Emergency Filing - Coversheet

Instructions:

In accordance with Title 3 Chapter 25 of the Vermont Statutes Annotated and the "Rule on Rulemaking" (CVR 04-000-001) adopted by the Office of the Secretary of State, this emergency filing will be considered complete upon filing and acceptance of these forms with the Office of the Secretary of State, the Legislative Committee on Administrative Rules and a copy with the Chair of the Interagency Committee on Administrative Rules.

All forms shall be submitted to the Office of the Secretary of State, no later than 3:30 pm on the last scheduled day of the work week.

The data provided in text areas of these forms will be used to generate a notice of rulemaking in the portal of "Proposed Rule Postings" online, and the newspapers of record if the rule is marked for publication. Publication of notices will be charged back to the promulgating agency.

This emergency rule may remain in effect for a total of 180 days from the date it first takes effect.

Certification Statement: As the adopting Authority of this rule (see 3 V.S.A. § 801(b)(11) for a definition), I believe there exists an imminent peril to public health, safety or welfare, requiring the adoption of this emergency rule.

The nature of the peril is as follows (*PLEASE USE ADDITIONAL SHEETS IF SPACE IS INSUFFICIENT*). This emergency rule addresses the unregulated sale of potentially intoxicating synthetic cannabinoids and high-THC hemp-derived products.

I approve the contents of this filing entitled:

Emergency Rule on Synthetic and Hemp-Derived Cannabinoids

/s/James Pepper	, on 4/25/2023
(signature)	(date)
Printed Name and Title:	
Chair, Cannabis Control Board	
	RECEIVED BY:
☐ Coversheet	
☐ Adopting Page	
☐ Economic Impact Analysis	
☐ Environmental Impact Analysis	
☐ Strategy for Maximizing Public Input	
☐ Scientific Information Statement (if applicable)	
☐ Incorporated by Reference Statement (if applicable)	
☐ Clean text of the rule (Amended text without annotation)	
☐ Annotated text (Clearly marking changes from previous rule)	

1. TITLE OF RULE FILING:

Emergency Rule on Synthetic and Hemp-Derived Cannabinoids

2. ADOPTING AGENCY:

Cannabis Control Board

3. PRIMARY CONTACT PERSON:

(A PERSON WHO IS ABLE TO ANSWER QUESTIONS ABOUT THE CONTENT OF THE RULE).

Name: Gabriel M. Gilman

Agency: Cannabis Control Board

Mailing Address: 89 Main Street

Telephone: 802-261-1510 Fax:

E-Mail: gabriel.gilman@vermont.gov

Web URL(WHERE THE RULE WILL BE POSTED):

4. SECONDARY CONTACT PERSON:

(A SPECIFIC PERSON FROM WHOM COPIES OF FILINGS MAY BE REQUESTED OR WHO MAY ANSWER QUESTIONS ABOUT FORMS SUBMITTED FOR FILING IF DIFFERENT FROM THE PRIMARY CONTACT PERSON).

Name: Kimberly Lashua

Agency: Cannabis Control Board

Mailing Address: 89 Main Street

Telephone: 802-636-7708 Fax:

E-Mail: kimberly.lasuha@vermont.gov

5. RECORDS EXEMPTION INCLUDED WITHIN RULE:

(DOES THE RULE CONTAIN ANY PROVISION DESIGNATING INFORMATION AS CONFIDENTIAL; LIMITING ITS PUBLIC RELEASE; OR OTHERWISE EXEMPTING IT FROM INSPECTION AND COPYING?) NO

IF YES, CITE THE STATUTORY AUTHORITY FOR THE EXEMPTION:

PLEASE SUMMARIZE THE REASON FOR THE EXEMPTION:

6. LEGAL AUTHORITY / ENABLING LEGISLATION:

(THE SPECIFIC STATUTORY OR LEGAL CITATION FROM SESSION LAW INDICATING WHO THE ADOPTING ENTITY IS AND THUS WHO THE SIGNATORY SHOULD BE. THIS SHOULD BE A SPECIFIC CITATION NOT A CHAPTER CITATION).

