

**Written Testimony of Andrea (Andi) Goldman, CFA, Esq. (Ret.)  
to House Committee on Government Operations and Military Affairs  
Regarding Cannabis Legislation S278 (May 2026)**

**Brief Experience and some relevance:**

- **CEO, VT licensed adult-use dispensary, Down to the Roots, & Tier 2 licensed manufacturer, Garden's Gold**
  - Both are Economic Empowerment status
- **Managing Member, Equitas Partners Fund, legal cannabis investment fund (invests in US and Canada)**
- **Legal cannabis investor, advisor and executive since 2014, across US and Canada**
- **Former lender to healthcare companies and pharmaceutical companies at Citizens Bank**
- **Former corporate and securities lawyer, investment banker and private equity professional**
  
- **Commentary:**
  - *I have a fulsome background in cannabis and healthcare investing with knowledge and experience from other legal jurisdictions that are older or larger than VT, each of which has greater resources to develop laws and policy and for their respective CCB's to be able to monitor compliance. This can be helpful to Vermont instead of us trying to recreate the wheel. (e.g., Please see the chart and analysis related to delivery below).*
  - *As an institutional investor and former lender to healthcare companies, I'm trained and experienced in assessing risks from government policy and legislation and the impact on companies and industries as a whole and such has come into play here – especially in regards to delivery.*
  - *I am the CEO of a Tier 2 manufacturer who would be eligible for a delivery license under S278 and could benefit from such, but for the good of the whole VT legal adult-use industry we are vehemently AGAINST S278's delivery proposals for the reasons noted below.*

**Summary of my testimony today:**

- 1) *The importance of a healthy Vermont legal adult-use market for all Vermonters*
- 2) *S278 has some very good provisions for the industry*
- 3) *S278 also unfairly pits industry verticals against each other and endangers the overall market instead of growing the market in ways that help all participants*
- 4) *Delivery and the foreseeable consequences of severely damaging the entire industry if enacted as proposed*
- 5) *10 recommended steps to improve the industry for all Vermonters, the Vermont tax coffers and the license holders*

## **I. VERMONT INDUSTRY OVERALL – IMPORTANCE OF A HEALTHY MARKET:**

- **A healthy VT legal cannabis market is GOOD for both Vermonters' health and the state tax coffers**
  - Required testing of product
    - Whether or not legislators are supportive of cannabis or not, the fact is Vermonters consume cannabis – so the legislature should support Vermonters' health with safer products –***monitored and regulated via the VT legal markets.***
  - Vermonters' health & wellness uses of cannabis are not just served by medical dispensaries – despite that the CCB wants to believe that such is the case and has issued guidance pushing back on the law passed by this legislature and this reality
    - Surveys have shown that the top reasons for cannabis consumption is for health and wellness-related reasons, regardless of where they purchase
      - Sleep, anxiety/relaxation and alternatives to mainstream pharmaceuticals with their myriad of side effects have been cited as top 3 reasons folks consume cannabis – whether it's from a medical dispensary, an adult-use dispensary, or the illicit markets
        - Pain is one reason cited by many of our customers for the latter category
  - Vermont Jobs: 554 licenses = thousands of VT jobs
  - Tax collections funding budget gaps
    - \$29MM in adult-use taxes from 2025 sales an cannabis taxes – just for cannabis.
      - This does not include our sales of non-cannabis items.
      - Can help the state pay for budgeted priorities for ALL Vermonters.
      - We should be able to at least double this with a healthier VT adult-use market.
- ***A collapsing and unhealthy legal market instead drives Vermonters back to the dangerous illicit markets OR to other legal states. either way, Vermont and Vermonters lose when this occurs.***
- **Unfortunately, the State of the VT adult-use cannabis market is not currently healthy. But we can do better with SOME parts of S278 and other initiatives that I'll address in this testimony**
  - *Too many licenses overall and clustering of retailers has resulted in price compression hurting the industry*
  - *2025's modest 7% growth in legal sales was FAR outstripped (almost 2:1) by an increase in the number of dispensaries indicating significant new sales are coming from cannibalization, not growing the market.*
  - *We're now in a state of oversaturation which resulted in a moratorium on new licenses.*

