

Memo

To: Cannabis Control Board
Re: Cannabis Advertising Recommendations
Date: December 9, 2024

Chair Pepper,

On behalf of our client, Sam Bellavance, Sunset Lake Cannabis, we submit the following proposed amendments to 7 V.S.A. These changes are designed to enhance the competitiveness of Vermont's cannabis licensees, enabling them to better compete with neighboring states that have implemented adult-use cannabis programs. We believe these reforms will foster a more sustainable and thriving cannabis industry in Vermont, benefiting both businesses and consumers. We appreciate your time and consideration.

7 V.S.A. § 861

§ 861. Definitions

As used in this chapter:

- (1) "Advertise" means the publication or dissemination of an advertisement.
- (2) "Advertisement" means any written or verbal statement, illustration, or depiction that would reasonably have the effect of inducing sales of cannabis or cannabis products, including any written, printed, graphic, or other material; billboard, sign, or other outdoor display; other periodical literature, publication, or in a radio or television broadcast; the Internet; or in any other media. The term does not include:
 - (A) any label affixed to any cannabis or cannabis product or any individual covering, carton, or other wrapper of that container that constitutes a part of the labeling under provisions of these standards;
 - (B) any editorial or other reading material, such as a news release, in any periodical or publication or newspaper for the publication of which no money or valuable consideration is paid or promised, directly or indirectly, by any cannabis establishment, and that is not written by or at the direction of the licensee;
 - (C) any educational, instructional, or otherwise noncommercial material that is not intended to induce sales and that does not propose an economic transaction, but that merely provides information to the public in an unbiased manner; or
 - (D) a sign attached to the premises of a cannabis establishment that merely identifies the location of the cannabis establishment;
 - (E) signage or written material located within a licensed cannabis establishment, so long as that material is not appealing to persons under 21; or
 - (F) text or email messages only to age-verified customers who have expressly consented to receive promotional messaging from a licensed retail establishment.

7 V.S.A. § 864

§ 864. Advertising

- (a) “Advertise” and “advertisement” have the same meaning as in section 861 of this title.
- (b) A cannabis establishment advertisement shall not contain any statement or illustration that:
- (1) is deceptive, false, or misleading;
 - (2) promotes overconsumption;
 - (3) represents that the use of cannabis has curative effects;
 - (4) [Repealed.]
 - (5) ~~offers free samples of cannabis or cannabis products [Repeal]~~
 - (6) depicts a person under 21 years of age consuming cannabis or cannabis products; or
 - (7) is designed to be or has the effect of being particularly appealing to persons under 21 years of age.
- (c) Cannabis establishments shall not advertise their products via any medium unless the licensee can show that not more than 15 percent of the audience is reasonably expected to be under 21 year of age. Notwithstanding this subsection, cannabis establishments may advertise anywhere that alcohol is sold or served.
- (d) All advertisements shall contain health warnings adopted by rule by the Board in consultation with the Department of Health.
- (e) All advertisements shall be submitted to the Board on a form or in a format prescribed by the Board, prior to the dissemination of the advertisement. The Board may:
- (1) require a specific disclosure be made in the advertisement in a clear and conspicuous manner if the Board determines that the advertisement would be false or misleading without such a disclosure; or
 - (2) require changes that are necessary to protect the public health, safety, and welfare or consistent with dispensing information for the product under review.