7 V.S.A. §§ 862a (granting "authority to regulate synthetic cannabinoids and hemp-derived cannabinoids, including delta-8 and delta-10 tetrahydrocannabinol"); 843(b)(1), 866(c) & 881(a)

7. EXPLANATION OF HOW THE RULE IS WITHIN THE AUTHORITY OF THE AGENCY:

The agency is responsible for regulation of the cannabis marketplace, including oversight of the synthetic and hemp-derived cannabinoids that are the subject of this rule.

8. CONCISE SUMMARY (150 words or Less):

This emergency rule addresses the threats to the public health, safety, and welfare created by the unregulated sale of potentially intoxicating synthetic cannabinoids and high-THC hemp-derived products. The emergency rule prohibits production, manufacture, marketing, transfer, and sale of these products in Vermont; it sets a four-trigger test for presumptive prohibited content, based on THC concentration, serving content, net content, and market appeal; and it provides for appropriate exceptions to ensure the emergency rule does not interfere with duly-registered cannabis products, products with utility to a medical patient; and legend drugs approved by the United States Food & Drug Administration for dispensing upon the prescription of a medical provider.

9. EXPLANATION OF WHY THE RULE IS NECESSARY:

This emergency rule is necessary to address a growing interstate market for unregulated, intoxicating THC products. Purveyors of these products exploit a loophole in the federal definition of "hemp," typically by converting precursor cannabinoids found in hemp into THC or a psychoactive analog thereof, such as delta-8 and delta-10 THC. Alternatively, some manufacturers extract THC naturally occurring at low concentration in hemp, concentrate it, and then reintroduce the THC concentrate to hemp flower or other products, creating the functional equivalent to cannabis. These dangerous, intoxicating products have been sold in Vermont gas stations and garden supply stores, where

consumers may mistake them for State-regulated cannabis products. In fact, these "hemp" products have been subjected to no federal or State regulation and reach consumers without any of the protections applicable to regulated cannabis products, including those concerning product cultivation, testing, marketing, packaging, sale, excise taxation, and minimum consumer age.

10. EXPLANATION OF HOW THE RULE IS NOT ARBITRARY AS DEFINED IN 3 V.S.A. § 801(b)(13(A):

(1) The factual basis for the Board's decision is unquestioned by stakeholders. The products in question have been observed in Vermont stores, and the Board has heard directly from businesses, manufacturers, advocates, and others. The Vermont Department of Health has been consulted and concurs in the Board's findings and action. (2) The Board's decision to carefully define and prohibit the hazardous products in question is the most rational interim response to the problem found. (3) A reasonable person would understand the hazards inherent to unregulated cannabis analogs and the reasons it is sensible for regulators to ensure potentially intoxicating THC products reach consumers exclusively through the regulated marketplace.

11. LIST OF PEOPLE, ENTERPRISES AND GOVERNMENT ENTITIES AFFECTED BY THIS RULE:

Cannabis consumers, cannabis licensees, medical providers, retailers, the Vermont Agency of Human Services and Department of Health, the Agency of Education, the Agency of Agriculture, purveyors of hemp products.

12. BRIEF SUMMARY OF ECONOMIC IMPACT (150 words or Less):

This emergency rule will prohibit unregulated THC products, improving marketplace fairness by ensuring that the regulated market is the exclusive path to market for THC products. Reduced gray-market competition will tend to benefit cannabis licensees who have incurred the costs of participating in the regulated market. Medical costs associated with consumer harm may be prevented.

Regrettably, it is not possible to credibly estimate the magnitude of these impacts.

- 13. A HEARING IS NOT SCHEDULED .
- 14. HEARING INFORMATION

(THE FIRST HEARING SHALL BE NO SOONER THAN 30 DAYS FOLLOWING THE POSTING OF NOTICES ONLINE).

IF THIS FORM IS INSUFFICIENT TO LIST THE INFORMATION FOR EACH HEARING PLEASE ATTACH A SEPARATE SHEET TO COMPLETE THE HEARING INFORMATION NEEDED FOR THE NOTICE OF RULEMAKING.