## II. S278 UNJUSTIFIABLY FAVORS SOME VERTICALS OVER OTHERS -- AND AT TIMES TO THE DETRIMENT OF OTHERS

- It is inequitable and unnecessary for the overall market to help one industry vertical at the cost of another – when growing the overall market in others ways *could help every vertical simultaneously in the industry.*
  - *Unfortunately, in multiple places, S.278 favors some groups over others – unnecessarily or at times without logic.*
  - *S278 is also virulently anti-retailer. Examples:*
    - *Delivery – allowed for cultivators and manufacturers only, and SPECIFICALLY EXCLUDING retailers*
      - *Such flies in the face of logic and every other state that allows adult-use delivery*
      - *(see chart below in section III).*
    - *Permitted deliverers can pay just \$100 / year for the right to sell cannabis directly to consumers – while retailers have to pay \$10,000 per year, or 100x more*
    - *Annual License Fees - halved for outdoor growers only*
      - *How can this be rationalized when the whole industry is hurting?*
      - *Why not adjust for all of us to get to a healthier industry?*
      - *Cultivators' fees are already based on a tiered pricing depending upon size so they're already benefiting from a more just fee system*
        - *In contrast, Retailers currently pay \$10k/year regardless of sales*
    - *Local Nuisance ordinances – S278 proposes to exempt growers and tier 1 manufacturers -- but not retailers.*
      - *What's the justification?*
    - *Event restriction – only retailers have to close our businesses while also selling at a permitted event*
      - *Sales to the public are 100% of a retailer's biz model, unlike cultivators and manufacturers, so they can continue to do their businesses while also selling at an event, but retailers cannot.*
      - *We're also different from alcohol in this case, which legislative counsel testified this was modeled after since caterers can get permits to serve alcohol at an event, but caterers can't do that for cannabis.*
      - *Please remove this restriction.*
- **Rather than pitting verticals against each other, a rising tide can lift all boats: legislative policy, law and regulations can lift the entire industry and all participants . for example:**
  - **Most importantly, passing the proposed increase from 1 oz to 2 oz per legal transaction and for legal possession** (or many Vermonters will stay in the illicit markets or buy in Mass or NY with 2 and 3 oz limits)
    - *We don't live in a vacuum and need to consider the reality that folks can buy 2 oz around us legally in other states and in the illicit markets if this increase is not passed*
    - **PLEASE leave these provisions in.**

- **And if there is only ONE increase that you keep in this legislation, then please make it this increase; it's healthier for Vermonters AND the Vermont tax coffers]**
- **Increasing packaging size & Increasing potency (Vermonters will continue to buy stronger cannabis or more cannabis in the less-safe illicit markets if they can't buy it in the legal markets)**
  - *If these same items accidentally become available to kids, wouldn't you prefer it were safer tested products?*

