

**GUIDANCE ON APPLICATION AND
LICENSING FEES**
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Introduction

This guidance summarizes fees associated with licenses and registrations administered by the Cannabis Control Board, as well as the scope of activity authorized by each credential type and tier. It is intended as a useful reference for cannabis establishments interested in comparing credentials and their associated costs.

Application Fees vs. Licensing & Local Fees:

An application is not considered complete and will not be submitted to the Board for review until the application fee has been paid. The application fee is a **one-time \$1,000 fee** that is in addition to the annual licensing fee applicants must pay to receive their license.

The application fee is non-transferable and non-refundable.

Licensing and Local fees come due *after an application has been approved* for licensure by the Board. Applicants should *not* remit license or local fees prior to the Board's approval of their license. Approved applicants must remit license and local fees prior to license issuance and may not operate until an approved license is actually issued.

Licensing Fees by License Type and Tier

****Licensing fees are paid on an annual basis, based on the license issuance date or an off-cycle renewal date.****

Cultivation

Cultivation licensees may grow cannabis plants either indoors, outdoors, or in a mixed setting. This license type is tiered based on the size of the applicant’s proposed growing operation.

Tiers and Associated Fees

Outdoor Cultivation		
Tier #	Brief Description	Associated Fee
1	Up to 1,000 square feet of plant canopy or 125 plants	\$750
2	Up to 2,500 square feet of plant canopy or 312 plants	\$1,875
3	Up to 5,000 square feet of plant canopy or 625 plants	\$4,000
4	Up to 10,000 square feet of canopy or 1,250 plants	\$8,000
5	Up to 20,000 square feet of canopy or 2,500 plants	\$18,000
6	Up to 37,500 square feet of canopy or 4,687 plants	\$34,000

Outdoor cultivation applicants are required to specify if they will use plant count or square footage to calculate their tier at the time of application.

Indoor Cultivation		
Tier #	Brief Description	Associated Fee
1	Up to 1,000 square feet of plant canopy	\$1,500
2	Up to 2,500 square feet of plant canopy	\$3,750
3	Up to 5,000 square feet of plant canopy	\$8,000
4	Up to 10,000 square feet of canopy	\$16,000
5	Up to 15,000 square feet of canopy	\$36,000
6	Up to 25,000 square feet of canopy	\$75,000

Indoor cultivation applicants must apply using square footage of plant canopy to calculate their tier, as using plant counts is not permitted.

Mixed Cultivation		
Tier #	Brief Description	Associated Fee
1	Up to 1,000 square feet of indoor plant canopy & up to 125 outdoor plants	\$2,250
2	Up to 2,500 square feet of indoor plant canopy & up to 312 outdoor plants	\$5,625
3	Up to 1,000 square feet of indoor plant canopy & up to 625 outdoor plants	\$5,500
4	Up to 1,000 square feet of indoor plant canopy & up to 1,250 outdoor plants	\$9,500
5	Up to 1,000 square feet of indoor plant canopy & up to 2,500 outdoor plants	\$19,500

Manufacturers

Manufacturer licensees may produce cannabis products from cannabis plants, including edibles, oils, and other such products. This license type is tiered based on allowable extraction type and gross revenue per year.

Tiers and Associated Fees

Tier #	Brief Description	Associated Fee
1	\$50,000 cap on gross revenue per year. May manufacture products using water-based, food-based (cooking fats, glycerin, propylene glycol, or alcohol), or heat/pressure-based extraction. Must be a home-occupancy business.	\$750
2	No cap on annual gross revenue. May manufacture products using the same extraction methods as a Tier 1 manufacturer	\$2,500
3	No cap on annual gross revenue. May manufacture products using the same extraction methods as a Tier 1 manufacturer, as well as solvent-based extraction (butane or hexane extraction is prohibited).	\$15,000

Propagation Cultivators

Propagation cultivation licensees may cultivate not more than 3,500 square feet of cannabis clones, immature cannabis plants, or mature cannabis plants; test, transport, and sell cannabis clones and immature cannabis plants to licensed cultivators; and test, transport, and sell cannabis seeds that meet the federal definition of hemp to a licensed cultivator or retailer or to the public. The license and canopy allotment it affords cannot be used for the purpose of producing cannabis flower.