Date:	
Time:	AM
Street Address:	
Zip Code:	
URL for Virtual:	
Date:	
Time:	AM
Street Address:	
	
Zip Code:	
Zip Code: URL for Virtual:	

- 15. DEADLINE FOR COMMENT (NO EARLIER THAN 7 DAYS FOLLOWING LAST HEARING):
- 16. EMERGENCY RULE EFFECTIVE: 04/24/2023
- 17. EMERGENCY RULE WILL REMAIN IN EFFECT UNTIL (A DATE NO LATER THAN 180 DAYS FOLLOWING ADOPTION OF THIS EMERGENCY RULE): 10/22/2023
- 18.NOTICE OF THIS EMERGENCY RULE SHOULD NOT BE PUBLISHED IN THE WEEKLY NOTICES OF RULEMAKING IN THE NEWSPAPERS OF RECORD.
- 19.KEYWORDS (PLEASE PROVIDE AT LEAST 3 KEYWORDS OR PHRASES TO AID IN THE SEARCHABILITY OF THE RULE NOTICE ONLINE).

THC

hemp

Administrative Procedures Emergency Filing – Coversheet

delta-8
delta-10
synthetic cannabinoids

Adopting Page

Instructions:

This form must accompany each filing made during the rulemaking process:

Note: To satisfy the requirement for an annotated text, an agency must submit the entire rule in annotated form with proposed and final proposed filings. Filing an annotated paragraph or page of a larger rule is not sufficient. Annotation must clearly show the changes to the rule.

When possible the agency shall file the annotated text, using the appropriate page or pages from the Code of Vermont Rules as a basis for the annotated version. New rules need not be accompanied by an annotated text.

1. TITLE OF RULE FILING:

Emergency Rule on Synthetic and Hemp-Derived Cannabinoids

2. ADOPTING AGENCY:

Cannabis Control Board

- 3. TYPE OF FILING (PLEASE CHOOSE THE TYPE OF FILING FROM THE DROPDOWN MENU BASED ON THE DEFINITIONS PROVIDED BELOW):
 - AMENDMENT Any change to an already existing rule, even if it is a complete rewrite of the rule, it is considered an amendment as long as the rule is replaced with other text.
 - **NEW RULE** A rule that did not previously exist even under a different name.
 - **REPEAL** The removal of a rule in its entirety, without replacing it with other text.

This filing is A NEW RULE

4. LAST ADOPTED (PLEASE PROVIDE THE SOS LOG#, TITLE AND EFFECTIVE DATE OF THE LAST ADOPTION FOR THE EXISTING RULE):



State of Vermont Agency of Administration Office of the Secretary Pavilion Office Building 109 State Street, 5th Floor Montpelier, VT 05609-0201 www.aoa.vermont.gov

DATE:

[phone] 802-828-3322 [fax] 802-828-2428 Kristin L. Clouser, Secretary

MEMORANDUM

TO: Copeland Hanzas, Secretary of State

FROM: Sean Brown, ICAR Chair

Sean Brown, ICAR Chair Sean
April 26, 2023 Brown

RE: Emergency Rule Titled 'Emergency Rule on Synthetic and Hemp-Derived

Cannabinoids' by the Cannabis Control Board

The use of rulemaking procedures under the provisions of <u>3 V.S.A. §844</u> is appropriate for this rule. I have reviewed the proposed rule titled 'Emergency Rule on Synthetic and Hemp-Derived Cannabinoids', provided by the Cannabis Control Board, and agree that emergency rulemaking is necessary.

###



STATE OF VERMONT CANNABIS CONTROL BOARD



EMERGENCY RULE: SYNTHETIC and HEMP-DERIVED CANNABINOIDS

The Board shall have the authority to regulate synthetic cannabinoids and hemp-derived cannabinoids, including delta-8 and delta-10 tetrahydrocannabinol.

7 V.S.A. § 862a.

Emergency Rule 1: Prohibition

The production, manufacture, marketing, transfer, and sale of hemp-derived intoxicating cannabinoids and synthetic cannabinoids are hereby prohibited, except as set out in Emergency Rule 3. Prohibited cannabinoids include:

- (a) All isomers, variants, analogs, and mimetics of delta-9 tetrahydrocannabinol, including delta-8 and delta-10 tetrahydrocannabinol, created by chemical manipulation of any part or derivative of the plant *Cannabis sativa* L., regardless of the delta-9 tetrahydrocannabinol concentration level of the source plant or plants; and
- (b) delta-9 tetrahydrocannabinol that has been chemically or mechanically concentrated or otherwise derived from hemp and then sprayed, infused, or otherwise artificially introduced onto or into any product, including hemp or hemp products, so as to impart intoxicating properties mimicking those of cannabis and cannabis products.

