

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Government Operations to which was referred Senate  
3 Bill No. 54 entitled “An act relating to the regulation of cannabis” respectfully  
4 reports that it has considered the same and recommends that the House propose  
5 to the Senate that the bill be amended by striking out all after the enacting  
6 clause and inserting in lieu thereof the following:

7 \* \* \* Title Redesignation \* \* \*

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

9 7. ALCOHOLIC BEVERAGES, CANNABIS, AND TOBACCO

10 \* \* \* Cannabis Generally; Cannabis Control Board \* \* \*

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

12 CHAPTER 31. CANNABIS

13 Subchapter 1. General Provisions

14 § 831. DEFINITIONS

15 As used in this chapter:

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

17 (2)(A) “Cannabis” means all parts of the plant Cannabis sativa L.,

18 except as provided by subdivision (B) of this subdivision (2), whether growing

19 or harvested, and includes:

20 (i) the seeds of the plant;

21 (ii) the resin extracted from any part of the plant; and

1                    (iii) any compound, manufacture, salt, derivative, mixture, or  
2 preparation of the plant, its seeds, or resin.

3                    (B) “Cannabis” does not include:

4                    (i) the mature stalks of the plant and fiber produced from the  
5 stalks;

6                    (ii) oil or cake made from the seeds of the plant;

7                    (iii) any compound, manufacture, salt, derivative, mixture, or  
8 preparation of the mature stalks, fiber, oil, or cake;

9                    (iv) the sterilized seed of the plant that is incapable of  
10 germination; or

11                    (v) hemp or hemp products, as defined in 6 V.S.A. § 562.

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

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

18                    (5) “Criminal history record” shall have the same meaning as in  
19 20 V.S.A. § 2056a(a).

20                    (6) “Public place” means any street, alley, park, sidewalk, public  
21 building other than individual dwellings, any place of public accommodation

1 as defined in 9 V.S.A. § 4501, and any place where the use or possession of a  
2 lighted tobacco product, tobacco product, or tobacco substitute is prohibited by  
3 law pursuant to 18 VSA chapter 37.

4 § 832. CANNABIS POSSESSED UNLAWFULLY SUBJECT TO  
5 SEIZURE AND FORFEITURE

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

8 § 833. CONSUMPTION OF CANNABIS IN A PUBLIC PLACE

9 No person shall consume cannabis in a public place unless specifically  
10 authorized by law. Violations shall be punished in accordance with 18 V.S.A.  
11 § 4230a.

12 Subchapter 2. Cannabis Control Board

13 § 841. CANNABIS CONTROL BOARD; DUTIES; MEMBERS

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

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

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

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

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

4           (c) Membership.

5           (1) The Board shall consist of five members who shall be appointed as  
6           follows:

7           (A) one member to serve as chair who shall be appointed by the  
8           Governor;

9           (B) one member who shall be appointed by the Senate Committee on  
10          Committees;

11          (C) one member who shall be appointed by the Speaker of the House;

12          (D) one member who shall be appointed by the Treasurer; and

13          (E) one member who shall be appointed by the Attorney General.

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

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

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

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

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

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

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

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

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

11               (1) supervising and administering the operation and implementation of  
12               this chapter and the rules adopted by the Board as directed by the Board;

13               (2) assisting the Board in its duties and administering the licensing  
14               requirements of this chapter;

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

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

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

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

1        (h) Advisory committee.

2                (1) There is an advisory committee established within the Board that  
3        shall be comprised of members with expertise and knowledge relevant to the  
4        Board’s mission. The advisory committee shall include, at a minimum:

5                        (A) one member with an expertise in business management or  
6        regulatory compliance appointed by the Governor;

7                        (B) one member with an expertise in public health appointed by the  
8        Governor;

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

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

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

15                        (F) one member with an expertise in systemic social justice and  
16        equity issues appointed by the Senate Committee on Committees;

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

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

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

3           (J) one member with an expertise in municipal issues appointed by  
4           the Treasurer;

5           (K) one member with an expertise in public safety appointed by the  
6           Attorney General; and

7           (L) one member with an expertise in criminal justice reform  
8           appointed by the Attorney General.

9           (2) Initial appointments to the advisory committee as provided in  
10          subdivision (1) of this subsection (h) shall be made on or before December 1,  
11          2019.

12          (3) The Board may appoint members to the advisory committee in  
13          addition to those identified in subdivision (1) of this subsection (h) and this  
14          subsection shall not be construed to limit the Board in any way regarding  
15          whom it may consult with in an effort to execute its duties.

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

18          § 842. AUTHORITY FOR CRIMINAL BACKGROUND CHECKS

19          The Board shall establish a user agreement with the Vermont Crime  
20          Information Center in accordance with 20 V.S.A. chapter 117 for the purpose  
21          of obtaining Vermont criminal history records, out-of-state criminal history



1 records, and criminal history records from the Federal Bureau of Investigation  
2 as required by chapter 33 of this title.

3 § 843. CANNABIS REGULATION FUND

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

7 (b) The Fund shall be composed of all application fees, annual license fees,  
8 renewal fees, advertising review fees, and civil penalties collected by the  
9 Board pursuant to chapter 33 of this title.

10 (c) Monies from the fund shall only be appropriated for the purposes of  
11 implementation, administration, and enforcement of this chapter and chapter  
12 33 of this title.

13 § 844. FEES

14 (a) The Board shall have the authority to charge and collect fees as  
15 provided by this chapter and chapter 33 of this title.

16 (b) Fees shall be deposited in the Cannabis Regulation Fund.

17 § 845. APPEALS

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

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

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

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

11           (1) in violation of constitutional or statutory provisions;

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

13           (3) made upon unlawful procedure;

14           (4) affected by other error of law;

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

16           (6) arbitrary or capricious; or

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

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

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

3       Sec. 3. IMPLEMENTATION OF THE CANNABIS CONTROL BOARD

4       (a) The Cannabis Control Board, created in Sec. 2 of this act, is established  
5       on July 1, 2019.

6       (b) Members of the Board shall be appointed on or before  
7       September 1, 2019 and terms of members shall officially begin on such date.

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

10           (A) the Governor shall appoint the Chair for a three-year term;

11           (B) the Senate Committee on Committees shall appoint one member  
12       for a two-year term;

13           (C) the Speaker of the House shall appoint one member for a two-  
14       year term;

15           (D) the Treasurer shall appoint one member for a one-year term; and

16           (E) the Attorney General shall appoint one member for a one-year  
17       term.

18       (2) After the expiration of the initial terms set forth in subdivision (1) of  
19       this subsection, Board member terms shall be as set forth in 7 V.S.A. § 841.

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

3           On or before March 1, 2020 the Cannabis Control Board shall initiate  
4 rulemaking for cannabis establishments pursuant to chapter 33 of this title as  
5 provided in Sec. 7 of this act.

6       Sec. 5. CANNABIS CONTROL BOARD REPORT TO THE GENERAL  
7                   ASSEMBLY; PROPOSAL FOR POSITIONS, FEES, AND  
8                   APPROPRIATIONS FOR FISCAL YEARS 2021 AND 2022; LAND  
9                   USE, ENVIRONMENTAL, ENERGY, AND EFFICIENCY  
10                  REQUIREMENTS OR STANDARDS; OUTREACH, TRAINING,  
11                  AND EMPLOYMENT PROGRAMS; ONLINE ORDERING AND  
12                  DELIVERY; ADDITIONAL TYPES OF LICENSES

13           (a) On or before January 15, 2020, the Executive Director of the Cannabis  
14 Control Board shall provide recommendations to the General Assembly on the  
15 following:

16           (1) Resources necessary for implementation of this act for fiscal years  
17 2021 and 2022, including positions and funding. The Board shall consider  
18 utilization of current expertise and resources within State government and  
19 cooperation with other State departments and agencies where there may be an  
20 overlap in duties.

1           (2) Fees to be charged and collected in accordance with the Board’s  
2           authority pursuant to 7 V.S.A. § 844. The recommendations shall be  
3           accompanied by information justifying the recommended rate as required by  
4           32 V.S.A. § 605(d). The fees submitted in accordance with this subdivision  
5           are projected, at a minimum, to equal the cost of application and license fees  
6           for marijuana establishments in the Commonwealth of Massachusetts that are  
7           collected by the Cannabis Control Commission. The Board may recommend  
8           fees that are lower or higher provided they are designed to provide sufficient  
9           funding to meet the duties of the Cannabis Control Board as provided in 7  
10          V.S.A. § 841(b).

11           (A) Application fees, initial annual license fees, and annual license  
12          renewal fees for each type of cannabis establishment license as provided in  
13          7 V.S.A. § 910: cultivator, product manufacturer, wholesaler, retailer, testing  
14          laboratory, and integrated. If the Board establishes tiers within a licensing  
15          category, it shall provide a fee recommendation for each tier.

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

18           (C) Fee for advertisement review for a cannabis establishment  
19          licensee as provided in 7 V.S.A. § 865.

20           (3) Whether monies expected to be generated by fees identified in  
21          subdivision (2) of this subsection are sufficient to support the statutory duties

1 of the Board and whether any portion of the tax established pursuant to 32  
2 V.S.A. § 7901 should be allocated to the Cannabis Regulation Fund to ensure  
3 these duties are met.

