S.54 Cannabis Consumer and Public Protection

For adults in Vermont, cannabis is a legal product. Each year, a significant number of Vermont adults choose to spend hundreds of millions of dollars purchasing the product from the illicit market here or from the neighboring state of Massachusetts where there is a regulated market.

Vermont's current law is awkward because it has legalized a product without creating any safe, legal access to it. We saw what this leads to in the news about a store on the Church Street Marketplace in Burlington being raided for "selling" marijuana products. The Attorney General recently changed his position to fully support the creation of a regulated market citing the need for consumer protection and an open, transparent and smart approach to public protection.

The path to the Cannabis Consumer and Public Protection Bill has been incremental and well informed. Since 2006 Vermont has taken a step-by-step approach to reform, starting with a medical marijuana law, creation of a regulated dispensary market, decriminalization, and legalization.

S.54 is grounded in this uniquely Vermont approach and benefits from the research conducted by the Governor's Commission on Marijuana.

The key features of the bill are:

> Consumer Protection:

- Replace the illicit market with a strictly regulated market
- o Provide safe access to predictable and consistent products
- o Information tools for informed, responsible consumption
- Mandatory third party testing requirements
- o Strict labeling requirements showing potency
- o Requirements for child resistant packaging
- Bans on advertising that appeals to children, encourages overconsumption, and makes false claims
- o Rules related to the manufacturing of single serve edibles products
- o Ban on cannabis products bundled with non-cannabis products
- Ban on cannabis products that include alcohol or tobacco

> Strict Market Regulation:

- New, dedicated and expert regulatory body created
- Seed to sale tracking regulations required
- o Constraints favoring a Vermont scaled business model
- Limited, regulated business operating licenses
- Criminal background checks for licensees

- o Age 21 required to access to stores, to purchase and to possess
- o Bans the "Gifting" for sales loop-hole
- o Bans marketing that appeals to children and youth
- o Provides for criminal background checks for employees and licensees
- o Allows municipalities to opt out of hosting cannabis businesses
- Requires education of cannabis businesses related to enforcement and employee training
- Rules related to security and health and safety requirements for cannabis businesses

> Public Protection

- o Roadway Safety: Impaired Driving is Against the Law
 - Vermont's DUID law is one of the strictest in the country. Applicable to all legal (i.e. prescription drugs, marijuana) and illegal drugs it is against the law to drive impaired "to the slightest degree". This standard, enacted in 2015, is nearly a zero tolerance standard.

> Social Equity and Social justice

- o Priority for small, local producers to ensure a diverse marketplace
- Mandates one of the Control Board members have a background in social justice
- Priority given to license applicants that provides good wages, benefits, environmental and clean energy programs
- o Non-violent drug offenses will not automatically disqualify applicants
- Regulatory requirements unique to small growers
- Priority for applicants that are Vermont residents
- Considerations of geographic distribution of cannabis establishments to allow for even distribution of cannabis businesses throughout the state
- Prioritize women and minority owned businesses and career advancement
- A 16% tax rate to help undercut the illicit market
- o 2% local option tax to help municipalities with implementation