

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to
3 which was referred House Bill No. 612 entitled “An act relating to
4 miscellaneous cannabis amendments” respectfully reports that it has
5 considered the same and recommends that the Senate propose to the House that
6 the bill be amended as follows:

7 First: By striking out Sec. 2, 7 V.S.A. § 861(18), in its entirety and
8 inserting in lieu thereof the following:

9 Sec. 2. [Deleted.]

10 Second: By adding a new section to be Sec. 2a to read as follows:

11 Sec. 2a. 7 V.S.A. § 864 is amended to read:

12 § 864. ADVERTISING

13 * * *

14 (b) A cannabis establishment advertisement shall not contain any statement
15 or illustration that:

16 (1) is deceptive, false, or misleading;

17 (2) promotes overconsumption;

18 (3) represents that the use of cannabis has curative effects;

19 (4) ~~offers a prize, award, or inducement for purchasing cannabis or a~~

20 ~~cannabis product, except that price discounts are allowed;~~ [Repealed.]

21 (5) offers free samples of cannabis or cannabis products;

1 (6) depicts a person under 21 years of age consuming cannabis or
2 cannabis products; or

3 (7) is designed to be or has the effect of being particularly appealing to
4 persons under 21 years of age.

5 * * *

6 Third: In Sec. 4, 7 V.S.A. § 881, in subdivision (a)(5), by striking out
7 subdivision (G) in its entirety and inserting in lieu thereof a new subdivision
8 (G) to read as follows:

9 (G) requirements for a medical-use endorsement, including rules
10 regarding:

11 (i) protection of patient privacy and confidential records;

12 (ii) enhanced training and educational requirements for employees
13 who interact with patients;

14 (iii) segregation of cannabis products that are otherwise prohibited
15 for sale to nonmedical customers pursuant to subdivisions 868(a)(1) and (b)(1)

16 of this title;

17 (iv) record-keeping;

18 (v) delivery;

19 (vi) access for patients under 21 years of age; and

20 (vii) health and safety requirements.

21

1 Fourth: By adding a new section to be Sec. 7a to read as follows:

2 Sec. 7a. 7 V.S.A. § 952(e) is added to read:

3 (e)(1) A person who is 21 years of age or older who applies to be a
4 registered patient shall provide the Board with a Health Care Professional
5 Verification Form as required pursuant to rules adopted by the Board.

6 (2) A person who is under 21 years of age who applies to be a registered
7 patient shall provide the Board with a Health Care Professional Verification
8 Form from a health care professional who has a treating or consulting
9 relationship of not less than three months' duration with the applicant, in the
10 course of which the health care professional has completed a full assessment of
11 the applicant's medical history and current medical condition, including a
12 personal physical examination. The three-month requirement shall not apply
13 if:

14 (A) an applicant has been diagnosed with:

15 (i) a terminal illness;

16 (ii) cancer; or

17 (iii) acquired immune deficiency syndrome;

18 (B) an applicant is currently under hospice care;

19 (C) an applicant had been diagnosed with a qualifying medical
20 condition by a health care professional in another jurisdiction in which the
21 applicant had been formerly a resident and the patient, now a resident of

1 Vermont, has the diagnosis confirmed by a health care professional in this
2 State or a neighboring state as permitted by subdivision 951(5)(B) of this title,
3 and the new health care professional has completed a full assessment of the
4 patient’s medical history and current medical condition, including a personal
5 physical examination;

6 (D) a patient who is already on the Registry changes health care
7 professionals three months or less prior to the renewal of the patient’s
8 registration, provided the patient’s new health care professional has completed
9 a full assessment of the patient’s medical history and current medical
10 condition, including a personal physical examination;

11 (E) an applicant is referred by the patient’s health care professional to
12 another health care professional who has completed advanced education and
13 clinical training in specific qualifying medical conditions, and that health care
14 professional conducts a full assessment of the applicant’s medical history and
15 current medical condition, including a personal physical examination; or

16 (F) an applicant’s qualifying medical condition is of recent or sudden
17 onset.

18 Fifth: By adding a new section to be Sec. 11a to read as follows:

19 Sec. 11a. CANNABIS CONTROL BOARD REPORTING; MEDICAL

20 CANNABIS REGISTRY

1 (a) The Cannabis Control Board shall work in consultation with the
2 Vermont Department of Health, the Vermont Medical Society, the Green
3 Mountain Patients’ Alliance, the Cannabis Retailers Association of Vermont,
4 and other interested parties to assess the efficacy of the Medical Cannabis
5 Program in serving registered and prospective patients. The assessment shall
6 include recommendations regarding:

7 (1) improvements to the process of evaluating and approving new
8 qualifying conditions;

9 (2) improvements to how the use of cannabis is communicated to
10 patients and patients’ providers; and

11 (3) appropriate regulations regarding electronic or battery-powered
12 devices that contain or are designed to deliver cannabis into the body through
13 the inhalation of vapor.