Associated Fee

\$500

Retailers

Retailer licensees may sell cannabis and cannabis products to the general public. Only a licensed retail establishment or an integrated licensee, may sell cannabis or cannabis products to the general public.

Associated Fee

\$10,000

Wholesalers

Wholesaler licensees may purchase cannabis and cannabis products from other licensees and sell them to licensees, however, they are *not* permitted to sell to the public.

Associated Fee

\$4,000

Testing Laboratories

Testing Laboratory licensees may test cannabis and cannabis products obtained from a licensed cannabis establishment, dispensary, or a member of the public.

Associated Fee

\$1,500

Integrated License

Integrated licensees may engage in the activities of each of the license types listed above. These licenses are *only* available to applicants that hold a dispensary registration on April 1, 2022.

Associated Fee

\$100,000

Application Fees

In addition to the above annual licensing fees, applicants must pay a **one-time \$1,000 application fee. This application fee is non-transferable and non-refundable.**

Other Fees

Cannabis Establishment Identification Cards

\$50 per card

ID Cards, issued by the Board, are required for everyone working at a licensed cannabis establishment. Owners and principals are issued ID cards as a part of the application and licensing process. Employees of the licensed cannabis establishments must be issued an ID card separately from the licensure process.

This mandatory annual fee could be paid either by the employee or the cannabis establishment.

Local Licensing Fees

\$100

This is a mandatory annual fee that must be paid to the Board in conjunction with the licensing fee after the Board's approval for licensure. It is subsequently distributed to the municipality where the cannabis establishment is licensed. This fee is non-transferrable and non-refundable.

Product Licensing

\$50 per type of cannabis and cannabis product

This is a mandatory annual fee that should be paid to the Board for each distinct cannabis product registered by a licensee. It is non-transferable and non-refundable.

Information for Social Equity Applicants

The Board will waive the application fee and the license fee for the first year that a social equity applicant is licensed.

In subsequent years, licensing fees for social equity licensees shall be paid on the following schedule:

- Year 2: Licensee pays 25% of license fee
- Year 3: Licensee pays 50% of license fee
- Year 4: Licensee pays 75% of license fee
- Year 5, and all subsequent years: Licensee pays full license fee

The Board cannot waive the mandatory \$100 local license fee, the \$50 product registration fee, or the \$50 employee ID fee(s) for social equity licensees.

De Minimis Administrative Amendments

Rule 1.17(a)(i) allows that the Board may waive the early-renewal re-application requirement in the event of a *de minimis* change in control of an existing license. Such changes do not require full application and do not incur a fee. A change is *de minimis* if:

- (1) A minority-shareholding principal or controller is terminating ownership or control,
- (2) The change introduces no new principal or controller, and
- (3) The change does not shift majority control of the corporation among the existing shareholders.

A change that in any manner introduces new principals or controllers, even if those shareholders previously have been background checked for some other CCB purpose, is not *de minimis*. A change that may affect the social equity status of a licensee also is not *de minimis*. See Rule 1.17(h).

Technical updates that do not reflect a material change in the location, operation, or control of a cannabis establishment may be deemed *de minimis* at staff discretion. Examples include a change in the legal name of a cannabis establishment owner, a business name change, and changes of contact information (e.g., email address, phone number).

Off-Cycle Renewal Fees (Rule 1.17 Applications)

Material changes in control or location—those that are not *de minimis* as set out in the section above—require re-application and may not be consummated until and unless approved by the Board and an amended license is issued. CCB Rule 1.17.