Emergency Rule 2: Presumptions

A consumable product that is not cannabis or a cannabis product is presumptively prohibited regardless of the delta-9 tetrahydrocannabinol concentration of any plant from which the product is sourced, if the product, in the form offered to consumers:

- (a) contains total tetrahydrocannabinol in a concentration exceeding 0.3 percent on a dry weight basis; or
- (b) contains more than 1.5 mg tetrahydrocannabinol per serving, where "serving" is the amount reasonably ingested by a typical consumer in a single instance; or
- (c) contains more than 10 mg total tetrahydrocannabinol per package, unless the ratio of cannabidiol to tetrahydrocannabinol is at least 20:1; or
- (d) has the dominant market appeal of mimicking the intoxicating effects of tetrahydrocannabinol.

Emergency Rule 3: Exceptions

Rule 1 shall not apply to:

- (a) a product duly evaluated, registered, and regulated by the Board as a cannabis product;
- (b) an otherwise-prohibited cannabinoid-containing product that has been specifically authorized by the Board for sale at a licensed medical dispensary based upon a finding, pursuant to 7 V.S.A. § 971(b)(6), that the product is appropriate for use by a patient; or
- (c) manufactured pharmaceutical drugs approved by the United States Food & Drug Administration for therapeutic use upon the prescription of a medical provider, to include Epidiolex, Marinol, Syndros, Cesamet, and Sativex.

Effective: April 24, 2023

VERMONT GENERAL ASSEMBLY

The Vermont Statutes Online

Title 7: Alcoholic Beverages, Cannabis, And Tobacco

Chapter 033 : Cannabis Establishments

Subchapter 001: General Provisions

(Cite as: 7 V.S.A. § 862a)

§ 862a. Synthetic and hemp-derived cannabinoids

The Board shall have the authority to regulate synthetic cannabinoids and hemp-derived cannabinoids, including delta-8 and delta-10 tetrahydrocannabinol. (Added 2021, No. 158 (Adj. Sess.), § 10, eff. May 31, 2022.)

The Vermont Statutes Online

Title 7: Alcoholic Beverages, Cannabis, And Tobacco

Chapter 031: Cannabis

Subchapter 002: Cannabis Control Board

(Cite as: 7 V.S.A. § 843)

Londeree, Vicki (LNG-HBE) Londeree, Vicki (LNG-HBE) 2 0 2023-03-03T11:58:00Z 2023-03-03T11:58:00Z 4 1121 5679 47 13 6787 16.00 Print 135 Clean false false false EN-US X-NONE X-NONE /* Style Definitions */ table.MsoNormalTable {mso-style-name:"Table Normal"; mso-tstyle-rowband-size:0; mso-tstyle-colband-size:0; mso-style-noshow:yes; mso-style-priority:99; mso-style-parent:""; mso-padding-alt:0in 5.4pt 0in 5.4pt; mso-para-margin:0in; mso-pagination:widow-orphan; font-size:10.0pt; font-family:"Times New Roman",serif;}

[Section 843 repealed effective July 1, 2024.]

843. Cannabis Control Board; duties; members

- (a) Creation. There is created within the Executive Branch an independent commission named the Cannabis Control Board for the purpose of safely, equitably, and effectively implementing and administering the laws enabling access to adult-use cannabis in Vermont.
 - (b) Duties. The duties of the Board shall be:
- (1) rulemaking in accordance with this chapter, chapters 33-37 of this title, and 3 V.S.A. chapter 25;
- (2) administration of a program for licensed cannabis establishments, which shall include compliance and enforcement;
 - (3) administration of the Medical Cannabis Registry on and after March 1, 2022;
- (4) administration of a program for licensed medical cannabis dispensaries, which shall include compliance and enforcement, on and after March 1, 2022; and
 - (5) submission of an annual budget to the Governor.
 - (c) Membership.
- (1) The Board shall be composed of a chair and two members appointed by the Governor in accordance with sections 841 and 842 of this title.
- (2) All Board members shall serve for a term of three years or until a successor is appointed and shall be eligible for reappointment, provided that no member may serve

more than three terms.

