Introduced by Representatives McCarthy of St. Albans City and Birong of Vergennes

Referred to Committee on

Date:

Subject: Cannabis

Statement of purpose of bill as introduced: This bill proposes to redefine some hemp products as cannabis products depending on the product’s intoxicating effects; eliminate THC caps on cannabis flower and solid and liquid concentrates; amend the definition of “controls” for purposes of FBI criminal background checks; include ulcerative colitis to the list of qualifying medical conditions for purposes of the Medical Cannabis Registry; require patients with chronic conditions other than pain to renew with the Registry only every five years; decrease medical cannabis dispensary fees; exempt farm buildings used by licensed outdoor cannabis cultivators from the definition of “public building” subject to fire safety requirements; and require a licensed cannabis retailer or integrated licensee to pay the taxes on cannabis and cannabis products sold to a registered patient or caregiver.

An act relating to miscellaneous cannabis amendments
It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 6 V.S.A. § 562(4) is amended to read:

(4)(A) “Hemp products” or “hemp-infused products” means all products with the federally defined tetrahydrocannabinol concentration level for hemp derived from, or made by, processing hemp plants or plant parts, which are prepared in a form available for commercial sale, including cosmetics, personal care products, food intended for animal or human consumption, cloth, cordage, fiber, fuel, paint, paper, construction materials, plastics, and any product containing one or more hemp-derived cannabinoids, such as cannabidiol.

(B) Notwithstanding subdivision (A) of this subdivision (4), “hemp products” and “hemp-infused products” do not include any substance, manufacturing intermediary, or product that:

(i) is prohibited or deemed a regulated cannabis product by administrative rule of the Cannabis Control Board; or

(ii) contains more than 0.3 percent total tetrahydrocannabinol on a dry-weight basis.

(C) A hemp-derived product or substance that is excluded from the definition of “hemp products” or “hemp-infused products” pursuant to subdivision (B) of this subdivision (4) shall be considered a cannabis product as defined by 7 V.S.A. § 831(3); provided, however, that a person duly
licensed or registered by the Cannabis Control Board lawfully may possess
such products in conformity with the person’s license or hemp processor
registration.

Sec. 2. 7 V.S.A. § 861(18) is amended to read:

(18) “Controls,” “is controlled by,” and “under common control” mean
the power to direct, or cause the direction or management and policies of a
person, whether through the direct or beneficial ownership of voting securities,
by contract, or otherwise. A person who directly or beneficially owns has a
10 percent or more ownership interest or equity interest, in the assets, capital,
profits, or stock or the equivalent thereof, of another person shall be deemed to
control the person.

Sec. 3. 7 V.S.A. § 868 is amended to read:

§ 868. PROHIBITED PRODUCTS

(a) The following are prohibited products and may not be cultivated,
produced, or sold pursuant to a license issued under this chapter:

(1) cannabis flower with greater than 30 percent tetrahydrocannabinol;

(2) flavored oil cannabis products sold prepackaged for use with battery-
powered devices and any cannabis flower that contains characterizing flavor
that is not naturally occurring in the cannabis;

(3) cannabis products that contain delta-9 tetrahydrocannabinol and
nicotine or alcoholic beverages; and
(4)(3) any cannabis, cannabis products, or packaging of such items that
are designed to make the product more appealing to persons under 21 years of
age.

(b)(1) Except as provided by subdivision (2) of this subsection, solid and
liquid-concentrate cannabis products with greater than 60 percent
tetrahydrocannabinol may be produced by a licensee and sold to another
licensee in accordance with subchapter 3 of this chapter but shall not be sold to
the public by a licensed retailer or integrated licensee.

(2) Liquid-concentrate cannabis products with greater than 60 percent
tetrahydrocannabinol that are prepackaged for use with battery-powered
devices shall be permitted to be sold to the public by a licensed retailer or
integrated-licensee.

Sec. 4. 7 V.S.A. § 951(8) is amended to read:

(8) “Qualifying medical condition” means:

(A) cancer, multiple sclerosis, positive status for human
immunodeficiency virus, acquired immune deficiency syndrome, glaucoma,
Crohn’s disease, Parkinson’s disease, post-traumatic stress disorder, ulcerative
colitis, or the treatment of these conditions, if the disease or the treatment
results in severe, persistent, and intractable symptoms; or
(B) a disease or medical condition or its treatment that is chronic, debilitating, and produces one or more of the following intractable symptoms: cachexia or wasting syndrome, chronic pain, severe nausea, or seizures.

Sec. 5. 7 V.S.A. § 955 is amended to read:

§ 955. REGISTRATION; FEES

(a) A registration card shall expire one year after the date of issuance for patients with a qualifying medical condition of chronic pain and the caregivers who serve those patients. For all other patients and the caregivers who serve those patients, a registration card shall expire three five years after the date of issuance. A patient or caregiver may renew the card according to protocols adopted by the Board.

(b) The Board shall charge and collect a $50.00 registration and renewal fee for patients and caregivers. Fees shall be deposited in the Cannabis Regulation Fund as provided in section 845 of this title.

Sec. 6. 7 V.S.A. § 977 is amended to read:

§ 977. FEES

(a) The Board shall charge and collect the following fees for dispensaries:

(1) a one-time $2,500.00 $1,000.00 application fee;

(2) a $20,000.00 registration fee for the first year of operation;

(3) an annual renewal fee of $25,000.00 for a subsequent year of operation $5,000.00; and
(4)(3) an annual Registry identification or renewal card fee of $50.00 to be paid by the dispensary for each owner, principal, financier, and employee of the dispensary.

(b) Fees shall be deposited in the Cannabis Regulation Fund as provided in section 845 of this title.

Sec. 7. 7 V.S.A. § 978(f) is amended to read:

(f) The Board may charge and collect fees for review of advertisements. [Repealed.]

Sec. 8. 18 V.S.A. § 4230(d) is amended to read:

(d) Cannabis-infused products. Only the portion of a cannabis-infused product that is attributable to cannabis shall count toward the possession limits of this section. The weight of cannabis that is attributable to cannabis-infused products shall be determined according to methods set forth in rule by the Department of Public Safety in accordance with chapter 86 of this title (therapeutic use of cannabis) Cannabis Control Board.

Sec. 9. 20 V.S.A. § 2730(b) is amended to read:

(b) The term “public building” does not include:

* * *

(5) A farm building that is used in the outdoor cultivation of cannabis by a person licensed pursuant to 7 V.S.A. chapter 33 in accordance with such chapter and related rules.
Sec. 10. 32 V.S.A. § 7902(b) is amended to read:

(b)(1) The tax imposed by this section shall be paid by the purchaser to the retailer or integrated licensee. Each retailer or integrated licensee shall collect from the purchaser the full amount of the tax payable on each taxable sale.

(2) The tax imposed by this section shall be paid by the retailer or integrated licensee if the purchaser is a registered patient or caregiver with the Medical Cannabis Registry as provided in 7 V.S.A. chapter 35.

Sec. 11. EFFECTIVE DATE

This act shall take effect on passage.