

Vermont Cannabis Equity Coalition 2026 Priorities

1. Equity Funding and Excise Tax Allocation

- a. VCEC is aligned with the [CCB Act 56 Report](#)'s recommendations on Social Equity and Excise Tax Allocation. Aspects of this include:
 - i. Expand the scope of the Cannabis Business Development Fund (CBDF) to include Tier 1 outdoor cultivators, Tier 1 manufacturers, and Economic Empowerment Licensees.
 - ii. Allocate \$1M of cannabis excise tax revenue annually to the CBDF (Specific uses enumerated in CCB Act 56 Report 2029)
 - iii. Direct 25% of the Cannabis Excise Tax Revenue to the Land Access and Opportunity Board (LAOB) for down payment assistance grants, and other technical and financial support programs..

2. Direct Markets and Value Added for Smaller Tiers of Cultivators and Manufacturers

- a. Supplemental Direct Retail Sales license for On-farm and off-farm direct sales allowances for Cultivation Tiers 1, and 2; and manufacturing tiers 1 and 2.
- b. Propagation License allowance of sales directly to the public.

3. Agricultural Use and Exemptions

- a. Continue to enumerate aspects of agricultural status for outdoor cultivation into Vermont law.
- b. Strike the municipal cultivation districts and setbacks for outdoor cultivation from Act 166 (2024).

4. End Opt-In, implement Opt-Out

- a. A critical aspect of creating a fair and accessible market is shifting VT to an “opt-out” retail policy, meaning that towns need to affirmatively vote to “opt-out” the allowance for cannabis retail. This will more support consumers choosing to access the regulated market, more market opportunities for producers, and more access for medical patients.

5. Complete Expungement of any and all Cannabis Related Charges and Not Re-criminalizing

6. Public Consumption Anywhere Lit Tobacco Is Allowed

- a. Burden on the renter to get permission currently - model this after New York where one is allowed to consume unless specifically prohibited, and can't limit all forms of consumption (ie edibles, etc.)

7. Homegrown Allowances

- a. Increase homegrown allowances to 6 mature and 12 immature plants (Act 65 (2023) medical homegrown allowances)

8. Position the Administration of Eligible Conditions and Oversight Under the Cannabis Control Board

- a. Additionally, support for Green Mountain Patients' Alliance's proposed [medical cannabis policy recommendations](#).

Vermont Cannabis Equity Coalition Recommended Statutory Language, Information, and Resources

1. Equity Funding and Excise Tax Allocation - same as [CCB Act 56 \(2025\) Report Recommendations](#) (our previous recommendations were directly from the *Act 166 study group (pursuant to 7 V.S.A. § 987) on Cannabis Social Equity Programs*)

- a. Expand the scope of the Cannabis Business Development Fund to include Tier 1 outdoor cultivators, Tier 1 manufacturers, and Economic Empowerment Licensees
- b. Allocate \$1M* of cannabis excise tax revenue annually to the CBDF to be used for the following purposes:
 - Testing and Compliance Cost Relief
 - Business Advising and Coaching
 - Business Improvement and Infrastructure Grants
 - Market Access and Public Education
- b. Direct 25% of the Cannabis Excise Tax Revenue to the Land Access and Opportunity Board (LAOB), for:
 - 1. Down payment assistance grants to support homeownership and land access for disadvantaged Vermonters;
 - 2. Financing and technical advising support for BIPOC and emerging developers;
 - 3. Seed and implementation grants for community-led affordable housing and development initiatives, including land trusts and land banks; and
 - 4. Strengthening community leadership through advisory roles and engagement opportunities in disadvantaged communities.

2. Direct Markets and Value Added for Smaller Tiers of Cultivators and Manufacturers

This section proposes allowing Tier 1 and 2 Cultivators and Tier 1 and 2 Manufacturers to sell directly to the general public with a Supplemental Direct Retail Sales license, and with rules and regulations to be determined by the CCB through its rulemaking process. One key indicator of

VT's progress towards an equitable cannabis economy and community is expanding the market through incorporating direct sales for producers, and breaking the monopoly on access to the consumer currently provided to Retail Licensees. The market is not "saturated", it is "bottlenecked" - we don't have too much product or too many producers, we have too few options for the sale of products for producers, and access to products and producers for consumers. Small businesses - in particular farmers - rely upon direct sales of the products they produce and manufacture themselves in order to be viable; they rely upon direct relationships with the public; they rely upon the market leverage and empowerment and greater share of profit they are provided through this. Consumers rely upon direct sales from producers for more local and accessible options, because they want to directly support these producers as we do with other local businesses, and to get unique products which may otherwise not be on the shelves of retail stores.