4 (4) Whether monies collected pursuant to a local option tax should be  
5 shared with municipalities that host a cannabis establishment that is not a  
6 licensed retailer and, if so, a recommended formula for sharing the revenue.

7 (b) On or before January 15, 2020, the Executive Director of the Cannabis  
8 Control Board, after consultation with the Secretary of Natural Resource, the  
9 Chair of the Natural Resources Board, and the Secretary of Agriculture, Food  
10 and Markets, shall recommend to the General Assembly land use or  
11 environmental regulatory requirements or standards applicable to cannabis  
12 establishments. The Executive Director may provide the recommendations  
13 based on the tier or category of cannabis establishment. The recommendations  
14 shall address:

15 (1) the State and local land use requirements for cannabis  
16 establishments, including if and how cannabis establishments shall be  
17 regulated under 10 V.S.A. chapter 151;

18 (2) whether certain cannabis establishments should be regulated by the  
19 Secretary of Agriculture as farming;

20 (3) the water quality requirements for cannabis establishments,  
21 including whether cannabis establishment shall be required to obtain, where

1 applicable, direct discharge permits, indirect discharge permits, stormwater  
2 permits, groundwater withdrawal permits, or other relevant water quality  
3 permits;

4 (4) the solid waste and hazardous waste handling requirements for  
5 cannabis establishments, including any requirements for the management or  
6 reporting of the use of toxic substances; and

7 (5) any additional permitting or licensing recommendations.

8 (c) On or before January 15, 2020, the Executive Director of the Cannabis  
9 Control Board, after consultation with the Commissioner of Public Service and  
10 the Chair of the Public Utility Commission, shall recommend to the General  
11 Assembly energy or efficiency requirements or standards for the operation of  
12 cannabis establishments in the State. The recommendations shall include:

13 (1) recommended building energy standards for cannabis establishment  
14 if different from existing commercial building standards;

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

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

19 (d) In making the recommendations required under subsections (b) and (c)  
20 of this section, the Executive Director of the Cannabis Control Board, shall  
21 recommend the permits, licenses, or standards that a licensed cannabis

1 cultivator or cannabis product manufacturer shall demonstrate, as a condition  
2 of licensure, or as a condition for licensure renewal if such standards are not  
3 established prior to initial licensure.

4 (e) On or before March 1, 2020, the Executive Director of the Cannabis  
5 Control Board shall submit to the General Assembly the Board's  
6 recommendation whether licensed cannabis product manufacturers should be  
7 considered a food manufacturing establishment or food processor pursuant to  
8 18 V.S.A. § 4301(7) for the purpose of licensing and regulation by the  
9 Department of Health.

10 (f) On or before November 15, 2020, the Executive Director of the  
11 Cannabis Control Board shall submit to the General Assembly:

12 (1) a proposal to work with the Department of Labor, Agency of  
13 Commerce and Community Development, and the Department of Corrections  
14 to develop outreach, training, and employment programs focused on providing  
15 economic opportunities to individuals who historically have been  
16 disproportionately impacted by cannabis prohibition.

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



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

4           Sec. 6. CANNABIS CONTROL BOARD; POSITIONS

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

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

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

11          The Commissioner of Buildings and General Services shall allocate space  
12          for the Cannabis Control Board established in Sec. 2 of this act. This space  
13          shall be allocated on or before September 1, 2019.

14          Sec. 6b. APPROPRIATION

15          In fiscal year 2020, \$810,000.00 is appropriated from the Cannabis  
16          Regulation Fund to the Cannabis Control Board. This appropriation is made in  
17          anticipation of receipts in the Fund.

18          Sec. 6c. CONTINGENT CANNABIS REGULATION FUND DEFICIT

19                   OFFSET

20          To the extent that the Cannabis Regulation Fund has a negative balance at  
21          the close of the fiscal year 2022, proceeds in that amount from the tax

1 established 32 V.S.A. § 7901 in fiscal year 2023 shall be deposited into the  
2 Cannabis Regulation Fund.

3 Sec. 6d. AUDITOR OF ACCOUNTS REPORT

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

8 \* \* \* Cannabis Establishments \* \* \*

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

10 CHAPTER 33. CANNABIS ESTABLISHMENTS

11 Subchapter 1. General Provisions

12 § 861. DEFINITIONS

13 As used in this chapter:

14 (1) “Advertise” means the publication or dissemination of an  
15 advertisement.

16 (2) “Advertisement” means any written or verbal statement, illustration,  
17 or depiction that is calculated to induce sales of cannabis or cannabis products,  
18 including any written, printed, graphic, or other material, billboard, sign, or  
19 other outdoor display, other periodical literature, publication, or in a radio or  
20 television broadcast, or in any other media. The term does not include:

1           (A) any label affixed to any cannabis or cannabis product, or any  
2           individual covering, carton, or other wrapper of that container that constitutes a  
3           part of the labeling under provisions of these standards;

4           (B) any editorial or other reading material, such as a news release, in  
5           any periodical or publication or newspaper for the publication of which no  
6           money or valuable consideration is paid or promised, directly or indirectly, by  
7           any cannabis establishment, and which is not written by or at the direction of  
8           the licensee;

9           (C) any educational, instructional, or otherwise noncommercial  
10           material that is not intended to induce sales and that does not propose an  
11           economic transaction, but which merely provides information to the public in  
12           an unbiased manner;

13           (D) a sign attached to the premises of a cannabis establishment that  
14           merely identifies the location of the cannabis establishment; or

15           (E) identification of a cannabis establishment as the sponsor of a  
16           charity or public good.

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

20           (4) “Applicant” means a person that applies for a license to operate a  
21           cannabis establishment pursuant to this chapter.

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

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

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

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

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

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

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

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

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

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

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

12           (16) “Controls,” “is controlled by,” and “under common control” mean  
13           the power to direct, or cause the direction or management and policies of a  
14           person, whether through the direct or beneficial ownership of voting securities,  
15           by contract, or otherwise. A person who directly or beneficially owns  
16           10 percent or more equity interest, or the equivalent thereof, of another person  
17           shall be deemed to control the person.

18           (17) “Dispensary” means a business organization licensed pursuant to  
19           18 V.S.A. chapter 86.

20           (18) “Enclosed, locked facility” means a building, room, greenhouse,  
21           outdoor fenced-in area, or other location that is enclosed on all sides and

1 prevents cannabis from easily being viewed by the public. The facility shall be  
2 equipped with locks or other security devices that permit access only by:

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

5 (B) Government employees performing their official duties.

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

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

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

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

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

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

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

11           § 862. NOT APPLICABLE TO HEMP OR MEDICAL USE OF

12           CANNABIS

13           This chapter applies to the regulation of cannabis establishments by the  
14           Board and shall not apply to activities regulated by 6 V.S.A. chapter 34 (hemp)  
15           or 18 V.S.A. chapter 86 (therapeutic use of cannabis).

16           § 863. REGULATION BY LOCAL GOVERNMENT

17           (a)(1) A municipality, by majority vote of those present and voting by  
18           Australian ballot at an annual or special meeting warned for that purpose, may  
19           prohibit the operation of a cannabis establishment or a specific type of  
20           cannabis establishment within the municipality. The provisions of this  
21           subdivision shall not apply to a cannabis establishment licensed by the State

1 pursuant to this chapter that is operating within the municipality at the time of  
2 the vote.

3 (2) A vote to prohibit the operation of a cannabis establishment within  
4 the municipality shall remain in effect until rescinded by majority vote of those  
5 present and voting by Australian ballot at an annual or special meeting warned  
6 for that purpose.

7 (b) A municipality that hosts a cannabis establishment may establish a  
8 cannabis control commission composed of commissioners who may be  
9 members of the municipal legislative body. The local cannabis control  
10 commission may issue and administer local control licenses under this  
11 subsection for cannabis establishments within the municipality. The  
12 commissioners may condition the issuance of a local control license upon  
13 compliance with any bylaw adopted pursuant to 24 V.S.A. § 4414 or  
14 ordinances regulating signs or public nuisances adopted pursuant to 24 V.S.A.  
15 § 2291. The commission may suspend or revoke a local control license for a  
16 violation of any condition placed upon the license. The Board shall adopt rules  
17 relating to a municipality's issuance of a local control license in accordance  
18 with this subsection and the local commissioners shall administer the rules  
19 furnished to them by the Board as necessary to carry out the purposes of this  
20 section.



1           (c) A municipality shall not:

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

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

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

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

13           § 864. ADVERTISING

14           (a) “Advertise” and “advertisement” have the same meaning as in section  
15           831 of this title.

16           (b) A cannabis establishment advertisement shall not contain any statement  
17           or illustration that:

18                   (1) is deceptive, false or misleading;

19                   (2) promotes overconsumption;

20                   (3) represents that the use of cannabis has curative effects;

1           (4) offers a prize, award, or inducement for purchasing cannabis or a  
2           cannabis product, except that price discounts are allowed;

3           (5) depicts a person under 21 years of age consuming cannabis or  
4           cannabis products; or

5           (6) is designed to be or has the effect of being particularly appealing to  
6           persons under 21 years of age.

7           (c) Cannabis establishments shall not advertise their products via any  
8           medium unless the licensee can show that not more than 15 percent of the  
9           audience is reasonably expected to be under 21 years of age.

10          (d) All advertisements shall contain the following warnings:

11           (1) For use only by adults 21 years of age or older. Keep out of the  
12           reach of children.

