

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Government Operations to which was referred House  
3 Bill No. 548 entitled “An act relating to miscellaneous cannabis establishment  
4 procedures” respectfully reports that it has considered the same and  
5 recommends that the bill be amended by striking out all after the enacting  
6 clause and inserting in lieu thereof the following:

7 Sec. 1. 7 V.S.A. § 862a is added to read:

8 § 862a. SYNTHETIC AND HEMP-DERIVED CANNABINOIDS

9 The Board shall have the authority to regulate synthetic cannabinoids and  
10 hemp-derived cannabinoids, including delta-8 and delta-  
11 10 tetrahydrocannabinol.

12 Sec. 2. 7 V.S.A. § 881 is amended to read:

13 § 881. RULEMAKING; CANNABIS ESTABLISHMENTS

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

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

17 \* \* \*

18 (I) regulation of additives to cannabis and cannabis products,  
19 including ~~those~~ cannabidiol derived from hemp and substances that are toxic or  
20 designed to make the product more addictive, more appealing to persons under  
21 21 years of age, or to mislead consumers;

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(3) Rules concerning product manufacturers shall include:

(A) requirements that a single package of a cannabis product shall not contain more than 50 milligrams of THC, except in the case of:

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

(ii) solid concentrates, oils, and tinctures; and

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

\* \* \*

(5) Rules concerning retailers shall include:

\* \* \*

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

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

\* \* \*

Sec. 3. 7 V.S.A. § 884 is amended to read:

§ 884. CANNABIS ESTABLISHMENT IDENTIFICATION CARD

1 (a) Every owner, principal, and employee of a cannabis establishment shall  
2 obtain an identification card issued by the Board. A person may apply for an  
3 identification card prior to obtaining employment with a licensee. An  
4 employee identification card shall authorize the person to work for any  
5 licensee.

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

10 (2) The Board shall adopt rules that set forth standards for determining  
11 whether a person should be denied a cannabis establishment identification card  
12 because of his or her criminal history record based on factors that demonstrate  
13 whether the applicant presently poses a threat to public safety or the proper  
14 functioning of the regulated market. Nonviolent drug offenses shall not  
15 automatically disqualify an applicant.

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

1 (d) An identification card shall expire one year after its issuance or, in the  
2 case of owners and principals, upon the expiration of the cannabis  
3 establishment’s license, whichever occurs first.

4 Sec. 4. 7 V.S.A. § 901(d)(3) is amended to read:

5 (3)(A) Except as provided in ~~subdivision~~ subdivisions (B) and (C) of  
6 this subdivision (3), an applicant and its affiliates may obtain a maximum of  
7 one type of each type of license as provided in subdivisions (1)(A)–(E) of this  
8 subsection (d). Each license shall permit only one location of the  
9 establishment.

10 \* \* \*

11 (C) An applicant and its affiliates may obtain multiple testing  
12 laboratory licenses.

13 Sec. 5. 7 V.S.A. § 907 is amended to read:

14 § 907. RETAILER LICENSE

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

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

19 (2) transport, possess, package, and sell cannabis and cannabis products  
20 to the public for consumption off the registered premises.

21 \* \* \*

1 Sec. 6. 7 V.S.A. § 909(c) is added to read:

2 (c) An integrated licensee shall comply with the provisions of subsection  
3 908(f) of this title and have its cannabis or cannabis products tested by an  
4 independent licensed testing laboratory.

5 Sec. 7. 18 V.S.A. § 4230h is amended to read:

6 § 4230h. CHEMICAL EXTRACTION VIA BUTANE OR HEXANE  
7 PROHIBITED

8 (a) No person shall manufacture concentrated cannabis by chemical  
9 extraction or chemical synthesis using butane or hexane ~~unless authorized as a~~  
10 ~~dispensary pursuant to a registration issued by the Department of Public Safety~~  
11 ~~pursuant to chapter 86 of this title.~~

12 \* \* \*

13 Sec. 8. 2019 Acts and Resolves No. 164, Sec. 8(a)(1) is amended to read:

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 February 1, 2022. A dispensary shall be  
17 permitted to cultivate cannabis and manufacture cannabis products for the  
18 purpose of transferring or selling such products to an integrated licensee on or  
19 after April 1, 2022 until October 1, 2022 and engaging in the activities  
20 permitted by 7 V.S.A. chapter 33.

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1       Sec. 9. EFFECTIVE DATE

2           This act shall take effect on passage.

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10           (Committee vote: \_\_\_\_\_)

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Representative \_\_\_\_\_

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FOR THE COMMITTEE