From the VT Farm to Plate Food System Plan Market Brief on Direct Markets:

"Direct markets are critical because they allow producers to capture more income for each product sold (compared to wholesale), require low up-front investment, give producers more autonomy over the products they sell, and foster customer relationships through experiential marketing (an increasingly important tactic across all industries). The trends towards consolidation and downward price pressure in wholesale markets favor larger producers and create challenges for many small to medium-scale producers, accentuating the importance of strengthening direct markets as the foundation of a working landscape of diverse farms at all scales."

Option 1: Supplemental Direct Retail Sales License for Small Producers

A Supplemental Direct Retail Sales License for Small Producers is limited to smaller tiers of production for licensed cultivators and manufacturers and allows for regulated on-site and off-site sales of their own products directly to consumers based on rules determined through a public rulemaking process conducted by the Cannabis Control Board.

§ 907a. Supplemental Direct Retail Sales License for Small Cultivators and Manufacturers:

(a) In addition to the authorized conduct in 7 V.S.A § 904 for licensed cultivators, 7 V.S.A. § 906 for licensed manufacturers, and 7 V.S.A § 907 for licensed retailers:

a. Tier 1 and 2 cultivators with a Supplemental Direct Retail Sales License may sell cannabis, cannabis products using cannabis produced by the licensee, immature cannabis plants, and cannabis seeds directly to consumers based on rules and regulations developed by the Cannabis Control Board; and,

b. Tier 1 and 2 product manufacturers with a Supplemental Direct Retail Sales License may sell cannabis products produced by the licensee directly to consumers based on rules and regulations developed by the Cannabis Control Board.

c. The Cannabis Control Board is to finalize rules for this license to be scale appropriate, accessible, and affordable, accounting for the limited production and sales of smaller tier licensees through a public rulemaking process by October 15, 2026; they must allow for delivery, on-site, and off-site sales; and must address:

(a) Security

(b) Taxation

(c) Point of Sales requirements and training

(d) Tracking

(e) Inspection

(f) Transportation

d. Supplemental Direct Retail Sales licensees are not subject to 7 V.S.A. § 863 (a)(1) and (a)(2).

e. The Supplemental Direct Retail Sales License shall be open for application beginning no later than December 1, 2026.

§ 910 (4)(c). Licensed cultivators and manufacturers who sell directly to the public with a Supplemental Direct Retail Sales License shall be assessed an annual licensing fee of \$250.00.

3. Agricultural Use and Exemptions

1. Provide Outdoor Cultivators with Agricultural Wetlands Exemptions: Outdoor cultivators have encountered unreasonable and costly barriers which they otherwise would not have been subject to if they were growing any other agricultural crop regulated under the Required Agriculture Practices (RAPs).

a. According to the Vermont DEC:

“The growing of food and crops is allowed under the Vermont Wetland Rules, provided it complies with other applicable laws and with the most recent Acceptable Agricultural Practices. The clearing of forested wetland for agricultural purposes requires a permit.”

b. Recommended language:

“The growing of adult use outdoor cannabis is allowed under the Vermont Wetland Rules, provided it complies with other applicable laws and with the most recent Acceptable Agricultural Practices and Required Agricultural Practices. The clearing of forested wetland for the cultivation of outdoor adult use cannabis requires a permit.”

2. Strike the municipal cultivation districts and setbacks for outdoor cultivation from Act 166 (2024)

a) Sec. 7 V.S.A. § 869 (f)(2) is amended to read:

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

- ~~c) (A) if the cultivation occurs in a cannabis cultivation district adopted by a municipality pursuant to 24 V.S.A. § 4414a, the setback shall be not larger than 25 feet as established by the municipality;~~
- ~~d) (B) if the cultivation occurs outside of a cannabis cultivation district adopted by a municipality pursuant to 24 V.S.A. § 4414a or no cannabis cultivation district has been adopted by the municipality, the setback shall be not larger than 50 feet as established by the municipality; and~~
- ~~e) (C) if a municipality does not have zoning, the setback shall be 10 feet;~~

4. End Opt-In, implement Opt-Out

A critical aspect of creating a fair and accessible market is shifting VT to an “opt-out” retail policy, meaning that towns need to affirmatively vote to “opt-out” the allowance for cannabis retail. This will more support consumers choosing to access the regulated market, more market opportunities for producers, and more access for medical patients.