13           (2) Cannabis has intoxicating effects and may impair concentration,  
14           coordination, and judgment.

15           (3) Cannabis should not be used by women who are pregnant or  
16           breastfeeding.

17           (e) All advertisements shall be submitted to the Board on a form or in a  
18           format prescribed by the Board, prior to the dissemination of the  
19           advertisement. The Board may:

1           (1) require a specific disclosure be made in the advertisement in a clear  
2           and conspicuous manner if the Board determines that the advertisement would  
3           be false or misleading without such a disclosure; or

4           (2) make recommendations with respect to changes that are necessary to  
5           protect the public health, safety, and welfare or consistent with dispensing  
6           information for the product under review.

7           (f) The Board may charge and collect fees for review of advertisements.

8           § 865. EDUCATION

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

13           (b) A licensee shall ensure that each employee involved in the sale of  
14           cannabis or cannabis products completes a training program approved by the  
15           Board prior to selling cannabis or cannabis products and at least once every 24  
16           months thereafter. A licensee shall keep a written record of the type and date  
17           of training for each employee, which shall be signed by each employee. A  
18           licensee may comply with this requirement by conducting its own training  
19           program on its premises, using information and materials furnished by the  
20           Board. A licensee who fails to comply with the requirements of this section

1 shall be subject to a suspension of not less than one day of the license issued  
2 under this chapter.

3 § 866. YOUTH

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

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

14 (c) In accordance with section 864 of this title, advertising by a cannabis  
15 establishment shall not depict a person under 21 years of age consuming  
16 cannabis or cannabis products or be designed to be or has the effect of being  
17 particularly appealing to persons under 21 years of age. Cannabis  
18 establishments shall not advertise their products via flyers, television, radio,  
19 billboards, print, or Internet unless the licensee can show that not more than  
20 15 percent of the audience is reasonably expected to be under 21 years of age.  
21 All advertising shall contain a warning that cannabis and cannabis products are

1 for use only by adults 21 years of age or older and shall be kept out of the  
2 reach of children.

3 (d) The Board shall adopt rules in accordance with section 881 of this title  
4 to:

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

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

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

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

15 § 867. STANDARD SYMBOL FOR CANNABIS

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

1        § 868. PROHIBITED PRODUCTS

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

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

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

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

9            (4) cannabis products that contain delta-9 tetrahydrocannabinol and  
10       nicotine or alcoholic beverages.

11                            Subchapter 2. Administration

12        § 881. RULEMAKING; CANNABIS ESTABLISHMENTS

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

15            (1) Rules concerning any cannabis establishment shall include:

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

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

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

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

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

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

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

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

15                   (D) inspection requirements;

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

18                   (F) employment and training requirements;

19                   (G) security requirements, including any appropriate lighting,  
20 physical security, video, and alarm requirements;

21                   (H) restrictions on advertising, marketing, and signage;

1           (I) health and safety requirements;

2           (J) regulation of additives to cannabis and cannabis products,  
3           including those that are toxic or designed to make the product more addictive,  
4           more appealing to persons under 21 years of age, or to mislead consumers;

5           (K) procedures for seed-to-sale traceability of cannabis, including  
6           any requirements for tracking software;

7           (L) regulation of the storage and transportation of cannabis;

8           (M) sanitary requirements;

9           (N) procedures for the renewal of a license, which shall allow  
10          renewal applications to be submitted up to 90 days prior to the expiration of  
11          the cannabis establishment’s license;

12          (O) procedures for suspension and revocation of a license;

13          (P) requirements for banking and financial transactions, including  
14          provisions to ensure that the Board, the Department of Financial Regulation,  
15          and financial institutions have access to relevant information concerning  
16          licensed establishments to comply with State and federal regulatory  
17          requirements;

18          (Q) disclosure or eligibility requirements for a financier, its owners  
19          and principals, and its affiliates, which may include:

20                 (i) requirements to disclose information to a licensed  
21          establishment, the Board, or the Department of Financial Regulation;



1                    (ii) a minimum age requirement and a requirement to conduct a  
2                    background check for natural persons;

3                    (iii) requirements to ensure that a financier complies with  
4                    applicable State and federal laws governing financial institutions, licensed  
5                    lenders, and other financial service providers; and

6                    (iv) any other requirements, conditions, or limitations on the type  
7                    or amount of loans or capital investments made by a financier or its affiliates,  
8                    which the Board, in consultation with the Department of Financial Regulation,  
9                    determines is necessary to protect the public health, safety, and general  
10                   welfare; and

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

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

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

18                   (ii) restrictions on the use by cultivators of pesticides that are  
19                   injurious to human health;

20                   (iii) standards for both the indoor and outdoor cultivation of  
21                   cannabis, including environmental protection requirements;

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

3                   (v) labeling requirements for products sold to retailers that include  
4                   appropriate warnings concerning the potential risks of consuming cannabis, the  
5                   need to keep the product away from persons under 21 years of age, and that  
6                   cannabis should not be used by women who are pregnant or breastfeeding;

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

10                  (vii) facility inspection requirements and procedures.

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

14                  (3) Rules concerning product manufacturers shall include:

15                   (A) requirements that a single package of a cannabis product shall  
16                   not contain more than 100 milligrams of THC, except in the case of:

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

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

1           (B) requirements that cannabis products are labeled in a manner that  
2           states the number of servings of tetrahydrocannabinol in the product, measured  
3           in servings of a maximum of 10 milligrams per serving, except:

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

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

8           (C) requirements that cannabis products are labeled with a date the  
9           product was manufactured, the date the product is best used by, and the  
10           ingredients contained in the product;

11           (D) requirements that cannabis products are labeled with information  
12           on the length of time it typically takes for products to take effect and  
13           appropriate warnings concerning the potential risks of consuming cannabis, the  
14           need to keep the product away from persons under 21 years of age, and that  
15           cannabis should not be used by women who are pregnant or breastfeeding;

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

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

20           (G) requirements for opaque, child-resistant packaging; and

21           (H) a prohibition on:

1                    (i) products or packaging that are designed to make the product  
2                    more appealing to persons under 21 years of age; and

3                    (ii) the inclusion of nicotine or alcoholic beverages in a cannabis  
4                    product.

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

8                    (5) Rules concerning retailers shall include:

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

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

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

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

17                   (E) facility inspection requirements and procedures.

18                   (6) Rules concerning testing laboratories shall include:

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

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

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

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

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

12           § 882. SUSPENSION AND REVOCATION OF LICENSES; CIVIL

13           PENALTIES

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

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

1     § 883. CRIMINAL BACKGROUND RECORD CHECKS; APPLICANTS

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

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

12    § 884. CANNABIS ESTABLISHMENT IDENTIFICATION CARD

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

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

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

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

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

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

### 12 Subchapter 3. Licenses

#### 13 § 901. GENERAL PROVISIONS

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

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

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

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

5                (A) a cultivator license;

6                (B) a wholesaler license;

7                (C) a product manufacturer license;

8                (D) a retailer license;

9                (E) a testing laboratory license; and

10               (F) integrated license.

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

12               (i) cultivator licenses based on the plant canopy size of the  
13        cultivation operation or plant count for breeding stock.

14               (ii) retailer licenses.

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

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

20               (B) An applicant and its affiliates that are a dispensary registered  
21        pursuant to 18 V.S.A. chapter 86 may obtain one integrated license provided in



1 subdivision (d)(1)(F) of this title or a maximum of one of each type of license  
2 provided in subdivision (d)(1)(A)–(E) of this title. An integrated licensee may  
3 not hold a separate cultivator, wholesaler, product manufacturer, retailer, or  
4 testing laboratory license. An integrated license shall permit only one location  
5 for each of the types of activities permitted by the license: cultivation,  
6 wholesale operations, product manufacturing, retail sales, and testing.

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

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

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

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

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

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

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

6           § 902. LICENSE QUALIFICATIONS AND APPLICATION PROCESS

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

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

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

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

15           (c) The Board shall obtain a fingerprint-based Vermont criminal history  
16           record, an out-of-state criminal history record, a criminal history record from  
17           the Federal Bureau of Investigation, and any regulatory records relating to the  
18           operation of a business in this State or any other jurisdiction for each of the  
19           following who is a natural person:

20                   (1) the applicant;

21                   (2) each proposed principal;

1           (3) each individual who would control the business.

2           (d) An applicant who is denied a license may appeal the Board's  
3           determination in accordance with section 845 of this title.

4           § 903. PRIORITIES; BUSINESS AND TECHNICAL ASSISTANCE

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

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

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

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

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

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

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

1       (b) The Agency of Commerce and Community Development, in  
2       collaboration with the Agency of Agriculture, Food and Markets, shall provide  
3       business and technical assistance to Vermont applicants with priority for  
4       services based on criteria adopted by the Board in accordance with subsection  
5       (a) of this section.

6       § 904. CULTIVATOR LICENSE

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

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

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

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

15       (1) Packaging shall include:

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

17               (B) The strain and variety of cannabis contained.

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

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

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

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

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

8           (e)(1) Only unadulterated cannabis shall be offered for sale. If, upon  
9 inspection, the Board finds any violative pesticide residue or other  
10 contaminants of concern, the Board shall order the cannabis, either  
11 individually or in blocks, to be:

12           (A) put on stop-sale;

13           (B) treated in a particular manner; or

14           (C) destroyed according to the Board's instructions.

