

\* \* \* Temporary License for Early Sales to the Public \* \* \*

Sec. X. TEMPORARY LICENSE FOR EARLY SALES TO THE PUBLIC

(a) As used in this section:

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

(2) “Department” means the Department of Public Safety.

(3) “Public” means persons 21 years of age or older who are not patients or caregivers on the Registry who have designated the dispensary as their dispensary with the Department of Public Safety pursuant to 18 V.S.A. chapter 86.

(4) “Registry” means the Vermont Marijuana Registry established pursuant to 18 V.S.A. chapter 86.

(b) It is the intent of the General Assembly to allow registered medical cannabis dispensaries to sell cannabis and cannabis products on a limited basis to the public prior to implementation of the new licensing system for commercial cannabis establishments. The temporary licenses would expire once sales to the public have begun under the new commercial licenses and a dispensary that wants to continue in the commercial market would need to apply for a license under 7 V.S.A. chapter 33. A dispensary that is licensed for early sales to the public shall be required to meet the needs of its designated patients and caregivers during that time and shall not reduce access by patients and caregivers to products or services.

(c) Notwithstanding provisions in 18 V.S.A. chapter 86 and rules adopted pursuant to the chapter to the contrary, a dispensary registered pursuant to that

chapter may apply to the Department for a temporary cannabis establishment license that allows the dispensary to sell cannabis and cannabis products to the public in addition to patients and caregivers on the medical cannabis registry in accordance with the provisions of this section.

(d)(1) From August 1, 2019 to October 1, 2019, a dispensary may submit to the Department a letter of intent to obtain a license pursuant to this section. The letter shall contain a detailed explanation of how the dispensary plans to implement a temporary program for cannabis sales to the public while maintaining its obligations to patients and caregivers. The Department shall work with a dispensary applicant on meeting this criteria and compliance with the provisions in 18 V.S.A. chapter 86 and rules adopted pursuant to the chapter relevant to the new license. The Department shall issue a temporary license no more than 60 days after the letter of intent is received by the Department. Sales to the public may begin January 1, 2020. All temporary licenses issued pursuant to this section shall expire on July 1, 2021.

(2) After a dispensary is approved for a temporary license, but before it begins operations permitted by the license, the dispensary shall pay a one-time fee of \$75,000.00 to the Board. Fees shall be deposited in the Cannabis Regulation Fund created by 7 V.S.A. 843 and appropriated for the purposes of implementation, administration, and enforcement of 7 V.S.A. chapters 31 (cannabis), 33 (cannabis establishments), 35 (medical cannabis registry), and 37 (medical cannabis dispensaries).

(e) A dispensary licensed under pursuant to this section may:

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

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

(3) sell cannabis and cannabis products to the public for consumption off the registered premises.

(f) For purposes of sales to the public, a dispensary licensed pursuant to this section is not subject to the cultivation plant limits in 18 V.S.A. chapter 86. A dispensary shall not reduce its cultivation of cannabis or production of cannabis products for patients or caregivers in order to supply the public.

(g) A dispensary may sell to the public only on Thursdays, Fridays, and Saturdays. Patients shall be entitled to make appointments on those days to avoid any significant wait times, but are not required to make appointments on those days.

(h)(1) In a single transaction, a dispensary may provide one-half ounce of cannabis or the equivalent in cannabis products, or a combination thereof, to a person 21 years of age or older upon verification of a valid government-issued photograph identification card.

(2) Cannabis and cannabis products sold to patients and caregivers shall be priced at least 10 percent below the same or similar products sold to the public.

(i) Cannabis and cannabis products sold pursuant to this section shall be subject to the tax provisions in this act.