- (3) A vacancy created before the expiration of a term shall be filled in the same manner as the original appointment for the unexpired portion of the term. A member appointed to fill a vacancy created before the expiration of a term shall not be deemed to have served a term for the purpose of subdivision (2) of this subsection.
- (4) A member may be removed only for cause by the remaining members of the Commission in accordance with the Vermont Administrative Procedure Act. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.
 - (d) Conflicts of interest.
- (1) No Board member shall, during his or her term or terms on the Board, be an officer of, director of, organizer of, employee of, consultant to, or attorney for any person subject to regulation by the Board.
- (2) No Board member shall participate in creating or applying any law, rule, or policy or in making any other determination if the Board member, individually or as a fiduciary, or the Board member s spouse, parent, or child wherever residing or any other member of the Board member s family residing in his or her household has an economic interest in the matter before the Board or has any more than a de minimus interest that could be substantially affected by the proceeding.
- (3) No Board member shall, during his or her term or terms on the Board, solicit, engage in negotiations for, or otherwise discuss future employment or a future business relationship of any kind with any person subject to supervision or regulation by the Board.
- (4) No Board member may appear before the Board or any other State agency on behalf of a person subject to supervision or regulation by the Board for a period of one year following his or her last day as a member of the Cannabis Control Board.
- (e) Salaries. The Chair and all members of the Board shall be full-time State employees and shall be exempt from the State classified system. The Chair shall receive compensation equal to two-thirds that of a Superior Court judge, and other members shall receive compensation equal to one-half that of a Superior Court judge.
- (f) Executive Director. The Board shall appoint an Executive Director who shall be an attorney with experience in legislative or regulatory matters. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:
- (1) supervising and administering the operation and implementation of this chapter and chapters 35 and 37 of this title and the rules adopted by the Board as directed by the Board;

- (2) assisting the Board in its duties and administering the licensing requirements of this chapter and chapters 35 and 37 of this title;
 - (3) acting as Secretary to the Board, but as a nonvoting member of the Board;
- (4) employing such staff as may be required to carry out the functions of the Board; and
 - (5) preparing an annual budget for submission to the Board.
- (g) Consultant. The Board is authorized to hire a consultant as needed to assist with its duties under this section.
 - (h) Advisory committee.
- (1) There is an advisory committee established within the Board that shall be composed of members with expertise and knowledge relevant to the Board's mission. The Board shall collaborate with the advisory committee on recommendations to the General Assembly. The advisory committee shall be composed of the following 14 members:
 - (A) one member with an expertise in public health, appointed by the Governor;
 - (B) the Secretary of Agriculture, Food and Markets or designee;
- (C) one member with an expertise in laboratory science or toxicology, appointed by the Governor;
- (D) one member with an expertise in systemic social justice and equity issues, appointed by the Speaker of the House;
- (E) one member with an expertise in women- and minority-owned business ownership, appointed by the Speaker of the House;
- (F) the Chair of the Substance Misuse Prevention Oversight and Advisory Council or designee;
- (G) one member with an expertise in the cannabis industry, appointed by the Senate Committee on Committees:
- (H) one member with an expertise in business management or regulatory compliance, appointed by the Treasurer;
- (I) one member with an expertise in municipal issues, appointed by the Senate Committee on Committees:
- (J) one member with an expertise in public safety, appointed by the Attorney General;
- (K) one member with an expertise in criminal justice reform, appointed by the Attorney General;

- (L) the Secretary of Natural Resources or designee;
- (M) the Chair of the Cannabis for Symptom Relief Oversight Committee or designee; and
 - (N) one member appointed by the Vermont Cannabis Trade Association.
- (2) Initial appointments to the advisory committee as provided in subdivision (1) of this subsection (h) shall be made on or before July 1, 2021.
- (3) The Board may establish subcommittees within the advisory committee to accomplish its work.
- (4) Members of the advisory committee who are not otherwise compensated by the member s employer for attendance at meetings shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. 1010 for not more than six meetings annually. These payments shall be made from the Cannabis Regulation Fund. (Added 2019, No. 164 (Adj. Sess.), 2, eff. Oct. 7, 2020; amended 2021, No. 62, 2, eff. June 7, 2021; repealed on July 1, 2024 by 2019, No. 164 (Adj. Sess.), 6e(3).)