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

19           (3) A person may appeal an order issued pursuant to this section within  
20 15 days after receiving the order. The appeal shall be made in writing to the

1 Secretary and shall clearly identify the cannabis affected and the basis for the  
2 appeal.

3 § 904a. SMALL CULTIVATORS

4 (a) It is the intent of the General Assembly to move as much of the illegal  
5 cannabis market as possible into the regulated market for the purposes of  
6 consumer protection and public safety. It is also the intent of the General  
7 Assembly to encourage participation in the regulated cannabis market by  
8 small, local farmers. In furtherance of these goals, the Board shall consider  
9 policies to promote small cultivators. As used in this section, “small  
10 cultivator” means a cultivator of not more than 500 square feet.

11 (b) During the initial application period for cultivator licenses, the  
12 Board shall prioritize licenses for small cultivators.

13 (c) In accordance with subdivision 881(a)(2)(B) of this chapter, the Board  
14 shall consider the different needs and risks of small cultivators when adopting  
15 rules and shall make an exception or accommodation to such rules for  
16 cultivators of this size where appropriate.

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

1     § 905. WHOLESALER LICENSE

2         A wholesaler licensed under this chapter may:

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

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

9     § 906. PRODUCT MANUFACTURER LICENSE

10         A product manufacturer licensed under this chapter may:

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

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

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

18     § 907. RETAILER LICENSE

19         (a) A retailer licensed under this chapter may:

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

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

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

10          (c)(1) Packaging shall include:

11           (A) The strain and variety of cannabis contained.

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

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

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

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

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



1        (d) A retailer shall display a safety information flyer or flyers developed or  
2        approved by the Board and supplied to the retailer free of charge. The flyer or  
3        flyers shall contain information concerning the methods for administering  
4        cannabis, the amount of time it may take for cannabis products to take effect,  
5        the risks of driving under the influence of cannabis, the potential risks of  
6        cannabis use, the symptoms of problematic usage, and how to receive help for  
7        cannabis abuse.

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

9        § 908. TESTING LABORATORY LICENSE

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

13       (b) Testing may address the following:

14           (1) residual solvents;

15           (2) poisons or toxins;

16           (3) harmful chemicals;

17           (4) dangerous molds, mildew, or filth;

18           (5) harmful microbials, such as E. coli or salmonella;

19           (6) pesticides; and

20           (7) tetrahydrocannabinol and cannabidiol potency.

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

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

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

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

16       § 909. INTEGRATED LICENSE

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

20       (b) An integrated license is only available to an applicant and its affiliates  
21       that hold a dispensary registration pursuant 18 V.S.A. chapter 86 on July 1,

1 2020. There shall be nor more than five total integrated licenses, one for each  
2 registered dispensary. Upon compliance with all application procedures and  
3 requirements, the Board shall issue an integrated license to the applicant. The  
4 licensee shall have the right to renew the license in accordance with rules  
5 adopted by the Board.

6 § 910. FEES

7 (a) The Board shall charge and collect license application fees, initial  
8 annual license fees, and annual license renewal fees for each type of cannabis  
9 establishment license under this chapter. Fees shall be due and payable at the  
10 time of license application, annual license, or renewal.

11 (b) Fees shall be deposited in the Cannabis Regulation Fund.

12 **Sec. 8. IMPLEMENTATION OF LICENSING CANNABIS**

13 **ESTABLISHMENTS**

14 (a)(1) The cannabis plant, cannabis product, and useable cannabis  
15 possession limits for a registered dispensary set forth in 18 V.S.A. chapter 86  
16 shall no longer apply on and after September 1, 2020. A dispensary shall be  
17 permitted to cultivate cannabis and manufacture cannabis products for the  
18 purpose of transferring or selling them to an integrated licensee on or after  
19 January 15, 2021 and engaging in the activities permitted by 7 V.S.A. chapter  
20 33.

1           (2) On or before January 15, 2021, the Board shall begin accepting  
2           applications for integrated licenses.

3           (3) On or before February 15, 2021, the Board shall begin issuing  
4           integrated licenses to qualified applicants. An integrated licensee may begin  
5           selling cannabis and cannabis products transferred or purchased from a  
6           dispensary immediately.

7           (b)(1) On or before January 15, 2021, the Board shall begin accepting  
8           applications for cultivator licenses. During this initial application period, the  
9           Board shall give priority to applications for small cultivator licenses. The  
10           initial application period shall remain open for 30 days. The Board may  
11           reopen the application process for any period of time at its discretion.

12           (2) On or before February 15, 2021, the Board shall begin issuing  
13           cultivator licenses to qualified applicants. Upon licensing, cultivators shall be  
14           permitted to sell cannabis to an integrated licensee and a dispensary licensed  
15           pursuant to 18 V.S.A. chapter 86 prior to other types of cannabis establishment  
16           licensees beginning operations.

17           (c)(1) On or before February 15, 2021, the Board shall begin accepting  
18           applications for testing laboratory licenses. The initial application period shall  
19           remain open for 30 days. The Board may reopen the application process for  
20           any period of time at its discretion.

1           (2) On or before April 1, 2021, the Board shall begin issuing testing  
2           laboratory licenses to qualified applicants.

3           (d)(1) On or before April 1, 2021, the Board shall begin accepting  
4           applications for product manufacturer licenses and wholesaler licenses. The  
5           initial application period shall remain open for 30 days. The Board may  
6           reopen the application process for any period of time at its discretion.

7           (2) On or before May 15, 2021, the Board shall begin issuing product  
8           manufacturer and wholesaler licenses to qualified applicants.

9           (c)(1) On or before June 1, 2021, the Board shall begin accepting  
10           applications for retailer licenses. The initial application period shall remain  
11           open for 30 days. The Board may reopen the application process for any  
12           period of time at its discretion.

13           (2) On or before July 15, 2021, the Board shall begin issuing retailer  
14           licenses to qualified applicants and sales of cannabis and cannabis products by  
15           licensed retailers to the public shall be allowed immediately.

16   \* \* \* Medical Cannabis Registry \* \* \*

17           Sec. 9. [Deleted.]

18           Sec. 10. [Deleted.]

19           Sec. 11. [Deleted.]



1     § 7901. CANNABIS EXCISE TAX

2           (a) There is imposed a cannabis excise tax equal to 16 percent of the sales  
3     price of each retail sale in this State of cannabis and cannabis products,  
4     including food or beverages.

5           (b) The tax imposed by this section shall be paid by the purchaser to the  
6     retailer or integrated licensee. Each retailer or integrated licensee shall collect  
7     from the purchaser the full amount of the tax payable on each taxable sale.

8           (c) The tax imposed by this section is separate from and in addition to the  
9     cannabis local option tax authorized under section 7902 of this title. The tax  
10    imposed by this section shall not be part of the sales price to which the  
11    cannabis local option tax applies. The cannabis excise tax shall be separately  
12    itemized from the cannabis local option tax on the receipt provided to the  
13    purchaser.

14           (d) The following sales shall be exempt from the tax imposed under this  
15    section:

16           (1) sales under any circumstances in which the State is without power to  
17    impose the tax;

18           (2) sales made by any dispensary as authorized under 18 V.S.A.  
19    chapter 86, provided that the cannabis or cannabis product is sold only to  
20    registered qualifying patients directly or through their registered caregivers;  
21    and

1           (3) sales from a cannabis cultivator, cannabis product manufacturer,  
2           cannabis wholesaler, or integrated licensee to a cannabis product manufacturer,  
3           cannabis retailer, cannabis wholesaler, or integrated licensee.

4           § 7902. CANNABIS LOCAL OPTION TAX

5           (a) Notwithstanding 24 V.S.A. § 138, any municipality may collect a  
6           cannabis local option tax of two percent of the sales price on each retail sale in  
7           the municipality of cannabis and cannabis products, including food and  
8           beverages.

9           (b) The cannabis local option tax may be adopted by a municipality that:

10           (1) does not currently prohibit the retail sale of cannabis and cannabis  
11           products within the municipality; and

12           (2) provided notice of the imposition and the amount to the Department  
13           of Taxes at least 90 days prior to the first day of the tax quarter when the  
14           cannabis local option tax will be collected.

15           (c) The tax imposed by this section shall be paid by the purchaser to the  
16           retailer or integrated licensee. Each retailer or integrated licensee shall collect  
17           from the purchaser the full amount of the tax payable on each taxable sale.

18           (d) The tax imposed by this section is separate from and in addition to the  
19           cannabis excise tax authorized under section 7901 of this title. The tax  
20           imposed by this section shall not be part of the sales price to which the



1 cannabis excise tax applies. The cannabis local option tax shall be separately  
2 itemized from the cannabis excise tax on the receipt provided to the purchaser.

3 (e) The following sales shall be exempt from the tax imposed under this  
4 section:

5 (1) sales under any circumstances in which the State is without power to  
6 impose the tax;

7 (2) sales made by any dispensary as authorized under 18 V.S.A. chapter  
8 86, provided that the cannabis or cannabis product is sold only to registered  
9 qualifying patients directly or through their registered caregivers; and

10 (3) sales from a cannabis cultivator, cannabis product manufacturer,  
11 cannabis wholesaler, or integrated licensee to a cannabis product manufacturer,  
12 cannabis retailer, cannabis wholesaler, or integrated licensee.