14 (b) The Board shall provide recommendations regarding the Medical
15 Cannabis Registry to the Senate Committee on Health and Welfare and the
16 House Committee on Human Services on or before November 15, 2024.

17 Sixth: In Sec. 12, 20 V.S.A. § 2730(b), by striking out subdivision (5) in its
18 entirety and inserting in lieu thereof a new subdivision (5) to read as follows:

19 (5) A building that is used in the outdoor cultivation of cannabis by a
20 person licensed pursuant to 7 V.S.A. chapter 33 in accordance with such
21 chapter and related rules with fewer than the equivalent of 10 full-time

1 employees who are not family members and who do not work more than
2 26 weeks a year.

3 Seventh: By adding a new section to be Sec. 15a to read as follows:

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

6 (a) Creation. There is created the Cannabis Social Equity Working Group
7 for the purpose of making recommendations to the General Assembly
8 regarding a percentage of cannabis excise tax monies that should be
9 appropriated to the Cannabis Business Development Fund for uses as provided
10 pursuant to 7 V.S.A. § 987.

11 (b) Membership. The Working Group shall be composed of the following
12 members:

13 (1) a representative of the Vermont Racial Justice Alliance;

14 (2) a representative of the Green Mountain Patients' Alliance;

15 (3) the Executive Director of the Cannabis Control Board or designee;

16 (4) a representative of the Vermont Land Access and Opportunity

17 Board;

18 (5) the Executive Director of Racial Equity or designee;

19 (6) the Chair of the Racial Disparities in the Criminal and Juvenile

20 Justice System Advisory Panel;

1 (7) the Chair of the Health Equity Advisory Commission or designee;

2 and

3 (8) the Secretary of the Agency of Commerce and Community
4 Development or designee.

5 (c) Assistance. The Working Group shall have the assistance of the
6 Cannabis Control Board for purposes of scheduling and staffing meetings and
7 developing and submitting the recommendations.

8 (d) Recommendations.

9 (1) The Working Group shall submit its recommendations to the
10 General Assembly on or before November 15, 2024.

11 (2) The Working Group shall cease to exist on January 1, 2025.

12 Eighth: By striking out Secs. 16, 7 V.S.A. § 869, and 17, 24 V.S.A.
13 § 4414a, in their entireties and inserting in lieu thereof the following:

14 Sec. 16. [Deleted.]

15 Sec. 17. [Deleted.]

16 Ninth: By striking out Sec. 18 (effective date) in its entirety and inserting in
17 lieu thereof new Secs. 18-21 to read as follows:

18 Sec. 18. 7 V.S.A. § 869 is amended to read:

19 § 869. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND

20 USE STANDARDS; REGULATION OF CULTIVATION

1 (a) A cannabis establishment shall not be regulated as “farming” under the
2 Required Agricultural Practices, 6 V.S.A. chapter 215, or other State law, and
3 cannabis produced from cultivation shall not be considered an agricultural
4 product, farm crop, or agricultural crop for the purposes of 32 V.S.A. chapter
5 124, 32 V.S.A. § 9741, or other relevant State law.

6 (b) The cultivation, processing, and manufacturing of cannabis regulated
7 under this chapter shall comply with all applicable State, federal, and local
8 environmental, energy, or public health law, unless otherwise provided under
9 this chapter.

10 (c) A cannabis establishment regulated under this chapter shall be subject
11 to regulation under 24 V.S.A. chapter 117 as authorized by this chapter, unless
12 otherwise provided under this chapter.

13 * * *

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

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

1 (2) not be regulated by a municipal bylaw adopted under 24 V.S.A.
2 chapter 117 in the same manner that Required Agricultural Practices are not
3 regulated by a municipal bylaw under 24 V.S.A. § 4413(d)(1)(A);

4 (3) be eligible to enroll in the Use Value Appraisal Program under
5 32 V.S.A. chapter 124 for the cultivation of cannabis; and

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

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

13 (g) The cannabis plant canopy of an outdoor cultivator of cannabis licensed
14 under this chapter shall be set back at least 50 feet from a property boundary or
15 edge of a highway.

16 Sec. 19. APPLICATION OF OUTDOOR CANNABIS CULTIVATION

17 SETBACK; REPEAL

18 (a) The setback requirement established under 7 V.S.A. § 869(g) shall
19 apply only to new outdoor cannabis cultivation licenses issued after July 1,
20 2024.

21 (b) 7 V.S.A. § 869(g) shall be repealed on July 1, 2025.

1 Sec. 20. 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. 21. EFFECTIVE DATES

10 Sec. 6, 7 V.S.A. § 910, shall take effect on July 1, 2025, and the remainder
11 of the act shall take effect on passage.

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13

14

15 (Committee vote: _____)

16

17

Senator _____

18

FOR THE COMMITTEE