VERMONT GENERAL ASSEMBLY

The Vermont Statutes Online

Title 7: Alcoholic Beverages, Cannabis, And Tobacco

Chapter 033: Cannabis Establishments

Subchapter 001: General Provisions

(Cite as: 7 V.S.A. § 866)

§ 866. Youth

- (a) A cannabis establishment licensed pursuant to this chapter shall not dispense or sell cannabis to a person under 21 years of age or employ a person under 21 years of age. The Board may assess civil penalties against or suspend or revoke the license of a cannabis establishment that dispenses or sells cannabis or cannabis products to a person under 21 years of age.
- (b) A cannabis establishment shall not permit a person under 21 years of age to enter a building or enclosure on the premises where cannabis is located. This subsection shall not apply to a registered patient visiting a dispensary even if that dispensary is located in a building that is located on the same premises of a cannabis establishment.
- (c) The Board, in consultation with the Department of Health, shall adopt rules in accordance with section 881 of this title to:
- (1) prohibit cannabis products or the packaging of such products that are designed to make the product more appealing to persons under 21 years of age;
- (2) prohibit the packaging of cannabis and cannabis products that is designed to make the product more appealing to persons under 21 years of age;
- (3) require that cannabis products sold by licensed retailers and integrated licensees are contained in child-resistant packaging; and
- (4) require that cannabis and cannabis products sold by licensed retailers and integrated licensees are packaged with labels that clearly indicate that the contents of the package contain cannabis and should be kept away from persons under 21 years of age.
- (d) In accordance with section 864 of this title, advertising by a cannabis establishment shall not depict a person under 21 years of age consuming cannabis or cannabis products or be designed to be or have the effect of being particularly appealing to persons under 21 years of age. Cannabis establishments shall not advertise their products via any medium unless the licensee can show that not more than 15 percent of the audience is reasonably expected to be under 21 years of age. (Added

2019, No. 164 (Adj. Sess.), § 7, eff. Oct. 7, 2020; amended 2021, No. 62, § 7, eff. June 7, 2021.)

2 of 2

The Vermont Statutes Online

Title 7 : Alcoholic Beverages, Cannabis, And Tobacco

Chapter 033 : Cannabis Establishments

Subchapter 002: Administration

(Cite as: 7 V.S.A. § 881)

§ 881. Rulemaking; cannabis establishments

- (a) The Board shall adopt rules to implement and administer this chapter in accordance with subdivisions (1)-(7) of this subsection.
 - (1) Rules concerning any cannabis establishment shall include:
 - (A) the form and content of license and renewal applications;
- (B) qualifications for licensure that are directly and demonstrably related to the operation of a cannabis establishment, including:
- (i) a requirement to submit an operating plan, which shall include information concerning:
- (I) the type of business organization, the identity of its controlling owners and principals, and the identity of the controlling owners and principals of its affiliates; and
- (II) the sources, amount, and nature of its capital, assets, and financing; the identity of its financiers; and the identity of the controlling owners and principals of its financiers;
- (ii) a requirement to file an amendment to its operating plan in the event of a significant change in organization, operation, or financing; and
- (iii) the requirement for a fingerprint-based criminal history record check and regulatory record check pursuant to section 883 of this title;
- (C) oversight requirements, including provisions to ensure that a licensed establishment complies with State and federal regulatory requirements governing insurance, securities, workers' compensation, unemployment insurance, and occupational health and safety;
 - (D) inspection requirements;
 - (E) records to be kept by licensees and the required availability of the records;
 - (F) employment and training requirements;

