

1 Introduced by Senator Ram

2 Referred to Committee on

3 Date:

4 Subject: Cannabis; tax revenue

5 Statement of purpose of bill as introduced: This bill proposes to direct that
6 20 percent of the cannabis excise tax go to the Criminal Justice Council for the
7 purpose of funding grants to towns to engage in a community-based process
8 related to policing and public safety.

9 An act relating to the use of cannabis taxes to fund community-based public
10 safety measures

11 It is hereby enacted by the General Assembly of the State of Vermont:

12 Sec. 1. 32 V.S.A. § 7901(10) is added to read:

13 (10) “Municipality” has the same meaning as in 7 V.S.A. § 861.

14 Sec. 2. 32 V.S.A. § 7909 is added to read:

15 § 7909. SUBSTANCE MISUSE PREVENTION FUNDING; CRIMINAL

16 JUSTICE COUNCIL

17 (a) Thirty percent of the revenues raised by the cannabis excise tax
18 imposed by section 7902 of this title, not to exceed \$10,000,000.00 per fiscal
19 year, shall be used to fund substance misuse prevention programming.

1 (b) Twenty percent of the revenues raised by the cannabis excise tax
2 imposed by section 7902 of this title shall be used by the Criminal Justice
3 Council, in consultation with the Racial Justice Alliance, Migrant Justice, and
4 the National Association for the Advancement of Colored People, for grants to
5 municipalities in Vermont to engage in a community-based process related to
6 policing and public safety. Grants shall be prioritized for communities that
7 seek to reduce their police force or transition funding away from policing and
8 toward other personnel and programming that the community identifies as
9 increasing public safety.

10 Sec. 3. REPEAL

11 2020 Acts and Resolves No. 164, Sec. 19 (substance misuse prevention
12 funding) is repealed.

13 Sec. 4. 2020 Acts and Resolves No. 164, Sec. 33(a) is amended to read:

14 (a) This section and Secs. 1 (Title 7 redesignation), 2 (cannabis chapter),
15 3 (implementation of the Cannabis Control Board), 4 (implementation of
16 rulemaking by the Cannabis Control Board), 5 (Cannabis Control Board; fees),
17 6 (creation of Board positions), 6a (space allocation), 6b (appropriation),
18 7 (cannabis establishments chapter), 8 (implementation of licensing of
19 cannabis establishments), 17d (annual budgeting of sales and use tax revenue),
20 ~~19 (Substance Misuse Prevention Fund)~~, 20 (Advanced Roadside Impaired

1 Driving Enforcement training), 26 (permissive inference), 27 (drug recognition
2 experts report), 28 (saliva testing device report), 29 (Agency of Agriculture,
3 Food and Markets; testing), 30 (public place definition), 31 (cannabis
4 dispensing), and 32 (statutory revision authority) shall take effect on passage.

5 Sec. 5. 2020 Acts and Resolves No. 164, Sec. 6c is amended to read:

6 Sec. 6c. CONTINGENT CANNABIS REGULATION FUND DEFICIT
7 OFFSET; REPAYMENT

8 (a) To the extent that the Cannabis Regulation Fund has a negative balance
9 at the close of the fiscal year 2022, proceeds in that amount from the tax
10 established in 32 V.S.A. § ~~7901~~ 7902 in fiscal year 2023 shall be deposited
11 into the Cannabis Regulation Fund.

12 (b) To the extent that a positive balance exists in the Cannabis Regulation
13 Fund at the close of any fiscal year and any application of excise taxes to the
14 Cannabis Regulation Fund made pursuant to subsection (a) of this section has
15 not been fully repaid to the General Fund, the positive Cannabis Regulation
16 Fund balance shall be transferred to the General Fund.

17 (c) Thirty percent of any transfers made to the General Fund pursuant to
18 subsection (b) of this section or subdivision ~~5~~(a)(2) of Sec. 5 of this act shall be
19 allocated to substance misuse prevention activities, and twenty percent of any
20 transfers made to the General Fund pursuant to subsection (b) of this section

1 shall be allocated to the Criminal Justice Council for grants to municipalities
2 for reforming policing consistent with ~~Sec. 19 of this act~~ 32 V.S.A. § 7909.

3 Sec. 6. EFFECTIVE DATES

4 (a) This section and Secs. 3 (repeal), 4 (Act 164 effective dates), and
5 5 (Cannabis Regulation Fund deficit offset) shall take effect on passage.

6 (b) Secs. 1 (definition of municipality) and 2 (substance misuse prevention
7 funding; Criminal Justice Council) shall take effect on March 1, 2022.