13 (f) Any tax imposed under the authority of this section shall be collected  
14 and administered by the Department of Taxes, in accordance with State law  
15 governing the cannabis excise and cannabis local option taxes imposed under  
16 chapter 207 of this title, and provided to the municipality in which they were  
17 collected on a quarterly basis after reduction for the costs of administration and  
18 collection. A tax imposed under this section shall be collected using a  
19 destination basis for taxation. A per-return fee of \$5.96 shall be assessed to  
20 compensate the Department for the costs of administration and collection,

1 which shall be paid by the municipality. The fee shall be subject to the  
2 provisions of section 605 of this title.

3 (g) As used in this section, “municipality” means a city, town, or  
4 incorporated village.

5 (h) Nothing in this section shall affect the validity of any existing provision  
6 of law or municipal charter authorizing a municipality to impose a local option  
7 tax on anything not subject to the cannabis local option tax.

8 § 7903. LIABILITY FOR TAXES

9 (a) Any tax collected in accordance with this chapter shall be deemed to be  
10 held by the retailer **or integrated licensee** in trust for the State of Vermont.  
11 Any tax collected under this chapter shall be accounted for separately so as  
12 clearly to indicate the amount of tax collected and that the same are the  
13 property of the State of Vermont.

14 (b) Every retailer **or integrated licensee** required to collect and remit tax  
15 under this chapter to the Commissioner shall be personally and individually  
16 liable for the amount of such tax together with such interest and penalty as has  
17 accrued under the provisions of section 3202 of this title. If the retailer **or**  
18 **integrated licensee** is a corporation or other entity, the personal liability shall  
19 extend to any officer or agent of the corporation or entity who as an officer or  
20 agent of the same has the authority to collect and remit tax to the  
21 Commissioner of Taxes as required in this chapter.

1       (c) A retailer or integrated licensee shall have the same rights in collecting  
2       tax from his or her purchaser or regarding nonpayment of tax by the purchaser  
3       as if the tax or taxes were a part of the purchase price of cannabis or cannabis  
4       products and payable at the same time; provided, however, if the retailer or  
5       integrated licensee required to collect tax has failed to remit any portion of the  
6       tax or taxes to the Commissioner of Taxes, the Commissioner of Taxes shall be  
7       notified of any action or proceeding brought by the retailer or integrated  
8       licensee to collect tax and shall have the right to intervene in such action or  
9       proceeding.

10       (d) A retailer or integrated licensee required to collect tax may also refund  
11       or credit to the purchaser any tax erroneously, illegally, or unconstitutionally  
12       collected. No cause of action that may exist under State law shall accrue  
13       against the retailer or integrated licensee for tax collected unless the purchaser  
14       has provided written notice to a retailer or integrated licensee and the retailer  
15       or integrated licensee has had 60 days to respond.

16       § 7904. RETURNS; RECORDS

17       (a) Any retailer or integrated licensee required to collect tax imposed by  
18       this chapter shall, on or before the 25th day of every month, return to the  
19       Department of Taxes, under oath of a person with legal authority to bind the  
20       retailer or integrated licensee, a statement containing its name and place of  
21       business, the total amount of sales subject to the cannabis excise tax and

1 cannabis local option tax, if applicable, made in the preceding month, and any  
2 information required by the Department of Taxes, along with the total tax due.  
3 The Commissioner of Taxes may require that returns be submitted  
4 electronically and may prohibit the remittance in cash of taxes collected.

5 (b) Every retailer and integrated licensee shall maintain, for not less than  
6 three years, accurate records showing all transactions subject to tax liability  
7 under this chapter. The records are subject to inspection by the Department of  
8 Taxes at all reasonable times during normal business hours.

9 § 7905. BUNDLED TRANSACTIONS

10 (a) Except as provided in subsection (b) of this section, a retail sale of a  
11 bundled transaction that includes cannabis or a cannabis product is subject to  
12 the cannabis excise tax and cannabis local option tax, where applicable,  
13 imposed by this chapter on the entire selling price of the bundled transaction.  
14 If there is a conflict with the bundling transaction provisions applicable to  
15 another tax type, this section shall apply.

16 (b) If the selling price is attributable to products that are taxable and  
17 products that are not taxable under this chapter, the portion of the price  
18 attributable to the products that are nontaxable are subject to the tax imposed  
19 by this chapter unless the retailer or integrated licensee can identify by  
20 reasonable and verifiable standards the portion that is not subject to tax from  
21 its books and records that are kept in the regular course of business, and any

1 discounts applied to the bundle must be attributed to the products that are  
2 nontaxable under this chapter.

3 (c) As used in this section, “bundled transaction” means:

4 (1) the retail sale of two or more products where the products are  
5 otherwise distinct and identifiable, are sold for one nonitemized price, and at  
6 least one of the products is or contains cannabis; or

7 (2) cannabis or a cannabis product that is provided free of charge with  
8 the required purchase of another product.

9 § 7906. LICENSE

10 (a) Any retailer or integrated licensee required to collect tax imposed by  
11 this chapter must apply for and receive a cannabis retail tax license from the  
12 Commissioner for each place of business within the State where he or she sells  
13 cannabis or cannabis products prior to commencing business. The  
14 Commissioner shall issue without charge a license, or licenses, empowering  
15 the retailer or integrated licensee to collect the cannabis excise tax and  
16 cannabis local option tax, where applicable, provided that a retailer or  
17 integrated licensee’s application is properly submitted and the retailer or  
18 integrated licensee is otherwise in compliance with applicable laws, rules, and  
19 provisions.

20 (b) Each cannabis retail tax license shall state the place of business to  
21 which it is applicable and be prominently displayed in the place of business.

1 The licenses shall be nonassignable and nontransferable and shall be  
2 surrendered to the Commissioner immediately upon the registrant ceasing to  
3 do business in the place named. A cannabis retail tax license shall be separate  
4 and in addition to any licenses required by sections 9271 (meals and rooms  
5 tax) and 9707 (sales and use tax) of this title.

6 (c) The Cannabis Control Board may require the Commissioner of Taxes to  
7 suspend or revoke the tax licenses issued under this section for any retailer or  
8 integrated licensee that fails to comply with 7 V.S.A. chapter 33 or any rules  
9 adopted by the Board.

10 § 7907. ADMINISTRATION OF CANNABIS TAXES

11 (a) The Commissioner of Taxes shall administer and enforce this chapter  
12 and the tax. The Commissioner may adopt rules pursuant to 3 V.S.A. chapter  
13 25 to carry out such administration and enforcement.

14 (b) To the extent not inconsistent with this chapter, the provisions for the  
15 assessment, collection, enforcement, and appeals of the sales and use tax in  
16 chapter 233 of this title shall apply to the taxes imposed by this chapter.

17 § 7908. STATUTORY PURPOSES

18 (a) The statutory purpose of the exemptions for cannabis and cannabis  
19 products sold by any dispensary as authorized under 18 V.S.A. chapter 86 in  
20 subdivisions 7901(d)(2) and 7902(e)(2) of this title is to lower the cost of

1 medical products in order to support the health and welfare of Vermont  
2 residents.

3 (b) The statutory purpose of the exemption for nonretail sales in 7901(d)(3)  
4 and 7902(e)(3) of this title is to avoid taxation when purchased cannabis or  
5 cannabis product is intended to be incorporated into a new cannabis product.

6 § 7909. ADDITIONAL TAXES DO NOT APPLY

7 The cannabis excise tax and cannabis local option tax are the only taxes that  
8 apply to a retail sale of cannabis or cannabis product in this State.

9 Sec. 14a. 32 V.S.A. § 3102(d)(3) is amended to read:

10 (3) to any person who inquires, provided that the information is limited to  
11 whether a person is registered to collect Vermont income withholding, sales  
12 and use, ~~or meals and rooms,~~ or cannabis excise tax; whether a person is in  
13 good standing with respect to the payment of these taxes; whether a person is  
14 authorized to buy or sell property free of tax; or whether a person holds a valid  
15 license under chapter 205 or 239 of this title or 10 V.S.A. § 1942;

16 \* \* \* Sales Tax Exemption \* \* \*

17 Sec. 15. 32 V.S.A. § 9701(31) is amended to read:

18 (31) “Food and food ingredients” means substances, whether in liquid,  
19 concentrated, solid, frozen, dried, or dehydrated form, that are sold for  
20 ingestion or chewing by humans and are consumed for their taste or nutritional  
21 value. “Food and food ingredients” does not include alcoholic beverages,

1 tobacco, cannabis and cannabis products as defined under 7 V.S.A. § 831, or  
2 soft drinks.

3 Sec. 16. 32 V.S.A. § 9741(53) is added to read:

4 (53) Cannabis and cannabis products as defined under 7 V.S.A. § 831.

5 \* \* \* Tax Expenditure \* \* \*

6 Sec. 17. 32 V.S.A. § 9706(mm) is added to read:

7 (mm) The statutory purpose of the exemption for cannabis and cannabis  
8 products as defined under 7 V.S.A. § 831 in subdivision 9741(53) of this title  
9 is to lower the cost of medical products sold by any dispensary as authorized  
10 under 18 V.S.A. chapter 86 in order to support the health and welfare of  
11 Vermont residents and avoid having both the sales tax and the cannabis excise  
12 and cannabis local option taxes apply to cannabis and cannabis products that  
13 are not sold as a medical product.

