geographic distribution of cannabis establishments based on population and market needs.</p>	
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Taxes	<p>16% retail tax on cannabis and cannabis products (General Fund)</p> <p>No sales tax</p> <p>2% local option tax</p> <p>Allows Dept. of Taxes to prohibit cash payments</p> <p>Miscellaneous technical amendments to tax provisions</p>	<p>11% retail tax on cannabis and cannabis products (Cannabis Regulation Fund)</p> <p>6% sales tax (Education Fund)</p> <p>3% local option tax</p>
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