### **III. DELIVERY = A FORESEEABLE DANGER TO THE OVERALL VT LEGAL MARKET (AS PROPOSED):**

- **Important Current backdrop to consider:**
  - **1) There are currently 110 VT licensed retailers and 385 Tier 1 & 2 cultivators and manufacturer<sup>1</sup>s**
  - **2) Vermont currently has a moratorium in place on the issuance of new retail licenses because of oversaturation issues throughout much of Vermont.**
    - **The S278 delivery proposals, which explicitly deny retailers to be eligible from delivery and instead awards it to 385 Tier 1 and 2 cultivators and manufacturers would significantly exacerbate this already existing issue.**
  - **3) Price compression is already occurring in the VT legal market.**
    - *[It's the norm after multiple years of a legal state,*
    - *[but price compression is also occurring because of too many licenses. (VT does not cap its number of licenses as many legal states do for many logical reasons.*
    - **While such can be good for consumers, price compression hurts every participant of the supply chain, including growers, and too much compression risks the health of the overall market.**
    - **Too much price compression also starts putting the legal markets more at risk of diversion to the illicit markets and children as it becomes more affordable to buy legally and distribute illegally... which is not a problem that we have today.**
- **\*\* Direct sales to customers by growers and manufacturers will enable pricing to customers akin to wholesale prices to retailers.**
  - **This will very foreseeably tank retail prices, and easily result in a total price collapse for the industry, thereby endangering the industry, the VT tax coffers, AND Vermonters who count on the legal markets for healthier products.**
- **For these reasons, nowhere else in the US does another legal state ban retailers from delivery while allowing a majority of the state's cultivators and manufacturers to sell directly to the public via delivery (unless social equity/economic empowerment and truly de minimis microbusinesses) as demonstrated by the analysis chart below.**

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<sup>1</sup> Source: April 2026 Executive Director Report to CCB

- why? because it DEFIES LOGIC and will very foreseeably damage the retail vertical for the benefit of other verticals.
- While we are proud Vermonters and do things differently than another states, we should still learn from other states that are far more successful than us, with significantly larger budgets to analyze, legislate, monitor and regulate their legal cannabis industries to create far healthier ecosystems that contribute far more taxes to state budgets.
- Below is an analysis of all 13 current adult-house legal cannabis industry states with delivery and who is allowed to deliver versus Vermont's S 278:

Legal adult-use states with delivery	Are standard Retail, Cultivator or Manufacturer license holders eligible for Delivery?	Courier model (3rd party licensed to transport from RETAILERS (only) to consumer)	Licensed Micro-businesses (with % vs retailers) <sup>4</sup>	Other
Arizona	Retail only			
California	Retail only		x (4%)	
Colorado	Retail only	x		
Connecticut	Retail only			
Maine	Retail only			
Maryland	Retail only			Note 1
Massachusetts	None	X (if social equity or economic empowerment)	x (0.2%) (if soc eq or econ emp)	Note 2
Michigan	Retail only		x (0.4%)	Note 3
Nevada	Retail only	x		
New Jersey	Retail only	x		
New Mexico	Retail only	x		
New York	Retail only	x		
Oregon	Retail only	x		

--Versus--

Vermont (S.278)	Manufacturers & Cultivators only (Tiers 1 & 2)	Allowed percentage of non-retail delivery licenses vs retail	350%	Note 5
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**Notes:**

- (1) Maryland also allows designated micro-dispensaries to deliver.
- (2) Massachusetts also allows "Licensed Deliverers" that are required to buy wholesale and then sell to cust (if social eq or econ emp).
- (3) Michigan also allows "Special Provisioning Locations" and "Consumption" license holders.
- (4) Source: Independent researcher, Emerald Intel.
- (5) Vermont currently has 385 licensed Tier 1 & 2 cultivators and manufacturers vs 110 licensed retailers.

- Take-aways from chart:
  - 1) the rest of the country = retail only or not allowed for ANY standard licenses. (Vermont is doing the opposite);