- (G) security requirements, including any appropriate lighting, physical security, video, and alarm requirements;
 - (H) health and safety requirements;
- (I) regulation of additives to cannabis and cannabis products, including cannabidiol derived from hemp and substances that are toxic or designed to make the product more addictive, more appealing to persons under 21 years of age, or to mislead consumers;
- (J) procedures for seed-to-sale traceability of cannabis, including any requirements for tracking software;
 - (K) regulation of the storage and transportation of cannabis;
 - (L) sanitary requirements;
- (M) procedures for the renewal of a license, which shall allow renewal applications to be submitted up to 90 days prior to the expiration of the cannabis establishment's license;
 - (N) procedures for suspension and revocation of a license;
- (O) requirements for banking and financial transactions, including provisions to ensure that the Board, the Department of Financial Regulation, and financial institutions have access to relevant information concerning licensed establishments to comply with State and federal regulatory requirements;
- (P) disclosure or eligibility requirements for a financier, its owners and principals, and its affiliates, which may include:
- (i) requirements to disclose information to a licensed establishment, the Board, or the Department of Financial Regulation;
- (ii) a minimum age requirement and a requirement to conduct a background check for natural persons;
- (iii) requirements to ensure that a financier complies with applicable State and federal laws governing financial institutions, licensed lenders, and other financial service providers; and
- (iv) any other requirements, conditions, or limitations on the type or amount of loans or capital investments made by a financier or its affiliates, which the Board, in consultation with the Department of Financial Regulation, determines are necessary to protect the public health, safety, and general welfare;
- (Q) policies and procedures for conducting outreach and promoting participation in the regulated cannabis market by diverse groups of individuals, including those who have been disproportionately harmed by cannabis prohibition;

- (R) advertising and marketing; and
- (S) requirements for cannabis control testing of hemp, hemp-infused products, cannabis, and cannabis products.
 - (2)(A) Rules concerning cultivators shall include:
- (i) creation of a tiered system of licensing based on the plant canopy size of the cultivation operation or plant count for breeding stock;
- (ii) pesticides or classes of pesticides that may be used by cultivators, provided that any rules adopted under this subdivision shall comply with and shall be at least as stringent as the Agency of Agriculture, Food and Markets' Vermont Pesticide Control Regulations;
 - (iii) standards for indoor cultivation of cannabis;
- (iv) procedures and standards for testing cannabis for contaminants, potency, and quality assurance and control;
- (v) labeling requirements for cannabis sold to retailers and integrated licensees, including health warnings developed in consultation with the Department of Health:
- (vi) regulation of visits to the establishments, including the number of visitors allowed at any one time and record keeping concerning visitors; and
 - (vii) facility inspection requirements and procedures.
- (B) The Board shall consider the different needs and risks of small cultivators when adopting rules and shall make an exception or accommodation to such rules for cultivators of this size where appropriate.
 - (3) Rules concerning product manufacturers shall include:
- (A) requirements that a single package of a cannabis product shall not contain more than 50 milligrams of THC, except in the case of:
 - (i) cannabis products that are not consumable, including topical preparations;
 - (ii) solid concentrates, oils, and tinctures; and
- (iii) cannabis products sold to a dispensary pursuant to 18 V.S.A. chapter 86 and rules adopted pursuant to that chapter;
- (B) requirements that cannabis products are labeled in a manner that states the number of servings of tetrahydrocannabinol in the product, measured in servings of a maximum of five milligrams per serving, except:
- (i) cannabis products that are not consumable, including topical preparations; and