14 \* \* \* Meals and Rooms Tax \* \* \*

15 Sec. 17a. 32 V.S.A. § 9202(10) is amended to read:

16 (10) “Taxable meal” means:

17 \* \* \*

18 (D) “Taxable meal” shall not include:

19 (i) Food or beverage, other than that taxable under subdivision  
20 (10)(C) of this section, that is a grocery-type item furnished for take-out: whole  
21 pies or cakes, loaves of bread; single-serving bakery items sold in quantities of



1 three or more; delicatessen and nonprepackaged candy sales by weight or  
2 measure, except party platters; whole uncooked pizzas; pint or larger closed  
3 containers of ice cream or frozen confection; eight ounce or larger containers  
4 of salad dressings or sauces; maple syrup; quart or larger containers of cider or  
5 milk.

6 \* \* \*

7 (iii) Cannabis or cannabis products as defined under 7 V.S.A.  
8 § 831.

9 Sec. 17b. 32 V.S.A. § 9201(n) is added to read:

10 (n) The statutory purpose for the exemption for cannabis and cannabis  
11 products as defined under 7 V.S.A. § 831 in subdivision 9202(10)(D)(iii) of  
12 this title is to avoid having both the meals and rooms tax and the cannabis  
13 excise tax apply to edible cannabis products.

14 \* \* \* Income Tax Deduction \* \* \*

15 Sec. 18. 32 V.S.A. § 5811 is amended to read:

16 § 5811. DEFINITIONS

17 The following definitions shall apply throughout this chapter unless the  
18 context requires otherwise:

19 \* \* \*

20 (18) “Vermont net income” means, for any taxable year and for any  
21 corporate taxpayer:

1 (A) the taxable income of the taxpayer for that taxable year under the  
2 laws of the United States, without regard to 26 U.S.C. § 168(k) of the Internal  
3 Revenue Code, and excluding income which under the laws of the United  
4 States is exempt from taxation by the states:

5 \* \* \*

6 (ii) decreased by:

7 (I) the “gross-up of dividends” required by the federal Internal  
8 Revenue Code to be taken into taxable income in connection with the  
9 taxpayer’s election of the foreign tax credit; ~~and~~

10 (II) the amount of income which results from the required  
11 reduction in salaries and wages expense for corporations claiming the Targeted  
12 Job or WIN credits; and

13 (III) any federal deduction that the taxpayer would have been  
14 allowed for the cultivation, testing, processing, or sale of cannabis or cannabis  
15 products as authorized under 7 V.S.A. chapter 33 or 18 V.S.A. chapter 86, but  
16 for 26 U.S.C. § 280E.

17 \* \* \*

18 (21) “Taxable income” means, in the case of an individual, federal adjusted  
19 gross income determined without regard to 26 U.S.C. § 168(k) and:

20 \* \* \*

1 (C) Decreased by the following exemptions and deductions:

2 \* \* \*

3 (iii) an additional deduction of \$1,000.00 for each federal deduction  
4 under 26 U.S.C. § 63(f) that the taxpayer qualified for and received; ~~and~~

5 (iv) the dollar amounts of the personal exemption allowed under  
6 subdivision (i) of this subdivision (21)(C), the standard deduction allowed  
7 under subdivision (ii) of this subdivision (21)(C), and the additional deduction  
8 allowed under subdivision (iii) of this subdivision (21)(C) shall be adjusted  
9 annually for inflation by the Commissioner of Taxes beginning with taxable  
10 year 2018 by using the Consumer Price Index and the same methodology as  
11 used for adjustments under 26 U.S.C. § 1(f)(3); provided, however, that as  
12 used in this subdivision, “consumer price index” means the last Consumer  
13 Price Index for All Urban Consumers published by the U.S. Department of  
14 Labor; and

15 (v) any federal deduction that the taxpayer would have been allowed  
16 for the cultivation, testing, processing, or sale of cannabis or cannabis products  
17 as authorized under 7 V.S.A. chapter 33 or 18 V.S.A. chapter 86, but for  
18 26 U.S.C. § 280E.

19 \* \* \*



1 prevention programming and for necessary costs incurred in administering the  
2 Fund. The Fund shall be administered by the Commissioner of Health or  
3 designee.

4 (b) The Fund shall consist of revenues derived from:

5 (1) 30 percent of the revenues raised by the cannabis excise tax imposed  
6 by 32 V.S.A. § 7901, but not more than \$6 million per fiscal year; and

7 (2) any other funds that may be dedicated by the General Assembly.

8 (c) All balances remaining at the end of any fiscal year shall be carried  
9 forward and remain in the Fund.

10 (d) The Commissioner of Finance and Management may draw warrants for  
11 disbursements from this Fund in anticipation of receipts.

12 \* \* \* Impaired Driving \* \* \*

13 Sec. 18c. 20 V.S.A. § 2358(f) is added to read:

14 (f) The criteria for all minimum training standards under this section shall  
15 include Advanced Roadside Impaired Driving Enforcement training as  
16 approved by the Vermont Criminal Justice Training Council. On or before  
17 December 31, 2020, law enforcement officers shall receive a minimum of  
18 16 hours of training as required by this subsection.

19 Sec. 18d. 23 V.S.A. § 1200 is amended to read:

20 § 1200. DEFINITIONS

21 As used in this subchapter:

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\* \* \*

(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. 18e. 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~~



1 section shall be **presumptively** admissible at trial to demonstrate whether or not  
2 the person was operating under the influence in violation of this section.

3 Sec. 18f. 23 V.S.A. § 1202 is amended to read:

4 § 1202. CONSENT TO TAKING OF TESTS TO DETERMINE BLOOD

5 ALCOHOL CONTENT OR PRESENCE OF OTHER DRUG

6 (a)(1) Implied consent. Every person who operates, attempts to operate, or  
7 is in actual physical control of any vehicle on a highway in this State is deemed  
8 to have given consent to an evidentiary test of that person's breath for the  
9 purpose of determining the person's alcohol concentration or the presence of  
10 other drug in the blood. The test shall be administered at the direction of a law  
11 enforcement officer.

12 (2) Blood test. If breath testing equipment is not reasonably available or  
13 if the officer has reason to believe that the person is unable to give a sufficient  
14 sample of breath for testing or if the law enforcement officer has reasonable  
15 grounds to believe that the person is under the influence of a drug other than  
16 alcohol, the person is deemed to have given consent to the taking of an  
17 evidentiary sample of blood. If in the officer's opinion the person is incapable  
18 of decision or unconscious or dead, it is deemed that the person's consent is  
19 given and a sample of blood shall be taken. A blood test sought pursuant to  
20 this subdivision (2) shall be obtained pursuant to subsection (f) of this section.



1           (3) Saliva test. If the law enforcement officer has reasonable grounds to  
2 believe that the person is under the influence of a drug other than alcohol, or  
3 under the combined influence of alcohol and a drug, the person is deemed to  
4 have given consent to providing of an evidentiary sample of saliva. A saliva  
5 test sought pursuant to this subdivision (3) shall be obtained pursuant to  
6 subsection (f) of this section. Any saliva test administered under this section  
7 shall be used only for the limited purpose of detecting the presence of a drug in  
8 the person's body, and shall not be used to extract DNA information.

9           (4) Evidentiary test. The evidentiary test shall be required of a person  
10 when a law enforcement officer has reasonable grounds to believe that the  
11 person was operating, attempting to operate, or in actual physical control of a  
12 vehicle in violation of section 1201 of this title.

13           ~~(4)~~(5) Fatal collision or incident resulting in serious bodily injury. The  
14 evidentiary test shall also be required if the person is the surviving operator of  
15 a motor vehicle involved in a fatal incident or collision or an incident or  
16 collision resulting in serious bodily injury and the law enforcement officer has  
17 reasonable grounds to believe that the person has any amount of alcohol or  
18 other drug in his or her system.

19           (b) A refusal to take a breath test may be introduced as evidence in a  
20 criminal proceeding.

1 (c) A person who is requested by a law enforcement officer to submit to an  
2 evidentiary test or tests has a right as limited in this subsection to consult an  
3 attorney before deciding whether or not to submit to such a test or tests. The  
4 person must decide whether or not to submit to the evidentiary test or tests  
5 within a reasonable time and not later than 30 minutes after the time of the  
6 initial attempt to contact the attorney. The person must make a decision about  
7 whether to submit to the test or tests at the expiration of the 30 minutes,  
8 regardless of whether a consultation took place.

9 (d) At the time a test is requested, the person shall be informed of the  
10 following statutory information:

11 (1) Vermont law authorizes a law enforcement officer to request a test to  
12 determine whether the person is under the influence of alcohol or other drug.

13 (2) If the officer's request is reasonable and testing is refused, the  
14 person's license or privilege to operate will be suspended for at least six  
15 months.

16 (3) If a test is taken and the results indicate that the person is under the  
17 influence of alcohol or other drug, the person will be subject to criminal  
18 charges and the person's license or privilege to operate will be suspended for at  
19 least 90 days.

20 (4) A person who is requested by a law enforcement officer to submit to  
21 an evidentiary test or tests has the limited right to consult an attorney before

1 deciding whether or not to submit to such a test or tests. The person must  
2 decide whether or not to submit to the evidentiary test or tests within a  
3 reasonable time and no later than 30 minutes from the time of the initial  
4 attempt to contact the attorney, regardless of whether a consultation took place.  
5 The person also has the right to have additional tests made by someone of the  
6 person's own choosing at the person's own expense. The person shall also be  
7 informed of the location of one or more facilities available for drawing blood.

