

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

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

CHAPTER 35. MEDICAL CANNABIS REGISTRY

§ 951. DEFINITIONS

As used in this chapter:

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

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

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

(4) “Dispensary” means a business organization licensed under chapter 37 of this title.

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

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

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

(7) “Mature cannabis plant” means a female cannabis plant that has flowered and that has buds that may be observed by visual examination.

(8) “Qualifying medical condition” means:

(A) cancer, multiple sclerosis, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, glaucoma, Crohn’s disease, Parkinson’s disease, or the treatment of these conditions, if the disease or the treatment results in severe, persistent, and intractable symptoms;

(B) post-traumatic stress disorder, provided the Board confirms the applicant is undergoing psychotherapy or counseling with a licensed mental health care provider; or

(C) a disease or medical condition or its treatment that is chronic, debilitating, and produces one or more of the following intractable symptoms: cachexia or wasting syndrome, chronic pain, severe nausea, or seizures.

(9) “Registry” means the Vermont Medical Cannabis Registry.

#### § 952. REGISTRY

(a) The Board shall establish and manage the Vermont Medical Cannabis Registry for the purpose of allowing persons with qualifying medical conditions and their caregivers to obtain privileges regarding cannabis and cannabis product possession, use, cultivation, and purchase.

(b) A person who is a registered patient or a registered caregiver on behalf of a patient may:

(1) Cultivate no more than two mature and seven immature cannabis plants. Any cannabis harvested from the plants shall not count toward the three-ounce possession limit in subdivision (b)(2) of this section, provided it is stored in an indoor facility on the property where the cannabis was cultivated and reasonable precautions are taken to prevent unauthorized access to the cannabis.

(2) Possess not more than three ounces of cannabis.

(3) Purchase cannabis and cannabis products at a licensed medical cannabis dispensary. Pursuant to chapter 37 of this title, a dispensary may offer goods and services that are not permitted at a cannabis establishment licensed pursuant to chapter 33 of this title.

(c)(1) Individual names and identifying information about patients and caregivers on the Registry are exempt from public inspection and copying under the Public Records Act and shall be kept confidential. Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this subsection shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).

(2) In response to a person-specific or property-specific inquiry by a law enforcement officer or agency made in the course of a bona fide investigation or prosecution, the Board may verify the identities and registered property addresses of the registered patient and the patient's registered caregiver. The

law enforcement officer or agency shall keep confidential any identities and addresses received pursuant to this subdivision.

(d) The Board shall establish an application process through rulemaking.

#### § 953. PATIENTS

(a) Pursuant to rules adopted by the Board, a person may register with the Board to obtain the benefits of the Registry as provided in section 952 of this title. In addition to an application form to be completed by a person who seeks to register as a patient, the Board shall develop a medical verification form to be completed by an applicant's health care professional and submitted by the applicant that attests to the applicant having a qualifying medical condition as defined in section 951 of this title.

(b) An application by a person under 18 years of age shall be signed by both the applicant and the applicant's parent or guardian.

#### § 954. CAREGIVERS

(a) Pursuant to rules adopted by the Board, a person may register with the Board as a caregiver of a registered patient to obtain the benefits of the Registry as provided in section 952 of this title. The Board shall develop an application form to be completed by a person who seeks to be a caregiver for a registered patient.

(b)(1) Except as provided in subdivision (2) of this subsection, a caregiver shall serve only one patient at a time, and a patient shall have only one registered caregiver at a time. A patient may serve as a caregiver for one other patient.

(2) A patient who is under 18 years of age may have two caregivers.

§ 955. REGISTRATION; FEES

(a) A registration card shall expire one year after the date of issuance. A patient or caregiver may renew the card according to protocols adopted by the Board.

(b) The Board shall charge and collect fees for annual registration for patients and caregivers. Fees shall be deposited in the Cannabis Regulation Fund as provided in section 843 of this title.

