May 4, 2025

Dear Chair Clarkson, Vice Chair Brock, and Honorable Members of the Senate Committee on Economic Development, Housing, and General Affairs,

Included in this email are the updated priorities of our coalition and statutory language supporting most of them. The committee received <u>our original priorities and proposed statutory</u> <u>language</u> (including <u>this document</u> which focuses on our direct sales proposals) on April 16th prior to our testimony; what we include here offers some amendments made in an effort to bring us closer to a compromise with other organizations' priorities, as the committee has asked stakeholders to make an effort to reach some common ground.

We request the committee consider these priorities and this proposed language as amendments to Bill H.321. These recommendations, the result of years of development and vetting by those most impacted, have substantial and diverse support from public interest organizations. They address demonstrable community needs evidenced in testimony, CCB reports and surveys, media coverage, and extensive advocacy. While we view all suggested changes as crucial and have advocated for them since before the market's inception, our primary four priorities are presented at the beginning of the statutory language document.

These priorities and this language have been agreed upon by:

- The Vermont Cannabis Equity Coalition (Vermont Racial Justice Alliance, Vermont Growers Association, Northeast Organic Farming Association of Vermont, Green Mountain Patients Alliance, and Rural Vermont)
- Vermont NORML
- The Land Access and Opportunity Board
- Lieutenant Governor John Rogers

This language was developed by stakeholders and supporting organizations over multiple years of organizing and collaboration which began prior to market inception. This has included:

- Convening stakeholder groups and listening sessions to identify needs and address market inequities
- Researching other jurisdictions' regulations and equity; engaging legislators
- Fostering collaboration among diverse organizations to develop holistic and equitable statutory language

The original language we sent you on April 16th, which does not include retailers in the event permit proposal (a significant concession we offer here), also had the endorsement of a significant number of market actors based on a recent sign-on letter we developed. As of May 2nd, this sign-on initiative includes:

- More than 70 businesses and organizations
- 9 retail licensees
- 49 cultivator licensees
- 10 manufacturer licensees
- 10 social equity licensees
- 15 economic empowerment licensees
- 11 medical cannabis patients

As mentioned, we have now amended our original statutory language from the sign-on letter and what we had previously sent you in recent weeks in an effort to come to the middle. The updated language regarding event permits and direct sales represents a significant concession, by including retailer licensees in event permits as a good faith compromise. Cultivator and retailer working groups who drafted the original language were initially hesitant to reduce the ask to events alone, as opposed to more flexible on- and off-farm sales. This is a further concession they made to move us closer to the middle. This adjustment, made after years of coalition work, aims to positively impact struggling small producers and businesses regardless of license type. This offer is contingent on no event number limits (ensuring equitable access and substantive economic impact), producer license types being able to directly sell at events, and Senators seeking Legislative Council input on language ensuring the CCB provides equitable access to these permits for producers with appropriate regulations. Concerns remain that the CCB might create rules or permits that disadvantage producer license types, limiting their access to direct sales and favoring retailer licensees.

We understand our priorities, and our statutory language to objectively have more support – and more hands and minds and hearts in crafting it – than any other proposals that have been put forward, including the CCB's. We believe that the information we provide here demonstrates the integrity of these proposals, our efforts to meet the committees' desire to have more common ground, the degree of work that went into them by a great number of diverse stakeholders over years, and all in response to very real needs expressed by our communities, businesses, particularly small producers.

Our proposals have the support of membership based organizations representing thousands of Vermont residents. We have more direct stakeholders of every license type supporting all of our priorities and language than any other proposal, we have more organizations and businesses behind us than any other proposal, we have the CCB's very own surveying of Tier 1 Cultivators and its mandated reports attesting to many of the priorities we have, we have worked to bring together disparate actors, we have the Lieutenant Governor, Vermont NORML, the Land Access and Opportunity Board. We have spoken with the CCB's Compliance Director, we have spoken with local insurance companies, and this language reflects their thoughts and concerns. *There is no other proposal which is more representative of the Vermont public and the direct stakeholders involved, and no proposal that has been more vetted*.

We look forward to speaking with you about this further. We ask you to introduce this language to the committee next week and believe it will be met with broad support across the cannabis industry and the State of Vermont.

All our best, VT Cannabis Equity Coalition