8 (5) A person who is requested by a law enforcement officer to submit to  
9 an evidentiary test administered with an infrared breath-testing instrument may  
10 elect to have a second infrared test administered immediately after receiving  
11 the results of the first test.

12 (6) If the person refuses to take an evidentiary test, the refusal may be  
13 offered into evidence against the person at trial, whether or not a search  
14 warrant is sought. The person may be charged with the crime of criminal  
15 refusal if the person:

16 (A) has previously been convicted of a violation of section 1201 of  
17 this title; or

18 (B) is involved in an accident or collision resulting in serious bodily  
19 injury or death to another, in which case the court may issue a search warrant  
20 and order the person to submit to a blood test, the results of which may be  
21 offered into evidence against the person at trial.

\* \* \*

1  
2 (f)(1) If a blood test is sought from a person pursuant to subdivision (a)(2)  
3 of this section, or if a person who has been involved in an accident or collision  
4 resulting in serious bodily injury or death to another refuses an evidentiary test,  
5 a law enforcement officer may apply for a search warrant pursuant to Rule 41  
6 of the Vermont Rules of Criminal Procedure to obtain a sample of blood for an  
7 evidentiary test. ~~If~~ Pursuant to subsection (d)(6) of this section, if a blood  
8 sample is obtained by search warrant, the fact of the refusal may still be  
9 introduced in evidence, in addition to the results of the evidentiary test. Once a  
10 law enforcement official begins the application process for a search warrant,  
11 the law enforcement official is not obligated to discontinue the process even if  
12 the person later agrees to provide an evidentiary ~~breath~~ sample. The limitation  
13 created by Rule 41(g) of the Vermont Rules of Criminal Procedure regarding  
14 blood specimens shall not apply to search warrants authorized by this section.

15 (2) If an evidentiary saliva test is sought from a person pursuant to  
16 subdivision (a)(3) of this section, a law enforcement officer may apply for a  
17 search warrant pursuant Rule 41 of the Vermont Rules of Criminal Procedure  
18 to obtain a sample of saliva for the evidentiary test. Pursuant to subdivision  
19 (d)(6) of this section, if a saliva sample is obtained by search warrant, the fact  
20 of the refusal may still be introduced in evidence, in addition to the results of  
21 the evidentiary test.

1 (g) The Defender General shall provide statewide 24-hour coverage seven  
2 days a week to assure that adequate legal services are available to persons  
3 entitled to consult an attorney under this section.

4 Sec. 18g. 23 V.S.A. § 1203 is amended to read:

5 § 1203. ADMINISTRATION OF TESTS; RETENTION OF TEST AND  
6 VIDEOTAPE

7 (a) A breath test shall be administered only by a person who has been  
8 certified by the Vermont Criminal Justice Training Council to operate the  
9 breath testing equipment being employed. In any proceeding under this  
10 subchapter, a person's testimony that he or she is certified to operate the breath  
11 testing equipment employed shall be prima facie evidence of that fact.

12 (b)(1) Only a physician, licensed nurse, medical technician, physician  
13 assistant, medical technologist, ~~or~~ laboratory assistant, intermediate or  
14 advanced emergency medical technician, or paramedic acting at the request of  
15 a law enforcement officer may withdraw blood for the purpose of determining  
16 the presence of alcohol or ~~other~~ another drug. ~~This limitation does~~ Any  
17 withdrawal of blood shall not be taken at roadside. These limitations do not  
18 apply to the taking of a breath sample. A medical facility or business may not  
19 charge more than \$75.00 for services rendered when an individual is brought to  
20 a facility for the sole purpose of an evidentiary blood sample or when an

1 emergency medical technician or paramedic draws an evidentiary blood  
2 sample.

3 (2) A saliva sample may be obtained by a person authorized by the  
4 Vermont Criminal Justice Training Council to collect a saliva sample for the  
5 purpose of evidentiary testing to determine the presence of a drug. Any saliva  
6 sample obtained pursuant to this section shall not be taken at roadside.

7 (c) When a ~~breath test which is intended to be introduced in evidence is~~  
8 ~~taken with a crimper device or when~~ blood or saliva is withdrawn at an  
9 officer's request, a sufficient amount of ~~breath~~ saliva or blood, as the case may  
10 be, shall be taken to enable the person to have made an independent analysis of  
11 the sample, and shall be held for at least 45 days from the date the sample was  
12 taken. At any time during that period the person may direct that the sample be  
13 sent to an independent laboratory of the person's choosing for an independent  
14 analysis. The Department of Public Safety shall adopt rules providing for the  
15 security of the sample. At no time shall the defendant or any agent of the  
16 defendant have access to the sample. A preserved sample of breath shall not  
17 be required when an infrared breath-testing instrument is used. A person tested  
18 with an infrared breath-testing instrument shall have the option of having a  
19 second infrared test administered immediately after receiving the results of the  
20 first test.

1           (d) In the case of a breath, saliva, or blood test ~~administered using an~~  
2 ~~infrared breath testing instrument~~, the test shall be analyzed in compliance with  
3 rules adopted by the Department of Public Safety. The analyses shall be  
4 retained by the State. A sample is adequate if the infrared breath testing  
5 instrument analyzes the sample and does not indicate the sample is deficient.  
6 ~~Analysis~~ An analysis of the person's breath saliva or blood ~~which~~ that is  
7 available to that person for independent analysis shall be considered valid  
8 when performed according to methods approved by the Department of Public  
9 Safety. The analysis performed by the State shall be considered valid when  
10 performed according to a method or methods selected by the Department of  
11 Public Safety. The Department of Public Safety shall use rule making  
12 procedures to select its method or methods. Failure of a person to provide an  
13 adequate breath or saliva sample constitutes a refusal.

14           (e) [Repealed.]

15           (f) When a law enforcement officer has reason to believe that a person may  
16 be violating or has violated section 1201 of this title, the officer may request  
17 the person to provide a sample of breath for a preliminary screening test using  
18 a device approved by the Commissioner of Public Safety for this purpose. The  
19 person shall not have the right to consult an attorney prior to submitting to this  
20 preliminary breath alcohol screening ~~test~~. The results of this preliminary  
21 screening ~~test~~ may be used for the purpose of deciding whether an arrest

1 should be made and whether to request an evidentiary test and shall not be  
2 used in any court proceeding except on those issues. Following the screening,  
3 ~~test~~ additional tests may be required of the operator pursuant to the provisions  
4 of section 1202 of this title.

5 (g) The Office of the Chief Medical Examiner shall report in writing to the  
6 Department of Motor Vehicles the death of any person as the result of an  
7 accident involving a vehicle and the circumstances of such accident within five  
8 days of such death.

9 (h) A Vermont law enforcement officer shall have a right to request a  
10 breath, saliva or blood sample in an adjoining state or country under this  
11 section unless prohibited by the law of the other state or country. If the law in  
12 an adjoining state or country does not prohibit an officer acting under this  
13 section from taking a breath, saliva, or blood sample in its jurisdiction,  
14 evidence of such sample shall not be excluded in the courts of this State solely  
15 on the basis that the test was taken outside the State.

16 (i) The Commissioner of Public Safety shall adopt emergency rules relating  
17 to the operation, maintenance, and use of preliminary alcohol screening  
18 devices for use by law enforcement officers in enforcing the provisions of this  
19 title. The ~~commissioner~~ Commissioner shall consider relevant standards of the  
20 National Highway Traffic Safety Administration in adopting such rules. Any  
21 preliminary alcohol screening device authorized for use under this title shall be



1 on the qualified products list of the National Highway Traffic Safety  
2 Administration.

3 \* \* \*

4 Sec. 18h. 23 V.S.A. § 1203a(b) is amended to read:

5 (b) Arrangements for a blood test shall be made by the person submitting to  
6 the evidentiary breath or saliva test, by the person's attorney, or by some other  
7 person acting on the person's behalf unless the person is detained in custody  
8 after administration of the evidentiary test and upon completion of processing,  
9 in which case the law enforcement officer having custody of the person shall  
10 make arrangements for administration of the blood test upon demand but at the  
11 person's own expense.

12 Sec. 18i. 23 V.S.A. § 1204 is amended to read:

13 § 1204. PERMISSIVE INFERENCES

14 \* \* \*

15 (b) The foregoing provisions shall not be construed as limiting the  
16 introduction of any other competent evidence bearing upon the question  
17 whether the person was under the influence of alcohol or under the combined  
18 influence of alcohol and another drug, nor shall they be construed as requiring  
19 that evidence of the amount of alcohol or drug in the person's blood, breath,  
20 urine, or saliva must be presented.

1       Sec. 18j. DEPARTMENT OF PUBLIC SAFETY; DRUG RECOGNITION  
2                   EXPERTS; REPORT

3           On or before January 15, 2020, the Department of Public Safety shall report  
4 to the House and Senate Committees on Judiciary and on Government  
5 Operations on how to:

6           (1) achieve geographic equity in Drug Recognition Expert availability to  
7 conduct roadside evaluations of drivers suspected of violating 23 V.S.A.  
8 § 1201 across Vermont; and

9           (2) whether to expand the availability of the Drug Recognition Expert  
10 program beyond law enforcement officers to other public safety officials to the  
11 extent authorized by the national qualification standards of the International  
12 Association of Chiefs of Police and the National Highway Traffic Safety  
13 Administration.