§ 956. RULEMAKING

The Board shall adopt rules for the administration of this chapter. No rule shall be more restrictive than any rule adopted by the Department of Public Safety pursuant to 18 V.S.A. chapter 86.

Sec. 10. IMPLEMENTATION OF MEDICAL CANNABIS REGISTRY

(a) On January 1, 2021, patients and caregivers who are on the Department of Public Safety's Medical Marijuana Registry pursuant to 18 V.S.A. chapter 86 shall transfer to the Cannabis Control Board's Medical Cannabis Registry pursuant to 7 V.S.A. chapter 35. At such time, those patients and caregivers will be entitled to the privileges afforded registrants under 7 V.S.A. chapter 35 and rules adopted by the Board pursuant to 7 V.S.A. chapter 35.

(b) The registration card of a patient or caregiver who transfers to the new Registry shall expire on the date of the registration card and a patient or caregiver who wishes to continue participation on the Registry shall renew the registration card under rules adopted by the Board.

Sec. 11. REPEAL

18 V.S.A. chapter 86 (therapeutic use of cannabis) is repealed.

\* \* \* Medical Cannabis Dispensaries \* \* \*

Sec. 12. 7 V.S.A. chapter 37 is added to read:

CHAPTER 37. MEDICAL CANNABIS DISPENSARIES

§ 971. INTENT; PURPOSE

(a) It is the intent of the General Assembly to provide a well-regulated system of licensed medical cannabis dispensaries for the purpose of providing cannabis, cannabis products, and related services to patients and caregivers who are registered on the Medical Cannabis Registry pursuant to chapter 35 of this title. Vermont first authorized dispensaries in 2011, and it is the intent of the General Assembly that dispensaries continue to provide unique goods and services to registered patients and caregivers for therapeutic purposes in a market that also allows cannabis establishments licensed pursuant to chapter 33 of this title.

(b) A dispensary licensed pursuant to this chapter may engage in practices that are not permitted for a cannabis establishment. As such, a dispensary may:

(1) be vertically integrated under one license;

(2) sell tax-free cannabis and cannabis products to patients and caregivers;

(3) deliver cannabis and cannabis products to patients and caregivers;

(4) allow patients and caregivers to purchase cannabis and cannabis products without leaving their vehicles;

(5) produce and sell cannabis and cannabis products that have a higher THC content than is permitted for a cannabis establishment;

(6) produce and sell cannabis products that may not otherwise be permitted for a cannabis establishment, but that would be appropriate for use by a patient as determined by the Board through rulemaking; and

(7) sell larger quantities of cannabis and cannabis products than is permitted for a cannabis establishment.

#### § 972. DEFINITIONS

As used in this chapter:

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

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

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

(4) “Dispensary” means a business organization licensed under this chapter.

(5) “Registry” means the Vermont Medical Cannabis Registry.

#### § 973. DISPENSARY LICENSE

(a) A dispensary licensed pursuant to this chapter may:

(1) cultivate, package, label, test, and transport cannabis;

(2) produce, package, label, test, and transport cannabis products;

(3) sell and deliver cannabis and cannabis products to patients and caregivers registered under chapter 35 of this title;

(4) acquire, purchase, or borrow cannabis, cannabis products, and services from another licensed Vermont medical cannabis dispensary or give, sell, or lend cannabis, cannabis products, and services to another licensed Vermont medical cannabis dispensary; and

(5) purchase cannabis and cannabis products from a cannabis establishment licensed pursuant to chapter 33 of this title.

(b) All records relating to security, transportation, public safety, trade secrets, and employees in an application for a license and for a licensee under this chapter are exempt from public inspection and copying under the Public Records Act and shall be confidential. Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this subsection shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).

#### § 974. RULEMAKING

(a) The Board shall adopt rules to implement and administer this chapter. In adoption of rules, the Board shall strive for consistency with rules adopted for cannabis establishments pursuant to chapter 33 of this title where appropriate. With the exception of rules concerning testing and labeling of cannabis products, no rule shall be more restrictive than any rule adopted by the Department of Public Safety pursuant to 18 V.S.A. chapter 86.

