

1 TO THE HONORABLE SENATE:

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

6 First: By striking Sec. 4 in its entirety and inserting in lieu thereof the
7 following:

8 Sec. 4. 2019 Acts and Resolves No. 164, Sec. 5 is amended to read:

9 Sec. 5. CANNABIS CONTROL BOARD REPORT TO THE GENERAL
10 ASSEMBLY; PROPOSAL FOR POSITIONS, FEES, AND
11 APPROPRIATIONS FOR FISCAL YEARS 2022 AND 2023;
12 LAND USE, ENVIRONMENTAL, ENERGY, AND
13 EFFICIENCY REQUIREMENTS OR STANDARDS;
14 ADVERTISING; OUTREACH, TRAINING, AND
15 EMPLOYMENT PROGRAMS; ONLINE ORDERING AND
16 DELIVERY; ADDITIONAL TYPES OF LICENSES

17 (a) On or before April 1, 2021, the Executive Director of the Cannabis
18 Control Board shall provide recommendations to the General Assembly on the
19 following:

20 ~~(1) Resources~~ resources necessary for implementation of this act for
21 fiscal years 2022 and 2023, including positions and funding. The Board shall

1 consider utilization of current expertise and resources within State government
2 and cooperation with other State departments and agencies where there may be
3 an overlap in duties.

4 ~~(2) State fees to be charged and collected in accordance with the~~
5 ~~Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be~~
6 ~~accompanied by information justifying the recommended rate as required by~~
7 ~~32 V.S.A. § 605(d). The State fees submitted in accordance with this~~
8 ~~subdivision shall be projected to be sufficient to fund the duties of the~~
9 ~~Cannabis Control Board as provided in 7 V.S.A. § 843. To the extent possible,~~
10 ~~the recommend fees shall include an amount to repay over a period, not greater~~
11 ~~than 10 years, to the General Fund any application of excise taxes to the~~
12 ~~Cannabis Regulation Fund made pursuant to Sec. 6c of this act.~~

13 ~~(A) Application fees, initial annual license fees, and annual license~~
14 ~~renewal fees for each type of cannabis establishment license as provided in~~
15 ~~7 V.S.A. § 846: cultivator, product manufacturer, wholesaler, retailer, testing~~
16 ~~laboratory, and integrated. If the Board establishes tiers within a licensing~~
17 ~~category, it shall provide a fee recommendation for each tier.~~

18 ~~(B) Fee for a cannabis establishment identification card as provided~~
19 ~~in 7 V.S.A. § 884.~~

20 ~~(3) Whether monies expected to be generated by State fees identified in~~
21 ~~subdivision (2) of this subsection are sufficient to support the statutory duties~~

1 ~~of the Board and whether any portion of the tax established pursuant to~~
2 ~~32 V.S.A. § 7902 should be allocated to the Cannabis Regulation Fund to~~
3 ~~ensure these duties are met.~~

4 ~~(4) Local fees to be charged and collected in accordance with the~~
5 ~~Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be~~
6 ~~accompanied by information justifying the recommended rate as required by~~
7 ~~32 V.S.A. § 605(d). The Board shall recommend local fees that are designed~~
8 ~~to help defray the costs incurred by municipalities in which cannabis~~
9 ~~establishments are located.~~

10 * * *

11 Second: By adding a Sec. 4a to read as follows:

12 Sec. 4a. CANNABIS CONTROL BOARD REPORT TO THE JOINT
13 FISCAL COMMITTEE; FEES

14 (a) On or before September 1, 2021, the Cannabis Control Board shall
15 provide draft recommendations to the Joint Fiscal Committee for its approval
16 on the following:

17 (1) State fees to be charged and collected in accordance with the
18 Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be
19 accompanied by information justifying the recommended rate as required by
20 32 V.S.A. § 605(d). The State fees submitted in accordance with this
21 subdivision shall be projected to be sufficient to fund the duties of the

1 Cannabis Control Board as provided in 7 V.S.A. § 843. To the extent possible,
2 the recommend fees shall include an amount to repay over a period, not greater
3 than 10 years, to the General Fund any application of excise taxes to the
4 Cannabis Regulation Fund made pursuant to Sec. 6c of the 2019 Acts and
5 Resolves No. 164.

6 (A) Application fees, initial annual license fees, and annual license
7 renewal fees for each type of cannabis establishment license as provided in
8 7 V.S.A. § 846: cultivator, product manufacturer, wholesaler, retailer, testing
9 laboratory, and integrated. If the Board establishes tiers within a licensing
10 category, it shall provide a fee recommendation for each tier.

11 (B) Fee for a cannabis establishment identification card as provided
12 in 7 V.S.A. § 884.

13 (C) Fee for advertisement review for a cannabis establishment
14 licensee as provided in 7 V.S.A. § 865.

15 (2) Whether monies expected to be generated by State fees identified in
16 subdivision (1) of this subsection are sufficient to support the statutory duties
17 of the Board and whether any portion of the tax established pursuant to
18 32 V.S.A. § 7902 should be allocated to the Cannabis Regulation Fund to
19 ensure these duties are met.

20 (3) Local fees to be charged and collected in accordance with the
21 Board’s authority pursuant to 7 V.S.A. § 846. The recommendations shall be

1 accompanied by information justifying the recommended rate as required by
2 32 V.S.A. § 605(d). The Board shall recommend local fees that are designed
3 to help defray the costs incurred by municipalities in which cannabis
4 establishments are located.

5 (b) Upon receiving the proposal, the Joint Fiscal Committee shall review
6 the recommendations and provide feedback to the Board for any suggested
7 changes.

8 (c) The Board shall revise the proposal, if necessary, to incorporate the
9 Committee’s recommendations and present a revised draft for approval to the
10 Committee.

11 (d) Notwithstanding 32 V.S.A. § 603, the fees shall take effect upon
12 approval of the Committee.

13 (e) Beginning on July 1, 2022, and every three years thereafter, all cannabis
14 regulation fees shall be included in the annual consolidated Executive Branch
15 fee report pursuant to 32 V.S.A. § 605.

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17

18 (Committee vote: _____)

19 _____

20 Senator _____

21 FOR THE COMMITTEE