

1 TO THE HONORABLE SENATE:

2 The Committee on Government Operations to which was referred Senate
3 Bill No. 25 entitled “An act relating to miscellaneous cannabis regulation
4 procedures” respectfully reports that it has considered the same and
5 recommends that the bill be amended as follows:

6 First: By striking out Sec. 1 in its entirety and inserting in lieu thereof the
7 following:

8 Sec. 1. 7 V.S.A. § 863 is amended to read:

9 § 863. REGULATION BY LOCAL GOVERNMENT

10 (a)(1) Prior to a cannabis retailer or the retail portion of an integrated
11 licensee operating within a municipality, the municipality shall affirmatively
12 permit the operation of such cannabis establishments by majority vote of those
13 present and voting by Australian ballot at an annual or special meeting warned
14 for that purpose. A municipality may place retailers or integrated licensees, or
15 both, on the ballot for approval.

16 * * *

17 (3) On March 8, 2023, any municipality that fails to vote on the question
18 of permitting the operation of cannabis establishments pursuant to subdivision
19 (1) of this subsection shall be deemed to permit the operation of both cannabis
20 retailers and integrated licensees.

21 * * *

1 (C) one member with an expertise in laboratory science or toxicology
2 appointed by the Governor;

3 (D) one member with an expertise in systemic social justice and
4 equity issues appointed by the Speaker of the House;

5 (E) one member with an expertise in women and minority-owned
6 business ownership appointed by the Speaker of the House;

7 (F) one member with an expertise in substance misuse prevention
8 appointed by the Senate Committee on Committees;

9 (G) one member with an expertise in the cannabis industry appointed
10 by the Senate Committee on Committees;

11 (H) one member with an expertise in business management or
12 regulatory compliance appointed by the Treasurer;

13 (I) one member with an expertise in municipal issues appointed by
14 the Treasurer;

15 (J) one member with an expertise in public safety appointed by the
16 Attorney General;

17 (K) one member with an expertise in criminal justice reform
18 appointed by the Attorney General; ~~and~~

19 (L) the Secretary of Natural Resources or designee; and

20 (M) one member appointed by the Vermont Cannabis Trade
21 Association.

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

2 § 987. CANNABIS BUSINESS DEVELOPMENT FUND

3 (a) There is established the Cannabis Business Development Fund, which
4 shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.

5 (b) The Fund shall comprise:

6 (1) three percent of gross sales made by integrated licensees prior to
7 October 15, 2022, with a maximum contribution of \$50,000.00 per integrated
8 licensee; and

9 (2) monies allocated to the fund by the General Assembly.

10 (c) The Fund shall be used for the following purposes:

11 (1) to provide low-interest rate loans and grants to social equity
12 applicants to pay for ordinary and necessary expenses to start and operate a
13 licensed cannabis establishment;

14 (2) to pay for outreach that may be provided or targeted to attract and
15 support social equity applicants; and

16 (3) necessary costs incurred in administering the Fund.

17 (d) Amounts from loans that are repaid shall provide additional funding
18 through the Fund.

19

20 § 988. SOCIAL EQUITY LOANS AND GRANTS

21 The Agency of Commerce and Community Development

1 shall establish a program using funds from the Cannabis Business
2 Development Fund for the purpose of providing financial assistance, loans,
3 grants, and outreach to social equity applicants.

4 Sec. 5. SOCIAL EQUITY APPLICANTS; CANNABIS CONTROL BOARD
5 ADVISORY COMMITTEE

6 The Cannabis Control Board Advisory Committee, in consultation with the
7 Board, shall develop criteria for social equity applicants for the purpose of
8 obtaining social equity loans and grants from the Cannabis Business
9 Development Fund pursuant to 7 V.S.A. chapter 39. The Board shall provide
10 the criteria to the General Assembly not later than **October 15, 2021.**

11 Sec. 6. APPROPRIATION

12 In fiscal year 2022, \$500,000.00 is appropriated to the Cannabis Business
13 Development Fund established pursuant to 7 V.S.A. § 987.

14 Sec. 7. IMPLEMENTATION OF MEDICAL CANNABIS REGISTRY

15 (a) On July 1, 2021, the following shall transfer from the Department of
16 Public Safety to the Cannabis Control Board.

17 (1) the authority to administer the Medical Cannabis Registry and the
18 regulation of cannabis dispensaries pursuant to 18 V.S.A. chapter 86;

19 (2) the cannabis registration fee fund established pursuant to 18 V.S.A.
20 chapter 86; and

1 (3) the positions, and the individuals employed in those positions,
2 dedicated to administering 18 V.S.A. chapter 86.

3
4 (b) The Registry shall continue to be governed by 18 V.S.A. chapter 86 and
5 the rules adopted pursuant to that chapter until 7 V.S.A. chapters 35 and 37 and
6 the rules adopted by the Board pursuant to those chapters take effect on
7 March 1, 2022 as provided in 2019 Acts and Resolves No. 164.

8 Sec. 8. REPEAL

9 Secs. 10 and 13 of 2019 Acts and Resolves No. 164 are repealed.
10 and by renumbering the remaining sections to be numerically correct

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15 (Committee vote: _____)

16

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Senator _____

18

FOR THE COMMITTEE