(b) Rules shall include:

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



(2) qualifications for licensure that are directly and demonstrably related to the operation of a dispensary, including submission of an operating plan and the requirement for a fingerprint-based criminal history record check and regulatory record check pursuant to section 975 of this title;

(3) oversight requirements;

(4) inspection requirements;

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

(6) employment and training requirements, including requiring that each employee have an identification badge;

(7) security requirements, including lighting, physical security, video, and alarm requirements;

(8) guidelines on advertising, marketing, and signage;

(9) health and safety requirements;

(10) procedures for suspension and revocation of a license;

(11) requirements for banking and financial transactions;

(12) procedures for the renewal of a license, which shall allow renewal applications to be submitted up to 90 days prior to the expiration of the cannabis establishment's license;

(13) restrictions on the use of pesticides that are injurious to human health;

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

(15) regulation of additives to cannabis, prohibiting those that are toxic or designed to make the product more addictive, more appealing to persons under 21 years of age, or to mislead patients and caregivers;

(16) a prohibition on the inclusion of nicotine or alcoholic beverages in a cannabis product;

(17) requirements for opaque, child-resistant packaging of cannabis and cannabis products;

(18) labeling requirements for products sold to patients and caregivers that include:

(A) requirements that products are clearly identifiable with a standard symbol indicating that it is cannabis; and

(B) appropriate warnings concerning the potential negative consequences of consuming cannabis and the need to keep the product away from persons under 21 years of age;

(19) labeling requirements for cannabis products sold to patients and caregivers that include:

(A) requirements that cannabis products are clearly identifiable with a standard symbol indicating that it contains cannabis;

(B) identification of the amount of tetrahydrocannabinol and cannabidiol that constitutes a single serving; and

(C) the length of time it typically takes for products to take effect and appropriate warnings concerning the potential negative consequences of

consuming cannabis and the need to keep the product away from persons under 21 years of age;

(20) limitations to a specific number of servings for each individual package of edible cannabis products with the exception of infused oils, powders, and liquids;

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

(22) regulation of the storage and transportation of cannabis and cannabis products;

(23) pricing guidelines with a goal of ensuring cannabis and cannabis products are sufficiently affordable to patients and caregivers;

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

(25) requirements for the dissemination of educational materials to consumers who purchase cannabis and cannabis products;

(26) requirements for verification of a customer's Registry status;

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

(28) reporting requirements, including requirements for chain-of-custody record keeping for testing samples; and

(29) procedures for destruction of all testing samples.

§ 975. CRIMINAL BACKGROUND RECORD CHECKS; APPLICANTS

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

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

§ 976. DISPENSARY IDENTIFICATION CARD

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

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

(2) The Board shall adopt rules that set forth standards for determining whether a person should be denied a medical cannabis dispensary identification card because his or her criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety

or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify a candidate.

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

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

#### § 977. FEES

(a) The Board shall charge and collect the following fees for dispensaries:

- (1) application fees;
- (2) annual license fees; and
- (3) annual renewal fees.

(b) Fees shall be deposited in the Cannabis Regulation Fund as provided in section 843 of this title.

#### Sec. 13. IMPLEMENTATION OF MEDICAL CANNABIS REGISTRIES

(a) On January 1, 2021, regulation of medical marijuana dispensaries that are registered pursuant to 18 V.S.A. chapter 86 shall transfer from the Department of Public Safety to the Cannabis Control Board. At such time, those registered dispensaries shall operate pursuant to 7 V.S.A. chapter 37 and the rules adopted by the Board pursuant to chapter 37.

(b) The registration certificate of a dispensary that transfers to the Board shall expire on the date of issue of the certificate and a dispensary that wishes to continue operating as a dispensary shall apply to the Board for a dispensary license pursuant to 7 V.S.A. chapter 37 and the rules adopted by the Board pursuant to chapter 37.