

10.29.21 CCB Meeting Recommendations

- Wholesaler-specific operational requirements
- Integrated-specific operational requirements
- Priority of licensure system

Wholesaler-specific operational requirements

7 VSA 861

“Cannabis wholesaler” or “wholesaler” means a person licensed by the Board to purchase, process, transport, and sell cannabis and cannabis products in accordance with this chapter.

7 VSA 905

§ 905. WHOLESALER LICENSE

A wholesaler licensed under this chapter may:

- (1) purchase cannabis from a licensed cultivator and integrated licensee, and cannabis products from a licensed product manufacturer, integrated licensee, and dispensary; and
- (2) transport, process, package, and sell cannabis and cannabis products to a licensed product manufacturer, retailer, integrated licensee, and dispensary.

Wholesaler-specific operational requirements

Recipient Licensee requirements:

Upon receipt, the receiving Licensee shall ensure that the Regulated Marijuana received are as described in the transport manifest and shall immediately adjust its records to reflect the receipt of inventory.

A recipient Licensee shall separately document any differences between the quantity specified in the transport manifest and the quantities received.

Additional:

- Ensure product labeling & packaging requirements are satisfied for all finished products
- Defective product / returns protocols
- Sales and use certificate, from the Vermont Department of Taxes (DLL)
- Proof of training regarding Vermont's Cannabis laws (DLL)
- A copy of your lease and/or proof of ownership of the property to be licensed (DLL)
- Pricing from a specific wholesaler (or cultivator) to retailer needs to be consistent across state

Integrated-specific operational requirements - application

- Plan to provide reduced cost or free cannabis to patients with documented verified financial hardship
- Plan for co-located medical and adult-use licensees to guarantee on-demand access to medical patients
- Plan to ensure 25% of cannabis flower sold between 8.1.22 and 10.1.22 is obtained from licensed small cultivators
- List of products purchased in prior year
- Plan to ensure continuity of products / services for VT patients
- Plan to contribute \$50,000 to the Cannabis Business Development Fund by Oct 1, 2022
- “Good standing” criteria of medical license pursuant to 7 VSA 903 (a)(1)

Integrated-specific operational requirements - testing

- Upon request of the CCB, submit a sufficient quantity of cannabis to a Testing Facility to enable laboratory or chemical analysis thereof
- Maintain copies of any material documents created regarding the quality control and product development purpose(s) of each Sampling Unit
- Maintain a record of all complaints received, which may include concerns or reports on the quality or possible adverse reactions to a specific product
- Recall / corrective action procedures
- Policies to prevent the existence of or appearance of undue commercial, financial, or other influences that may diminish the competency, impartiality, and integrity of the Testing Facility's testing processes or results, or that may diminish public confidence in the competency, impartiality, and integrity of the Testing Facility's testing processes or results

Integrated-specific operational requirements - transfer

The cannabis plant, cannabis product, and useable cannabis possession limits for a registered dispensary set forth in 18 V.S.A. chapter 86 shall no longer apply on and after February 1, 2022. A dispensary shall be permitted to cultivate cannabis and manufacture cannabis products for the purpose of transferring or selling such products to an integrated licensee on or after April 1, 2022 and engaging in the activities permitted by 7 V.S.A. chapter 33.

- Inventory records that verify continuity of products for VT patients
- Transfer only upon approval by CCB

Licensing Review - 7 VSA § 903 criteria

- (1) whether the applicants have an existing medical cannabis dispensary license in good standing;
- (2) whether the applicants would foster social justice and equity in the cannabis industry by being a minority or women-owned business;
- (3) whether the applicants propose specific plans to recruit, hire, and implement a development ladder for minorities, women, or individuals who have historically been disproportionately impacted by cannabis prohibition;
- (4) whether applicants propose specific plans to pay employees a living wage and offer benefits;
- (5) whether the project incorporates principles of environmental resiliency or sustainability, including energy efficiency; and
- (6) the geographic distribution of cannabis establishments based on population and market needs.

Licensing Review - 7 VSA § 903 criteria

Plan to Positively Impact Disproportionately Harmed People

Applicants for licensure as an ME or MTC shall submit a Plan to Positively Impact Disproportionately Harmed People. The plans shall be designed to positively impact the following groups of disproportionately harmed people, as designated by the Commission:

1. Past or present residents of the geographic “areas of disproportionate impact,” which have been defined by the Commission and identified in its Guidance for Identifying Areas of Disproportionate Impact.
2. Commission-designated Economic Empowerment Priority applicants;
3. Commission-designated Social Equity Program participants;
4. Massachusetts residents who have past drug convictions; and
5. Massachusetts residents with parents or spouses who have drug convictions.

Licensing Review - 7 VSA § 903 criteria

Diversity Plan

Applicants for licensure as an ME shall submit a Diversity Plan Diversity Plans shall be designed to promote equity among minorities, women, veterans, people with disabilities, and LGBTQ+ individuals

The plan shall outline the goals, programs, and measurements the ME will pursue once licensed. All goals should be measurable and quantifiable. An example of measurable goals associated with a Diversity Plan could include the following:

The applicant plans to have a staff comprised of 60% women, 50% minorities, 25% veterans, 10% people with disabilities, and 10% LGBTQ.

Upon renewal, the licensee will be required to report, at a minimum, detailed, demonstrative, and quantifiable proof of the establishment's efforts, progress, and success of its approved plan.