



89 Main Street Montpelier, VT 05602 | ccb.vermont.gov

PROPAGATION CULTIVATOR POLICY

AUGUST 2024

Contents

Purpose	3
2a Propagation Cultivators.....	3
2a.3 Regulations Applicable to Propagation Cultivators	3
2a.3.1 Pesticides	3
2a.3.2 Visitors to Propagation Cultivation Sites	3
2a.3.3 Testing	3
2a.3.4 Propagation Product Labeling	4
2a.3.5 Propagation Cultivator Packaging.....	4
2a.3.6 Propagation Cultivator Inspections	5
2a.3.7 Sanitation; Prohibition on Transfer of Insanitary Plant Matter; Reporting	5
2a.3.8 Cultivation and Operations Information	5
2a.3.9 Cannabis Flower	6
2a.4 Security and Energy	6
2a.5 Direct-to-Consumer Sales.....	6

Purpose

The following guidance implements the directive of the General Assembly that the Cannabis Control Board begin issuing propagation cultivator licenses on or before July 1, 2024. See Act 65 (2023), §§ 12, 25 (eff. June 14, 2023).

This guidance explains the policies of the Board in respect to the licensure of propagation cultivators, pending the anticipated adoption of matching amendments to Rule 2. The text is numbered and formatted as it will be proposed. Though the text does not enjoy the presumption of validity assigned to adopted rules by 3 V.S.A. § 845(a), it is binding on all relevant applicants and licensees.

2a Propagation Cultivators

An applicant for licensure as a propagation cultivator must supply the same information required of an indoor cultivator pursuant to subsections 1.4 and 1.5.

2a.3 Regulations Applicable to Propagation Cultivators

The requirements in this section apply to propagation cultivators.

2a.3.1 Pesticides

Rule 2.3.1 shall apply to propagation cultivators.

2a.3.2 Visitors to Propagation Cultivation Sites

Rule 2.3.2 shall apply to propagation cultivators.

2a.3.3 Testing

- (a) Not less frequently than every sixty days, samples shall be comingled from randomized, patterned testing of all stock and mother plants and submitted to a CCB-licensed laboratory for pesticide testing.

- (b) The CCB may, in the Board's sole discretion, waive the requirements of this subdivision, 2a.3.3, for a licensee who has for twelve months consistently demonstrated compliance with subdivision (a) of rule, 2.3.3, and competent application of an approved, integrated pest management plan.
- (c) The CCB may impose enhanced ad hoc testing requirements in response to novel pests and pathogens in the general environment or outbreaks at a particular licensed establishment.

2a.3.4 Propagation Product Labeling

- (a) A cultivation propagator who sells immature cannabis plants or cannabis seeds must concisely and accurately specify, on its website or another approved online location, procedures observed to mitigate risk from known cannabis diseases such as Hop Latent Viroid (HpLvd), Cannabis Cryptic Virus, and other common cannabis diseases and pests.
- (b) A cultivation propagator who sells immature cannabis plants or cannabis seeds must label its products with a written guarantee that, to the licensee's knowledge, the plants sold do not harbor known cannabis diseases such as Hop Latent Viroid (HpLvd), Cannabis Cryptic Virus, or other common cannabis diseases and pests and must include on labels a URL or QR code directing the reader to a site containing the information required at subdivision(a) of this rule, 2a.3.4.
- (c) A cultivation propagator shall retain and produce at the Board's request, all documentation related to production and genetic sourcing of clones, seedlings, immature cannabis plants, cloned propagation material, tissue culture, or cannabis seeds. If known, labels must report plant lineage, probable THC:CBD ratio upon flowering, feminized/unfeminized status, and autoflower status. Strain names must not be misleading.

2a.3.5 Propagation Cultivator Packaging

- (a) Immature plant pots and containers cannot contain plastic. This subdivision (a) may be waived, at the Board's sole discretion, for a propagation cultivator that establishes and adheres to an effective reclamation program with appropriate sterilization.
- (b) Except as provided in subsection (c) of this section 2.3.5, when a cultivator transfers immature plants or seeds to another licensee, packaging must meet the requirements of:

- i. Section 2.2.9(a) of this rule; and
- ii. 7 V.S.A. § 904(d)(1).

- (c) When a cultivator transfers immature plants or seeds to a retail licensee and the Cannabis is intended for consumer purchase as packaged, packaging must:
 - i. include the cultivator's license number and process lot number;
 - ii. meet the requirements of section 2.2.9 of this rule;
 - iii. meet the requirements of 7 V.S.A. § 904(d)(1);
 - iv. meet the requirements of 7 V.S.A. § 907(c); and
 - v. include testing results, which can be conveyed using a website address, QR code or similar means of providing access to information accessible on a website.

2a.3.6 Propagation Cultivator Inspections

Rule 2.3.6 shall apply to propagation cultivators.

2a.3.7 Sanitation; Prohibition on Transfer of Insanitary Plant Matter; Reporting

- (a) Rule 2.3.7 shall apply to propagation cultivators.
- (b) A propagation cultivator shall not sell, distribute, or transfer any clones, seedlings, immature cannabis plants, cloned propagation material, tissue culture, cannabis seeds or other agricultural products with known pest or pathogen issues.
- (c) The discovery of Hop Latent Viroid (HpLvd), Cannabis Cryptic Virus, and other common cannabis diseases and pests shall be reported to the Board immediately, in like manner to the discovery of adulteration.

2a.3.8 Cultivation and Operations Information

Propagation cultivators shall submit cultivation and operations information to the Board within 60 days of gaining a license. The information shall include the following:

- (a) cultivation schedule;
- (b) waste management plan; and
- (c) integrated pest management plan.

2a.3.9 Cannabis Flower

(a) A propagation cultivator shall not cultivate mature cannabis plants for the purpose of producing, harvesting, transferring, or selling cannabis flower for or to any person. 7 V.S.A. § 904b.

(b) The 3,500 square feet allotted by the license shall be employed only for purposes consistent with propagation cultivation.

(b) An immature cannabis plant intended for seed production may be permitted to flower in the custody of a propagation cultivator but must be destroyed upon seed harvest.

(c) An immature cannabis plant used for research and genetics development and not intended for seed production must be transferred to another licensee prior to flowering, or if permitted to mature and flower to facilitate sampling, must be destroyed promptly following reasonable sampling.

(1) Cultivators may provide samples to employees for evaluation, research, and development, provided that such samples may not be consumed on any licensed premises.

(2) Samples will be limited to the following aggregate amounts in a calendar month: four grams per strain of flower per employee, and no more than seven strains of flower per employee.

(3) Flower samples must be labeled: RESEARCH & DEVELOPMENT SAMPLE; NOT FOR RESALE.

2a.4 Security and Energy

Propagation cultivators shall comply with Rule 2.5, governing indoor and mixed cultivators, and if employing an outdoor site for propagation cultivation, Rule 2.4, governing outdoor and mixed cultivators.

2a.5 Direct-to-Consumer Sales

(a) A propagation cultivator may not sell to the public any product other than cannabis seeds that meet the federal definition of hemp.

(b) Direct-to-consumer seed sales may not occur at the cultivation site or in a manner that undermines the security of the cultivation site.

(c) Prior to selling seeds to the general public other than through a licensed retail cannabis establishment, a propagation cultivator must obtain written Board approval of a marketing and sales plan that describes the manner of sale, a site of sale suited to public access, the manner of delivery to the customer, and the

manner in which sales are to be tracked. Following approval, a propagation cultivator shall adhere to the approved marketing and sales plan.

- (d) Laws and rules governing advertising apply to seeds marketed by a propagation cultivator.