- 2) courier model is popular and sensible and allows licensed 3<sup>rd</sup> parties to delivery FROM RETAILERS to the customer
  - 3) wholesale models like Mass. also make sense as it still prevents the collapse of prices
  - 4) microbiz or social equity/economic empowerment models make sense – if for a fraction of the retail market.
  - 5) S278s proposal to pilot a program to allow 385 cultivators sell directly to customers (vs 110 retailers) is nonsensical, will foreseeably flood the market, crater prices overall and endanger the entire VT legal market.
- **S278 enables an already oversaturated market to be flooded with up to 3.5x more businesses selling directly to consumers with the very foreseeable result of dramatically driving down prices, which can crater the entire legal industry.**
  - The 13 larger or older states who decided to allow delivery ALL understood this.
  - Even Mass., which didn't give retailers the right to deliver, instead legalized the courier model (delivery FROM retail to customer) OR a delivery license that requires purchases at wholesale prices so that delivery wouldn't tank the market. (All require social equity or economic empowerment status)
- ***Please also consider:***
  - Growers delivering directly to customers is a pillar of the illicit market. Why would we want that model in the legal markets?
  - Delivery is to people's homes (or businesses as written).
  - Delivery can be in front of youths, while < 21 year olds cannot enter a retail shop.
  - It is retailers that have invested hundreds of thousands of dollars into brick and mortar locations with infrastructure to accommodate serving the public, tracking sales to the public, cameras over cash registers that match or exceed the security in many Vermont banks, and preventing diversion to the illicit markets and youth and protecting the public.
  - The CCB earlier testified that they do not have the resources nor the budget to adequately regulate and monitor delivery.
    - (Even a pilot program for just 15 permits will still require additional significant resources by the CCB)
- **With the limited numbers of the pilot program, the devastation won't be as apparent until it's fully rolled out. But the economics and logic show us now -- before a pilot program goes into place -- what the result will be and it's not going to be pretty.**
- **If others want to argue that this will grow the market because delivery can go anywhere in the state: it's unclear if the delivery can go into towns that have not opted in yet for retail sales, which would mean that S278 would actually be creating significant new problems rather than solving any.**

- Important reminder evidencing a lack of bias: *I am the CEO and co-owner of a Tier 2 manufacturer that would be eligible for a delivery permit under S278. But for the good of the industry and the health of Vermonters, we remain vehemently opposed to S278's delivery provisions.*
- *This is just a Pandora's box that isn't worth opening as the damage is foreseeably far greater than any minimal or nominal benefits.*

**IV. 10 RECOMMENDATIONS TO IMPROVE THE OVERALL HEALTH OF THE VT LEGAL CANNABIS INDUSTRY:**

- 1) The VT illicit markets remain a major impediment to the legal markets and can instead be a financial opportunity for Vermont:
  - Need proper law enforcement by our police and justice system
  - Give the CCB referral powers to the justice system
  - *Significantly* increase fines for the illicit market to help offset losses of taxes by this illegal activity
  - The state should air PSA's discussing the benefits of the legal, tested markets vs the illicit markets
  - Increasing the legal transaction and possession laws to 2 oz to get more Vermonters to the safer legal markets; also helps rural areas
  - Increasing package size and potency to bring folks from the more dangerous illicit markets to the safer legal ones
- 2) Stop "clustering" retailers and strengthen the retail relocation guidance so that existing informed license holders are notified and given opportunity to provide *informed* "market needs" data also to the CCB before making its' "sole decisions"
- 3) Event permits as proposed, but with minor amendments:
  - a. Remove the anti-retailer restriction noted in Section II. Above
  - b. Add a designated place for smoking consumption as is the norm in other states
- 4) Bi-ennial employee registrations and product registrations – as proposed
- 5) Cannabis Biz Dev Fund – as proposed
- 6) The CCB should be prohibited from enacting rules and guidance that effectively enacts policy that is stricter than the law and usurping the legislature's intent and statutes. The CCB is currently making policy that we contend is bad for both the industry and Vermonters.

Examples:

- VT’s statute bans adult-use retailers from claiming “curative” effects in advertising, but the CCB has significantly expanded this to a ban on adult-use dispensaries from discussing “any positive health benefits”... which is both: 1) not true and 2) not what the law says.
  - The CCB is effectively stopping us from educating legal cannabis users in VT. That should not be acceptable.
    - Related , the CCB has banned medical practitioners and experts in cannabis from providing free consultation for adult-use customers that are educational and can help Vermonters potentially avoid issues with existing Rx drugs
- The CCB prohibiting licensed retailers from selling NON-cannabis products at fairs, festivals or elsewhere that any other non-licensed person can do
  - e.g. CBD products and t-shirts

7) **For retail relocations requests, the CCB should not be allowed to exacerbate saturation issues in one area by relieving another and must address market need for relocations or new licenses, not simply population density (as it just did with an allowed move to Springfield from [Branford])**