Expiration Date May be Preserved by Waiver (recommended)

Rule 1.17(i) provides that the expiration date of an amended license is advanced one year upon issuance. It has been the Board's experience that resetting renewal schedules introduces administrative complexity and confusion. The Board will waive Rule 1.17(i) at the request of an applicant. If Rule 1.17(i) is waived, no new licensing fee is due prior to issuance of an amended

license reflecting an ownership change and the amended license is issued bearing the same expiration date as the license it replaced. Since the expiration date is unchanged, the establishment should be aware that its obligation to renew the amended license, and to pay the next year's license fee, could come very close in time.

Expiration Date May be Advanced (disfavored)

Although the Board recommends against it, an applicant may opt to have Rule 1.17(i) applied as written. In that case, an off-cycle renewal advances the natural expiry date of the subject license. The license fee due upon Board approval is then prorated based upon the time added to the license duration.

***Example:** A Tier 3 Outdoor Cultivation license is subject to a \$4,000 annual licensing fee. If a Tier 3 license were issued on June 1st, an ownership change approved by the Board effective September 1st of the same year would add three months to the duration of the license. Consequently, the licensee's off-cycle renewal fee would be calculated as ¼ of the annual licensing fee, or \$1,000. The renewed license would be valid through September 1st of the following year, which would become the new license expiry date.*

Fee Payment Instructions

CCB accepts, and strongly encourages, online payment by credit and debit card and electronic checks through the online submission portal. CCB currently accepts online payments made via all four major credit card networks (VISA, Mastercard, Amex and Discover.) Online payments through the portal allow for more timely and efficient processing of payments submitted. Other accepted forms of payment include paper checks, money orders, and cash.

Checks and money orders should be made out to the Cannabis Control Board. Instruments of payment *must* include the name of the cannabis establishment for which the payment is submitted and the submission number of the application. All checks and money orders related to product registration (PR) numbers, must reference the specific PR number/numbers being paid for. Additionally, checks and money orders will only be accepted for the exact amount due. If a check or money order is received for more than the amount due, it will be returned to the licensee. CCB will not hold payment for any future product registrations or application fees. Send all payments to the following address:

**Cannabis Control Board
Attn: Accounting
89 Main Street 3rd Floor
Montpelier, VT 05620**

All cash payments require an appointment with CCB staff during regular business hours to complete the transaction. To schedule an appointment, please email CCB.fees@vermont.gov with a request to make a cash payment. Each request should include the submission number of

the application, the fee type and the amount. CCB staff will review each request in the order it is received and will provide further instructions as necessary.

Refund Policy

It is CCB policy that **all fees are non-refundable and non-transferable**. CCB does not transfer fees, or issue refunds for local fees, employee ID cards or for product registration fees. CCB does not process any partial refunds.

Important: *If an application for licensure has been denied by the Board, or cannot be completed, the applicant is not subject to a refund of the application fee.*

Exception to the refund policy will be considered only if a refund request is made within 2 business days of submission, in writing, to CCB.fees@vermont.gov, bearing the subject line, "Refund Request."

All requests for refunds should include a full name of the requestor, the name of the associated cannabis establishment, the submission number, the transaction date, the amount of the requested refund and the original method of payment. Please note that CCB may request additional information depending on the form of tender in which the payment was made. This may include information about the check number, the serial number from a money order, or the reference or confirmation sequence generated by the online payment portal. Proof of identification may be required to verify the validity of the request and to prevent the risk of fraud.

Any approved refunds will be held as a credit towards future payments due from the same licensee. Credits exceeding \$100, will be applied to renewal fees only, whereas those \$100 or less may be used towards product registration fees.

Please note that refunds for online fee payments may be subject to a 3% processing fee.

The CCB will not issue refunds in cash and no refund request will be honored after 30 days of receipt of payment – there are no exceptions to this.

Returned Check Policy

It is CCB policy that if a check is returned for non-sufficient funds, CCB will not accept a personal check as a replacement. After three instances of returned checks, personal checks will no longer be accepted from that licensee as a method of payment. Instead, all future payments must be made via the online submission portal, a certified bank check or money order.