5. Complete Expungement of any and all Cannabis Related Charges and Not Re-criminalizing

This section proposes the expungement of any and all cannabis-related charges cost-free and without the need for an individual to petition to courts for the clearing of their records. The burden for expungement should be on the entity complicit in the criminalization of cannabis and the enforcement of that criminalization; not on the individuals victimized by the criminalization of cannabis.

Language for Proposed Section 21 of H.612

Sec. 21. 13 V.S.A. § 7602 is amended to read:

§ 7602. EXPUNGEMENT AND SEALING OF RECORD,
POST CONVICTION; PROCEDURE

(a)(1) A person may file a petition with the court requesting expungement or sealing of the criminal history record related to the conviction if:

* * *

(B) the person was convicted of an offense for which the underlying conduct is no longer prohibited by law or designated as a criminal offense;

(C) pursuant to the conditions set forth in subsection (g) of this section, the person was convicted of a violation of 23 V.S.A. § 1201(a) or § 1091 related to operating under the influence of alcohol or other substance, excluding a violation of those sections resulting in serious bodily injury or death to any person other than the operator, or related to operating a school bus with a blood alcohol concentration of 0.02 or more or operating a commercial vehicle with a blood alcohol concentration of 0.04 or more; ~~or~~

(D) pursuant to the conditions set forth in subsection (h) of this section, the person was convicted under 1201(c)(3)(A) of a violation of subdivision 1201(a) of this title related to burglary when the person was 25 years of age or younger, and the person did not carry a dangerous or deadly weapon during commission of the offense; or

(E) the person was convicted of dispensing or selling cannabis prior to March 1, 2022. (e) For petitions filed pursuant to subdivision (a)(1)(B) of this section for a conviction for possession or dispensing of a regulated drug under 18 V.S.A. chapter 84, subchapter 1 in an amount that is no longer prohibited by law or for which criminal sanctions have been removed:

(1) The petitioner shall bear the burden of establishing that ~~his or her~~ the petitioner's conviction was based on possessing an amount of regulated drug that is no longer prohibited by law or for which criminal sanctions have been removed.

(2) There shall be a rebuttable presumption that the amount of the regulated drug specified in the affidavit of probable cause associated with the petitioner's conviction was the amount possessed or dispensed by the petitioner.

6. Public Consumption Anywhere Lit Tobacco Is Allowed

This section proposes public consumption limited to wherever lit tobacco is allowed, as is the law in the State of New York. Current consumption laws in VT are inherently inequitable, in effect allowing only people who own their own private land or residences to consume cannabis legally, as it otherwise prohibits consumption in public places, and owners of rentals determine policy for their tenants. This law creates unsafe conditions for consumption, and increases the likelihood of continuing inequitable and racialized enforcement of cannabis law.

Language for Proposed Section 18 of H.612

7 V.S.A. § 833 is amended to read:

§ 833. CONSUMPTION USE OF CANNABIS IN A PUBLIC PLACE

(a) No person shall consume possess lighted cannabis or use cannabis products a public place unless specifically authorized by law any place where the use or possession of a lighted tobacco product, tobacco product, or tobacco substitute is prohibited by law pursuant to 18 V.S.A. chapter 37. Violations shall be punished in accordance with 18 V.S.A. § 4230a.

7. Increase Homegrow Allowances

Increase homegrown allowances to 6 mature and 12 immature plants (Act 65 (2023) medical homegrown allowances).

8. Position the Administration of Eligible Conditions and Oversight Under the Cannabis Control Board *(these recommendations are directly from the Act 166 (2024) Section 11a legislative report)*

CANNABIS CONTROL BOARD REPORTING; MEDICAL CANNABIS REGISTRY

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

- (1) improvements to the process of evaluating and approving new qualifying conditions;
Recommendation: Authorize a health care professional (7 V.S.A. § 951) with specialized

cannabis medical education to recommend access to the Vermont Medical Cannabis Registry for a patient in their care; or Authorize a non-legislative entity to evaluate and either recommend or approve new qualifying conditions;

Green Mountain Patients' Alliance's proposed [medical cannabis policy recommendations](#).