- (ii) cannabis products sold to a dispensary pursuant to 18 V.S.A. chapter 86 and rules adopted pursuant to that chapter;
- (C) requirements that cannabis products are labeled with the date the product was manufactured, the date the product is best used by, the ingredients contained in the product, information on the length of time it typically takes for products to take effect, and appropriate warnings developed by the Board in consultation with the Department of Health;
- (D) requirements that a cannabis product is clearly identifiable with a standard symbol adopted by the Board indicating that it contains cannabis;
- (E) procedures and standards for testing cannabis products for contaminants, potency, and quality assurance and control; and
 - (F) requirements for opaque, child-resistant packaging.
- (4) Rules concerning wholesalers shall include any provisions the Board has not addressed in subdivision (1) of this subsection that are appropriate for safe regulation of wholesalers in accordance with this chapter.
 - (5) Rules concerning retailers shall include:
 - (A) requirements for proper verification of age of customers;
- (B) restrictions that cannabis shall be stored behind a counter or other barrier to ensure a customer does not have direct access to the cannabis;
- (C) requirements that if the retailer sells hemp or hemp products, the hemp and hemp products are clearly labeled as such;
- (D) requirements for opaque, child-resistant packaging of cannabis products and child-deterrent packaging for cannabis at point of sale to customer; and
 - (E) facility inspection requirements and procedures.
 - (6) Rules concerning testing laboratories shall include:
- (A) procedures and standards for testing cannabis and cannabis products for contaminants, potency, and quality assurance and control;
- (B) reporting requirements, including requirements for chain-of-custody record keeping; and
 - (C) procedures for destruction of all cannabis and cannabis products samples.
- (7) Rules concerning integrated licensees shall include the provisions provided in subdivisions (1)-(6) of this subsection and any additional provisions the Board deems appropriate for safe regulation of integrated licensees in accordance with this chapter.
- (b) The Board shall consult with other State agencies and departments as necessary in the development and adoption of rules where there is shared expertise and duties.

(Added 2019, No. 164 (Adj. Sess.), § 7, eff. Oct. 7, 2020; amended 2021, No. 62, § 8, eff. June 7, 2021; 2021, No. 105 (Adj. Sess.), § 153, eff. July 1, 2022; 2021, No. 158 (Adj. Sess.), §§ 3, 12, eff. May 31, 2022.)



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Deadline For Public Comment

Deadline: Unavailable.

The deadline for public comment is unavailable for this rule. Contact the agency or primary contact person listed below for assistance.

Rule Details

Rule Number: 23-E04

Title: Emergency Rule on Synthetic and Hemp-Derived

Cannabinoids.

Type: Emergency Status: Adopted

Agency: Vermont Cannabis Control Board

Legal Authority: 7 V.S.A. §§ 862a; 843(b)(1); 866(c); and 881(a)

This emergency rule addresses the threats to the public health, safety, and welfare created by the

Summary: unregulated sale of potentially intoxicating synthetic

cannabinoids and high-THC hemp-derived products.

The emergency rule prohibits production,

manufacture, marketing, transfer, and sale of these products in Vermont; it sets a four-trigger test for presumptive prohibited content, based on THC concentration, serving content, net content, and market appeal; and it provides for appropriate exceptions to ensure the emergency rule does not interfere with duly-registered cannabis products, products with utility to a medical patient; and legend drugs approved by the United States Food and Drug Administration for dispensing upon the prescription

of a medical provider.

Cannabis consumers, cannabis licensees, medical providers, retailers, the Vermont Agency of Human Services and Department of Health, the Agency of Education, the Agency of Agriculture, purveyors of

hemp products.

This emergency rule will prohibit unregulated THC products, improving marketplace fairness by ensuring that the regulated market is the exclusive path to market for THC products. Reduced graymarket competition will tend to benefit cannabis

licensees who have incurred the costs of

participating in the regulated market. Medical costs associated with consumer harm may be prevented. Regrettably, it is not possible to credibly estimate the

magnitude of these impacts.

Posting date: Apr 25,2023

Hearing Information

Persons Affected:

Economic Impact:

There are not Hearings scheduled for this Rule

Contact Information

Information for Primary Contact

PRIMARY CONTACT PERSON - A PERSON WHO IS ABLE TO ANSWER QUESTIONS ABOUT THE CONTENT OF THE RULE.

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SEND A COMMENT

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VIEW WEBSITE

Information for Secondary Contact

SECONDARY CONTACT PERSON - A SPECIFIC PERSON FROM WHOM COPIES OF FILINGS MAY BE REQUESTED OR WHO MAY ANSWER QUESTIONS ABOUT FORMS SUBMITTED FOR FILING IF DIFFERENT FROM THE PRIMARY CONTACT PERSON.

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Keyword Information

Keywords:

THC Hemp delta-8

delta-10

synthetic cannabinoids

QHP

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