Good Morning, For The Record I am Timothy Egan,

-Exec. Dir. of Vermont NORML Chapter

-The Cannabusiness Instuctor & Internship Coordinator at Vermont State University's Cannabis Studies Program.

-For Reference, as elected member of the NH House Of Representatives from 2018-22, I was Chair of the NH House Cannabis Caucus from 2019-2022 -Since 2022 I have been Board Chair for NHCANN, the industry association leading development of medicinal and recreational cannabis legislation.

Today I am an here to speak in favor of H. 321, buy suggest some amendments.

Despite regulating and taxing the sales of legal cannabis three years ago, Vermont lawmakers have yet to create a way for consumers to legally consume cannabis, which our workshop organizers say is hurting consumers, businesses, and the cannabis industry.

There's a gap between what the regulated market presently allows and where and how people actually consume cannabis. We've got taxed, regulated, and insured products and highly trained staff to serve and sell cannabis in an identical fashion to an alcohol catering permit.

On Friday, May 2 at 2pm a group of Vermont based cannabis experts head a panel discussion and demonstrated a proposed cannabis event permit at the Vermont Cannabis Convention. <u>The 6th Annual</u> Vermont Cannabis Convention took place May 2-3 at the Champlain Valley Expo in Essex Junction.

The stated goal of this specific Off-Site workshop was to create a legal space for cannabis consumption and sales by 21+ adults at private events in Vermont, such as weddings, concerts, farmers markets and festivals. This is one place where an amendment is needed as event permits only for farmers markets, while a good idea and supported by a broad inter-group coalition of CRAV, VGA, NORML and others, is not enough to allow for smart social consumption allowing all aspects of the cannabis industry, mostly small businesses, to thrive and also boost tourism.

We're not trying to reinvent the wheel here: even though cannabis is infinitely safer than alcohol, the beer and alcohol industry has created an easy catering permit model to replicate with an off-site sale, and area for that product to be consumed safely by adults. This will enhance Vermont's Tourism economy.

The total U.S. economic impact of regulated marijuana sales could top \$123.6 billion in 2025, about 9% more than last year, according to a newly released MJBiz Factbook update. In 2023, Vermont's tourism industry generated \$4

billion in revenue and attracted nearly 16 million visitors, marking a return to prepandemic levels. This record-breaking year resulted in tourism contributing 9.3% of Vermont's Gross Domestic Product and supporting over 31,000 jobs, representing 9% of the state's workforce. <u>Imagine the possibilities of increasing</u> Vermont's tourism revenue \$4B by another 9% from the cannabis industry.

The strongly attended panel included Eli Harrington, President of the Vermont Cannabis Convention and Founder of the Vermontijuana cannabis brand, Meredith Mann and Bailey Evans, dispensary owners of Magic Mann and Higher Elevation, respectively, Jesse Harper, Owner of Vermont Security, and myself,

A key component of legalizing cannabis consumption at events is the sale of a legal product – an impossible roadblock in the pre-dispensary days. A catering permit model similar to alcohol would likely require a local sign-off, meaning both towns and venues would be able to control exactly where and when they allow consumption at temporary events.

The panel presenters broke down the current requirements for a legal retail cannabis sale into the specific components -- layout, security, cameras, POS, staffing, storage, and sales -- and show how each requirement can be met using existing technology and standard operating procedure. Another amendment or allowance for rule making, is the requirement that multiple product producers are to be sold by the event licensees. This allowing small cultivators and product producers to gain market access. Currently dispensaries can't offer to customers, all the products they would like, this creates an opportunity for small business growth in a smart and safe manner.

In addition to discussing the proposed off-site sales scenario, the group built a small mock dispensary at the convention with temporary walls that includes an ID check, security cameras, and staffed by licensed dispensary employees. (see enclosed diagram).

The mock dispensary was designed for an actual walk through and the group coordinated with the Vermont Cannabis Control Board (CCB) so that Commissioners and CCB regulatory staff could see it for themselves. Lt. Gov John Rodgers was present and participated in the walk through of an off-site sales and consumption demonstration that fits within current retail regulations

With testing and an amendment, the model could be implemented by the Legislature this session. I look forward to taking any questions.