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H.612

Senator Harrison moves that the Senate propose to the House that the Senate proposal of amendment be amended by striking Secs. 15a–21 in their entirety and inserting in lieu thereof new Secs. 15a–19 to read as follows:

Sec. 15a. CANNABIS BUSINESS DEVELOPMENT FUND; CANNABIS SOCIAL EQUITY WORKING GROUP

The Cannabis Control Board shall work in consultation with the Vermont Housing and Conservation Board, the Vermont Land Access and Opportunity Board, the Vermont Racial Justice Alliance, the Office of Racial Equity, and the Agency of Commerce and Community Development for purpose of making recommendations to the General Assembly regarding a percentage of cannabis excise tax monies that should be appropriated to the Cannabis Business Development Fund for uses as provided pursuant to 7 V.S.A. § 987. The Cannabis Control Board shall incorporate the recommendations into the Cannabis Social Equity Programs report required pursuant to 7 V.S.A. § 989.

Sec. 16. 7 V.S.A. § 869 is amended to read:

§ 869. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND USE STANDARDS; REGULATION OF CULTIVATION

(a) A cannabis establishment shall not be regulated as “farming” under the Required Agricultural Practices, 6 V.S.A. chapter 215, or other State law, and cannabis produced from cultivation shall not be considered an agricultural

1 product, farm crop, or agricultural crop for the purposes of 32 V.S.A. chapter
2 124, 32 V.S.A. § 9741, or other relevant State law.

3 * * *

4 (f) Notwithstanding subsection (a) of this section, a cultivator licensed
5 under this chapter who initiates cultivation of cannabis outdoors on a parcel of
6 land shall:

7 (1) be regulated in the same manner as “farming” and not as
8 “development” on the tract of land where cultivation occurs for the purposes of
9 permitting under 10 V.S.A. chapter 151;

10 (2) not be regulated by a municipal bylaw adopted under 24 V.S.A.
11 chapter 117 in the same manner that Required Agricultural Practices are not
12 regulated by a municipal bylaw under 24 V.S.A. § 4413(d)(1)(A), except that
13 there shall be the following minimum setback distance between the cannabis
14 plant canopy and a property boundary or edge of a highway:

15 (i) if the cultivation occurs in a cannabis cultivation district
16 adopted by a municipality pursuant to 24 V.S.A. § 4414a, the setback shall be
17 not larger than 25 feet as established by the municipality;

18 (ii) if the cultivation occurs outside of a cannabis cultivation
19 district adopted by a municipality pursuant to 24 V.S.A. § 4414a or no
20 cannabis cultivation district has been adopted by the municipality, the setback
21 shall be not larger than 50 feet as established by the municipality; and

1 (iii) if a municipality does not have zoning, the setback shall be 10
2 feet;

3 (3) be eligible to enroll in the Use Value Appraisal Program under
4 32 V.S.A. chapter 124 for the cultivation of cannabis;

5 (4) be exempt under 32 V.S.A. § 9741(3), (25), and (50) from the tax on
6 retail sales imposed under 32 V.S.A. § 9771; and

7 (5) be entitled to the rebuttable presumption that cultivation does not
8 constitute a nuisance under 12 V.S.A. chapter 195 in the same manner as
9 “agricultural activities” are entitled to the rebuttable presumption, provided
10 that, notwithstanding 12 V.S.A. § 5753(a)(1)(A), the cultivation is complying
11 with subsections (b) and (d) of this section.

12 Sec. 17. 24 V.S.A. § 4414a is added to read:

13 § 4414a. CANNABIS CULTIVATION DISTRICT

14 A municipality, after consultation with the municipal cannabis control
15 commission, if one exists, may adopt a bylaw identifying cannabis cultivation
16 districts where the outdoor cultivation of cannabis is preferred within the
17 municipality. Cultivation of cannabis within a cannabis cultivation district
18 shall be presumed not to result in an undue effect on the character of the area
19 affected. The adoption of a cannabis cultivation district shall not have the
20 effect of prohibiting cultivation of outdoor cannabis in the municipality.

1 Sec. 18. CANNABIS CONTROL BOARD REPORT; SITING OF
2 OUTDOOR CANNABIS CULTIVATION

3 (a) On or before December 15, 2024, the Cannabis Control Board shall
4 submit to the Senate Committees on Government Operations and on Economic
5 Development, Housing and General Affairs and the House Committees on
6 Government Operations and Military Affairs and on Commerce and Economic
7 Development a report regarding the siting and licensing of outdoor cannabis
8 cultivation. The report shall:

9 (1) summarize the current impact of outdoor cultivation on local
10 municipalities;

11 (2) summarize the impact of establishing various siting requirements to
12 existing licensed outdoor cultivators;

13 (3) address whether and how to authorize municipalities to establish
14 local cultivation districts;

15 (4) address whether and how outdoor cultivation of cannabis should be
16 entitled to the rebuttable presumption that cultivation does not constitute a
17 nuisance under 12 V.S.A. chapter 195; and

18 (5) recommend whether local cannabis control commissions established
19 pursuant to 7 V.S.A. chapter 33 should be granted additional authority to
20 regulate outdoor cannabis cultivators.

1 (b) The Cannabis Control Board shall consult with the Vermont League of
2 Cities and Towns, the Cannabis Equity Coalition, the Vermont Medical
3 Society, the Cannabis Retailers Association of Vermont, and other interested
4 stakeholders in developing the report required under subsection (a) of this
5 section.

6 (c) As part of the report required under subsection (a) of this section, the
7 Cannabis Control Board shall address the impact of modifying the law
8 governing cannabis advertising.

9 Sec. 19. EFFECTIVE DATES

10 This act shall take effect on passage, except that:

11 (1) Sec. 6, 7 V.S.A. § 910, shall take effect on July 1, 2025; and

12 (2) Sec. 16 (setbacks for cannabis cultivation) shall take effect on
13 January 1, 2025.