

*Section-by-Section Summary for [H.701 \(APBH\)](#)
An act relating to cannabis license fees*

This bill sets cannabis licensing fees for cannabis establishments and operators within and users of cannabis through the medical registry and dispensaries; makes other changes to what cannabis establishment license holders can do regarding the sale of seeds and clones at the wholesale and retail level; and makes related technical corrections.

Sec. 1 –

- Amends the section title and adds subsection headings (both for clarity);
- Amends statute to give the Cannabis Control Board (CCB) the authority to collect license fees and deposit them in the Cannabis Regulation Fund as provided under chapters 31, 33, 35, and 37 (clarity with the codification of chapters 35 and 37); and
- Maintains the concept of a local licensing fee that is collected by the CCB and distributed to municipalities for which the fee is collected.

Sec. 2 –

- Makes technical corrections to the structure of definitions and adds “integrated licensee” to the list of cannabis establishments; and
- Adds a definition of clone and amends definition of a retailer to include the selling of cannabis products for personal cultivation.

Sec. 3 – Prohibits a municipality’s local control commission from assessing a fee for a local control license (instead the local licensing fee is assessed/collected by the CCB).

Sec. 4 – Makes a technical correction to an internal citation.

Sec. 5 – Amends what a licensed cultivator is permitted to do to include the purchase and sale of cannabis seeds and clones to another licensed cultivator.

Sec. 6 – Amends what a licensed retailer is permitted to do to include the sale of cannabis and cannabis products to the public for cultivation.

Sec. 7 – Adds the licensing fees for cannabis establishments (see chart on next page).

Secs. 8–9 – Adds the following existing license fees from Title 18, which will be repealed effective March 1, 2022, to Title 7, chapters 35 and 37, which will become effective on March 1, 2022¹:

- Patients and caregivers: \$50 (annual);
- Dispensary application fee: \$2,500 (one-time);
- Dispensary registration fee: \$20,000 (first year);
- Dispensary renewal fee: \$25,000 (subsequent years); and
- Registry identification card (owner, principal, financier, & employee): \$50 (annual).

Sec. 10 – Effective on passage.

¹ LC Note (2/23/22) – The Committee of Conference Report for H.679 extends these to July 1, 2022 ([Secs. 59a and 59b](#)) and if that is enacted the effective date for Secs. 8 and 9 should also be pushed to July 1, 2022.

Summary of Cannabis Establishment Fees in 7 V.S.A. § 910 (H.701) (all annual unless specified)

License Type	Stat. Citation	Brief Description	Fee
OUTDOOR CULTIVATORS			
Outdoor cultivator tier 1	§ 910(1)(A)(i)	Up to 1,000 square feet of plant canopy or up to 125 cannabis plants	\$750
Outdoor cultivator tier 2	§ 910(1)(A)(ii)	Up to 2,500 square feet of plant canopy	\$1,875
Outdoor cultivator tier 3	§ 910(1)(A)(iii)	Up to 5,000 square feet of plant canopy	\$4,000
Outdoor cultivator tier 4	§ 910(1)(A)(iv)	Up to 10,000 square feet of plant canopy	\$8,000
Outdoor cultivator tier 5	§ 910(1)(A)(v)	Up to 20,000 square feet of plant canopy	\$18,000
Outdoor cultivator tier 6	§ 910(1)(A)(vi)	Up to 37,500 square feet of plant canopy	\$34,000
INDOOR CULTIVATORS			
Indoor cultivator tier 1	§ 910(1)(B)(i)	Up to 1,000 square feet of plant canopy	\$1,500
Indoor cultivator tier 2	§ 910(1)(B)(ii)	Up to 2,500 square feet of plant canopy	\$3,750
Indoor cultivator tier 3	§ 910(1)(B)(iii)	Up to 5,000 square feet of plant canopy	\$8,000
Indoor cultivator tier 4	§ 910(1)(B)(iv)	Up to 10,000 square feet of plant canopy	\$16,000
Indoor cultivator tier 5	§ 910(1)(B)(v)	Up to 15,000 square feet of plant canopy	\$36,000
Indoor cultivator tier 6	§ 910(1)(B)(vi)	Up to 25,000 square feet of plant canopy	\$75,000
MIXED CULTIVATORS			
Mixed cultivator tier 1	§ 910(1)(C)(i)	Up to 1,000 square feet of indoor plant canopy & up to 50 outdoor cannabis plants	\$1,800
Mixed cultivator tier 2	§ 910(1)(C)(ii)	Up to 1,000 square feet of indoor plant canopy & up to 125 outdoor cannabis plants	\$2,250
Mixed cultivator tier 3	§ 910(1)(C)(iii)	Up to 2,500 square feet of indoor plant canopy & up to 200 outdoor cannabis plants	\$5,000
MANUFACTURERS			
Manufacturer tier 1	§ 910(3)(A)	≤ \$10,000 per year in cannabis products (no solvent-based extraction)	\$750
Manufacturer tier 2	§ 910(3)(B)	No cap and allowable methods of extraction except solvent-based	\$2,500
Manufacturer tier 3	§ 910(3)(C)	No cap and all allowable methods of extraction (including solvent-based)	\$15,000
RETAILERS			
Retailers	§ 910(4)(A)		\$10,000
OTHER LICENSES			
Wholesalers	§ 910(2)		\$4,000
Testing laboratories	§ 910(5)		\$1,500
Integrated licensees	§ 910(6)		\$100,000
Employees	§ 910(7)	Per employee of a cannabis establishment	\$50
Products	§ 910(8)	Per type of cannabis and cannabis product sold	\$50
Local licensing	§ 910(9)	Local licensing fee in addition to fees required under subdivisions (1)–(6)	\$100
ONE-TIME FEES			
Application	§ 910(10)(A)	Initial one-time application fee (may be reduced by \$500)	\$1,000
Intent-to-apply	§ 910(10)(B)	Optional intent-to-apply fee (reduces app. fee by \$500 if apply w/in 6 months)	\$500