- **Below is an analysis of towns within 30-minute drive time from Springfield, which was recently allowed a 3<sup>rd</sup> dispensary, despite a lack of market need:**

#	Town	Population	Presumptively Allowed # of Adult retail Stores per CCB's Rejected Proposed Siting Rules
1	Springfield	9,069	4
2	Rockingham	4,795	3
3	Windsor	3,550	2
4	Westminster (Town and Village combined)	3,296	2
5	Chester	3,008	2
6	Ludlow	2,972	2
7	Weathersfield	2,853	2
8	Londonderry	1,931	2
9	Cavendish	1,404	2
10	Mt Holly	1,394	2
11	West Windsor	1,373	2
12	Townshend	1,295	2
13	Grafton	644	2
14	Weston	629	2
15	Andover	579	2
16	Brookline	544	2
17	Peru	526	2
18	Athens	396	2
19	Baltimore	232	2
20	Landgrove	174	2
<b>Totals</b>	<b># of allowable dispensaries per CCB proposal:</b>		<b>43</b>
	<b>Total Population:</b>		<b>40,664</b>
	<b>VT Population per adult-use dispensary:</b>		<b>946</b>

**\*\* TAKEAWAYS \*\***  
**.1 DISPENSARY / 946 VERMONTERS (INCL CHILDREN).**  
**PRESUMPTIVELY ALLOWED BY CCB PROPOSALS WHEN ONLY POPULATION & TOWN BORDERS CONSIDERED & MARKET NEED IGNORED DESPITE REQUIRED**

- **Proposed Fixes to this occurring again:**
  - 1) **Disregard town borders (they are arbitrary and enable the above results);** rather move to a distance between existing dispensaries approach for new and relocating retailers.
  - 2) **Pass a 25- mile minimum distance between existing dispensaries and new or relocating dispensaries** (avg = 12.5 miles); at least for rural parts of the state.
  - 3) **Most importantly, give legal standing to existing licensed retailers who have the most experience in the market under consideration.**
    - a. **Require the CCB to provide reasonable advanced notice to existing retailers in the 25-30 mile "catchment area" of proposed new or relocating retailers**
    - b. **Invite the existing license holders to provide data concerning market need PRIOR to "sole determinations" by the CCB so that the CCB is more informed with balanced info from both sides.**

**8) The CCB should be required to applying statistics and science and look at examples from other more experienced states when deriving rules and guidance and making decision that can foreseeably negatively impact the industry**

Examples:

- *The CCB's last proposed geographic siting rules would have presumptively enabled more than 500 dispensaries in VT (2+ dispensaries in every town, regardless of population!). These proposed rules were retracted after public scrutiny and studies like my chart above.*
- *The CCB's most recent guidance on purchase equivalencies were not based on science nor statistical evidence, would have hurt the legal industry, and were also retracted after the industry banded together to oppose such*

**9) Caps on # of state licenses by category -- as exists in many other states ("limited license states") . why:**

- A race to the bottom on competition and pricing hurts all market participants
- While we are still federally illegal and highly regulated by the state in terms of marketing, we cannot be treated like a free market . (please note: expected rescheduling still won't legalize us federally)

**10) The legislature should refrain from enabling the CCB from utilizing the more formal rulemaking legal process with proper checks and balances by public comments and LCAR (As S278 does for both events and delivery)... at least until The industry and the legislature sees a consistent stream of more logic-, statistical- or science-based rules or guidance from the CCB**

- *Eg: Geographic siting rules for new dispensaries that would have presumptively allowed ~550 dispensaries across VT!*
- *E.g. Recent purchase limits equivalencies guidance had to be retracted as they were arbitrary and not based on data or science*
- *E.g. part of the current Guidance for advertising has resulted in the CCB actually policy-making that is wholly different from the legislature and your passed laws regarding potential health benefits . (notably, when questioned several times, the CCB could not provide any VT statutes supporting their arguments; yet the guidance still exists).*