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H.612

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

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

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

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

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

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

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

18 (C) A hemp-derived product or substance that is excluded from the
19 definition of “hemp products” or “hemp-infused products” pursuant to
20 subdivision (B) of this subdivision (4) shall be considered a cannabis product
21 as defined by 7 V.S.A. § 831(3); provided, however, that a person duly

1 licensed or registered by the Cannabis Control Board lawfully may possess
2 such products in conformity with the person’s license or hemp processor
3 registration.

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

5 (18) “Controls,” “is controlled by,” and “under common control” mean
6 the power to direct, or cause the direction or management and policies of a
7 person, ~~whether through the direct or beneficial ownership of voting securities,~~
8 ~~by contract, or otherwise.~~ A person who ~~directly or beneficially owns~~ has a
9 10 percent or more ownership interest or equity interest; in the assets, capital,
10 profits, or stock or the equivalent thereof, of another person shall be deemed to
11 control the person.

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

13 § 868. PROHIBITED PRODUCTS

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

- 16 (1) ~~cannabis flower with greater than 30 percent tetrahydrocannabinol;~~
17 (2) ~~flavored oil cannabis products sold prepackaged for use with battery-~~
18 ~~powered devices and any cannabis flower that contains characterizing flavor~~
19 ~~that is not naturally occurring in the cannabis;~~
20 (2) ~~cannabis products that contain delta-9 tetrahydrocannabinol and~~
21 ~~nicotine or alcoholic beverages; and~~

1 ~~(4)~~(3) any cannabis, cannabis products, or packaging of such items that
2 are designed to make the product more appealing to persons under 21 years of
3 age.

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

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

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

14 (8) “Qualifying medical condition” means:

15 (A) cancer, multiple sclerosis, positive status for human
16 immunodeficiency virus, acquired immune deficiency syndrome, glaucoma,
17 Crohn’s disease, Parkinson’s disease, post-traumatic stress disorder, ulcerative
18 colitis, or the treatment of these conditions, if the disease or the treatment
19 results in severe, persistent, and intractable symptoms; or

1 (B) a disease or medical condition or its treatment that is chronic,
2 debilitating, and produces one or more of the following intractable symptoms:
3 cachexia or wasting syndrome, chronic pain, severe nausea, or seizures.

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

5 § 955. REGISTRATION; FEES

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

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

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

16 § 977. FEES

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

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

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

20 (~~3~~) an annual renewal fee of ~~\$25,000.00 for a subsequent year of~~
21 ~~operation~~ \$5,000.00; and

1 ~~(4)~~(3) an annual Registry identification or renewal card fee of \$50.00 to
2 be paid by the dispensary for each owner, principal, financier, and employee of
3 the dispensary.

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

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

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

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

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

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

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

18 * * *

19 (5) A farm building that is used in the outdoor cultivation of cannabis by
20 a person licensed pursuant to 7 V.S.A. chapter 33 in accordance with such
21 chapter and related rules.

1 Sec. 10. 32 V.S.A. § 7902(b) is amended to read:

2 (b)(1) The Except as provided in subdivision (2) of this subsection, the tax
3 imposed by this section shall be paid by the purchaser to the retailer or
4 integrated licensee. Each retailer or integrated licensee shall collect from the
5 purchaser the full amount of the tax payable on each taxable sale.

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

9 Sec. 11. EFFECTIVE DATE

10 This act shall take effect on passage.