

Dear Chair Birong, Vice Chair Hango, and Members of the Committee,

Thank you for the opportunity to submit written testimony regarding S.278.

For context, I am a Tier 3 outdoor cultivator and owner of Full Circle Farm, operating within Vermont's regulated market since its early implementation. I also serve as President and co-founder of Vermont Producers Joint, a newly formed cooperative wholesale cannabis business approved by the Vermont Cannabis Control Board and created to help small producers share infrastructure, distribution, administrative capacity, and market access while remaining independently owned and operated.

I strongly support the efforts underway in S.278 to stabilize and strengthen Vermont's cannabis industry, particularly Sections 5 and 6 related to direct sales, and Section 11 regarding retail siting flexibility and expanded nuisance protections. I encourage the Committee to protect and strengthen these provisions.

Direct sales are an important economic development tool for Vermont's small producers. Retail-only models disproportionately favor businesses with greater access to capital and scale, while limiting the ability of small farms to build direct consumer relationships and capture market share currently operating outside the regulated market. Expanding direct-to-consumer pathways will support tax revenue growth, increase regulated market participation, and strengthen Vermont's small agricultural businesses.

Importantly, [Vermont's own Food System Plan Market Brief on Direct Markets](#) recognized that direct market channels are critical to the viability of small and medium-scale agricultural producers, particularly as consolidation and price pressures increasingly favor larger operators. That principle remains highly relevant within Vermont's regulated cannabis market today. Keeping small agricultural businesses economically sustainable through direct sales supports rural Vermont communities, where many cannabis producers contribute to local economies through employment, agricultural stewardship, community involvement, and reinvestment in other local businesses and services. Expanding direct sales also helps transition consumers from the unregulated market into the regulated system. Industry economic analysis consistently shows that regulated markets struggle to fully capture consumer participation when producers lack direct market access. Supporting direct-to-consumer pathways will help increase regulated market share, strengthen tax revenue, and improve long-term market sustainability. Retail storefronts alone are unlikely to fully transition legacy consumers into the regulated market without complementary direct-market channels.

In addition to preserving direct sales, I respectfully encourage the Committee to consider several structural provisions that would strengthen S.278 for the long-term stability of the market:

- Clear ownership transparency requirements for significant ownership transfers or material changes in control;
- Annual Cannabis Control Board market stability reporting related to canopy size, wholesale pricing trends, license transfers, and market concentration indicators;

- Explicit authorization of non-voting investment structures that allow small businesses to raise capital without automatically surrendering operational control;
- Greater statutory clarity around cooperative structures, shared services, cooperative marketing, and ownership transparency as cooperative operational models continue emerging within Vermont's regulated cannabis market.

Vermont has a long agricultural history of cooperative enterprise, and additional clarity regarding how cooperative cannabis models interact with licensing, ownership disclosure, shared infrastructure, and regulatory oversight would support both compliant businesses and administrative consistency for the Cannabis Control Board. As cooperative operational models continue emerging, clear statutory guidance will help ensure predictable compliance expectations, transparent governance standards, and consistent regulatory interpretation. Properly structured cooperative models can increase transparency by clearly defining ownership, shared operational responsibilities, and governance within the regulated framework rather than leaving these structures to evolve through regulatory ambiguity.

I also support consideration of fair dealing and antitrust provisions similar to protections used in Vermont's alcohol industry, including enforcement mechanisms related to nonpayment between businesses and anti-shelf-trading protections that help preserve fair market access for independent producers.

My intention in raising these issues is not to restrict growth or investment, but rather to support a transparent, stable, and durable marketplace that allows Vermont's locally rooted operators to remain viable as the industry matures.

I respectfully request that this written testimony be posted to the committee page while S.278 is under consideration. I would also be willing to testify before the Committee if helpful during deliberations on the bill.

Thank you for your time and consideration.

Respectfully submitted,  
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