14       Sec. 18k. DEPARTMENT OF PUBLIC SAFETY; NATIONAL HIGHWAY  
15                   TRAFFIC SAFETY ADMINISTRATION APPROVED SALIVA  
16                   TESTING DEVICE; REPORT

17           Upon the National Traffic Highway Safety Association identifying a  
18 threshold level of concentration of a psychoactive metabolite of cannabis in a  
19 person's bloodstream to establish impairment and approving a chemical testing  
20 device for roadside use capable of demonstrating such a threshold level of  
21 concentration of such psychoactive metabolite of cannabis in a person's

1 system, the Department of Public Safety shall report to the House and Senate  
2 Committees on Judiciary and on Government Operations on a proposal to  
3 implement the use of such a device to evaluate individuals suspected of  
4 operating under the influence of marijuana in violation of 23 V.S.A. § 1201.

5 \* \* \* Safety Belts \* \* \*

6 Sec. 18l. 23 V.S.A. § 1259 is amended to read:

7 § 1259. SAFETY BELTS; PERSONS ~~AGE~~ 18 YEARS OF AGE OR OVER

8 \* \* \*

9 ~~(e) This section may be enforced only if a law enforcement officer has~~  
10 ~~detained the operator of a motor vehicle for another suspected traffic violation.~~  
11 ~~An operator shall not be subject to the penalty established in this section unless~~  
12 ~~the operator is required to pay a penalty for the primary violation. [Repealed.]~~

13 (f) The penalty for violation of this section shall be as follows:

14 (1) ~~\$25.00~~ \$0.00 for a first violation;

15 (2) ~~\$50.00~~ \$25.00 for a second violation;

16 (3) \$50.00 for a third violation; and

17 (4) \$100.00 for ~~third~~ fourth and subsequent violations.

18 Sec. 18m. REPORTING BY THE VERMONT CRIMINAL JUSTICE

19 TRAINING COUNCIL

20 The Vermont Criminal Justice Training Council, in consultation with law  
21 enforcement agencies, shall submit a written report to the House and Senate

1 Committees on Transportation and on Judiciary on or before the 15th day of  
2 January in 2022, 2023, and 2024 containing, for the prior State fiscal year:

3 (1) the total number of traffic stops broken out by race of the driver  
4 involved in the traffic stop; and

5 (2) the following information for all traffic stops involving safety belts  
6 not worn by persons 18 years of age or over:

7 (A) the age, gender, and race of the driver involved in the traffic stop;

8 (B) the reason for the traffic stop;

9 (C) the type of search conducted, if any;

10 (D) the evidence located, if any;

11 (E) the outcome of the traffic stop, including whether:

12 (i) a written warning was issued,

13 (ii) a citation for a civil ticket was issued;

14 (iii) a citation or arrest for a misdemeanor or a felony occurred; or

15 (iv) no subsequent action was taken;

16 (F) summary data broken out by age, gender, race, and outcome of  
17 the traffic stop where the reason for the stop was the primary enforcement of a  
18 person 18 years of age or over not wearing a safety belt; and

19 (G) summary data broken out by age, gender, race, and outcome of  
20 the traffic stop where the reason for the stop was for any reason other than the

1 primary enforcement of a person 18 years of age or over not wearing a safety  
2 belt.

3 \* \* \* Miscellaneous Cannabis Provisions \* \* \*

4 Sec. 18n. 6 V.S.A. § 567 is amended to read:

5 § 567. AGENCY OF AGRICULTURE, FOOD AND MARKETS; TESTING

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

8 (1) to develop potency and contaminant testing protocols for hemp, ~~and~~  
9 hemp-infused products, cannabis, and cannabis products as defined in 7 V.S.A.  
10 § 831;

11 (2) to verify cannabinoid label guarantees of hemp, ~~and~~ hemp-infused  
12 products, cannabis, and cannabis products as defined in 7 V.S.A. § 831;

13 (3) to test for pesticides, solvents, heavy metals, mycotoxins, and  
14 bacterial and fungal contaminants in hemp, ~~and~~ hemp-infused products,  
15 cannabis, and cannabis products as defined in 7 V.S.A. § 831; and

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

18 (b) For purposes of this section, a laboratory operating under a dispensary  
19 registration pursuant to 18 V.S.A. chapter 86 that offers the services in  
20 subdivisions (2) and (3) of subsection (a) of this section on July 1, 2019 shall  
21 be deemed certified by the Agency.



1           (3) A person knowingly and unlawfully selling or dispensing one pound  
2 or more of ~~marijuana~~ cannabis or 2.8 ounces or more of hashish shall be  
3 imprisoned not more than 15 years or fined not more than \$500,000.00, or  
4 both.

5           (4) A person 21 years of age or older may dispense one ounce or less of  
6 cannabis or five grams or less of hashish to another person who is 21 years of  
7 age or older provided that the dispensing is not advertised or promoted to the  
8 public.

9           Sec. 20a. 18 V.S.A. § 4474n is added to read:

10          § 4474n. USE OF U.S. FOOD AND DRUG ADMINISTRATION-

11                         APPROVED DRUGS CONTAINING ONE OR MORE

12                         CANNABINOIDS

13           (a) Upon approval by the U.S. Food and Drug Administration (FDA) of  
14 one or more prescription drugs containing one or more cannabinoids, the  
15 following activities shall be lawful in Vermont:

16                         (1) the clinically appropriate prescription for a patient of an FDA-  
17 approved prescription drug containing one or more cannabinoids by a health  
18 care provider licensed to prescribe medications in this State and acting within  
19 his or her authorized scope of practice;

20                         (2) the dispensing, pursuant to a valid prescription, of an FDA-approved  
21 prescription drug containing one or more cannabinoids to a patient or a

1 patient's authorized representative by a pharmacist or by another health care  
2 provider licensed to dispense medications in this State and acting within his or  
3 her authorized scope of practice;

4 (3) the possession and transportation of an FDA-approved prescription  
5 drug containing one or more cannabinoids by a patient to whom a valid  
6 prescription was issued or by the patient's authorized representative;

7 (4) the possession and transportation of an FDA-approved prescription  
8 drug containing one or more cannabinoids by a licensed pharmacy or  
9 wholesaler in order to facilitate the appropriate dispensing and use of the drug;  
10 and

11 (5) the use of an FDA-approved prescription drug containing one or  
12 more cannabinoids by a patient to whom a valid prescription was issued,  
13 provided the patient uses the drug only for legitimate medical purposes in  
14 conformity with instructions from the prescriber and dispenser.

15 (b) Upon approval by the U.S. Food and Drug Administration of one or  
16 more prescription drugs containing one or more cannabinoids, the Department  
17 of Health shall amend its rules to conform to the provisions of subsection (a) of  
18 this section.

19 Sec. 20b. REPEAL

20 2017 Act and Resolves No. 62, Sec. 8 (use of U.S. Food and Drug  
21 Administration-approved drugs containing cannabidiol) is repealed.



1       Sec. 21. STATUTORY REVISION AUTHORITY

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

6                               \* \* \* Effective Dates \* \* \*

7       Sec. 22. EFFECTIVE DATES

8           (a) This section and Secs. 18c (Advanced Roadside Impaired Driving  
9       Enforcement training), 18j (drug recognition experts report), 18n (Agency of  
10       Agriculture, Food and Markets; testing), 20 (cannabis dispensing), 20a  
11       (F.D.A.-approved drugs containing one or more cannabinoids), 20b (repeal of  
12       F.D.A.-approved drugs containing cannabidiol), and 21 (statutory revision  
13       authority) shall take effect on passage.

14          (b) Secs. 1 (Title 7 redesignation), 2 (cannabis chapter), 3 (implementation  
15       of the Cannabis Control Board), 4 (implementation of rulemaking by the  
16       Cannabis Control Board, 5 (Cannabis Control Board; fees), 6 (creation of  
17       Board positions), 6a (space allocation), 6b (appropriation), 7 (cannabis  
18       establishments chapter), 8 (implementation of licensing of cannabis  
19       establishments), 18a (Substance Misuse Prevention Fund), 18i (permissive  
20       inference), 18k (National Highway Traffic safety Administration-approved

1 saliva testing device), and 19 (public place definition) shall take effect July 1,  
2 2019.

3 (c) Secs. 14 (creation of excise and local option tax), 14a (tax license  
4 disclosure), 15 (sales tax exemption), 16 (tax exemption), 17 (tax expenditure),  
5 17a (meals and rooms tax), 17b (meals and rooms tax expenditure), and  
6 18 (income tax deduction), 18b (Substance Misuse Prevention Fund), 18d  
7 (definition of evidentiary test), 18e (operating vehicle under the influence of  
8 alcohol or other substance), 18f (consent to taking of tests to determine blood  
9 alcohol content or presence of other drug), 18g (administration of tests), and  
10 18h (independent testing of evidentiary sample) shall take effect January 1,  
11 2021.

12 (d) Secs. 6c and 6d shall take effect on July 1, 2021.

13  
14  
15  
16  
17

18 (Committee vote: \_\_\_\_\_)

19 \_\_\_\_\_

20 Representative \_\_\_\_\_

21 FOR THE COMMITTEE