

## What is cannabis?

Cannabis, also known as marijuana, weed, pot or dope refers to the dried flowers, leaves, stems and seeds of the cannabis plant. The Vermont State Legislature defined cannabis specifically in state statute: <https://legislature.vermont.gov/statutes/section/07/031/00831>

Cannabis has tetrahydrocannabinol (THC), which is impairing and cannabidiol (CBD) which is not impairing, meaning it does not cause a “high”.

Hemp refers to products containing CBD but not THC.

The potency of marijuana is measured by the amount of THC in the product.

Consumable cannabis comes in a variety of forms:

- **Dried flower** is a smokable form of the cannabis plant. Consumers can purchase dried flower as a bud that they then grind up, burn, and smoke.
- **Edible cannabis** includes food and drink products that are dosed as individual servings (typically 5 milligrams of THC per serving).
- **Concentrates** are high-THC products that come in a variety of forms, ranging from liquid cartridges to waxes.
- **Topicals** are THC-infused creams, lotions, balms, and oils that are applied to the skin.
- **Sublinguals** are cannabis tinctures, or concentrated extracts, that are absorbed under the tongue using a dropper.

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## What is a cannabis dispensary?

A cannabis dispensary is a store that legally sells consumable cannabis products, seeds, and cloned immature plants.

There are two types of cannabis establishments:

- medical cannabis dispensaries and
- recreational adult-use dispensaries.

Depending on state laws and regulations, medical cannabis dispensaries cater to patients 21 years and older, and patients with caregivers with a marijuana recommendation or card issued by a doctor qualified to recommend cannabis. Vermont has [medical marijuana laws](#), which states that a patient must be a Vermont resident who is suffering from a debilitating medical condition.

Recreational cannabis dispensaries cater to adult customers 21 years that possess a valid government issued ID.

In Vermont, cannabis is an in-store purchase only. Currently, online ordering or order delivery is prohibited.

Dispensaries are regulated by the Vermont Cannabis Control Board

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## **What is the Vermont Cannabis Control Board?**

The Cannabis Control Board (CCB) was created by Act 164 and amended by Act 62 as “an independent Commission created within the Executive Branch to safely, equitably, and effectively implement and administer the laws enabling adult use and medical use on cannabis in Vermont.

It is a 3 member body with a 14 member Advisory Committee, including experts in public health, substance misuse, and municipal issues.

The Cannabis Control Board has seven priorities in the development of a regulatory program for adult-use and medical use cannabis:

- social equity,
- legacy market and small market cultivators,
- land use and the environment,
- youth prevention and education,
- consumer protection,
- medical program services and
- public safety.

Since October 2021, the Cannabis Control Board has sent the legislature reports and recommendations regarding the regulations of adult use cannabis. The Control Board is still finalizing their rules for retail cannabis.

For additional information please go to: <https://ccb.vermont.gov/>

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## **What are the Economic Impacts?**

## ***Local and State Taxes***

Currently, the state will tax all cannabis sales with a 6% sales tax and a 14 % excise tax. This goes directly to the state coffers.

Cannabis could bring in local tax revenue, but only if a town has a 1% local options retail tax. Currently, there is no local options tax in Woodstock. Voters in the Town of Woodstock will consider whether or not to adopt options tax for retail at Town Meeting on March 1, 2022. On February 8, 2022, the Village Trustees will decide whether or not to put this option to vote at their March 15, 2022 Village Meeting.

The Vermont Cannabis Commission has recommended that towns be allowed some of the state tax revenue (in addition to any local options tax), the outcome of the recommendation has yet to be considered by the Vermont Legislature.

Cannabis dispensaries could add extra revenue to the town or village by attracting more visitors to Town, renting or buying commercial space, and adding local jobs.

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## **What are the Tourism Impacts?**

In recent years, consumers have become more sophisticated in traveling. The internet makes it easy to search for their vacations with more specifications.

- Per an article in Forbes Magazine, 29% of all active leisure travelers (and 18% of Americans) want to do cannabis related activities on vacation. There is a 44% of Millennials (born 1981-1996) and members of the Gen Z (born 1997-2012) looking for a cannabis experience during their leisure time.
- Cannabis dispensaries on websites that help connect travelers with locations who sell the product.
- In some states that have cannabis dispensaries there has been an increase in hotel room rentals, rentals and revenues following cannabis legalization.

More than 25 Vermont towns, including Burlington, Bennington, Brattleboro, Brandon, Middlebury, Montpelier, Strafford, Waterbury, Windsor and Winooski have approved the sale of recreational cannabis within their towns. This may encourage tourists to visit these towns in lieu of Woodstock.

In 2022, Hartford, Rutland, and Springfield will also be voting to opt-in for retail cannabis.

View all communities in Vermont that have voted on retail cannabis:

<https://headyvermont.com/vermont-municipalities-opted-in-to-retail-cannabis-sales/>

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## What are the Cannabis Regulations at the Federal, State, and Local Levels?

In states other than Vermont throughout the United States, state level policies regarding the medical and recreational use of cannabis vary greatly, and in many states conflict significantly with federal law.

### *Federal Cannabis Regulations*

Per the Federal Controlled Substances Act of 1970, the use and possession of cannabis is illegal for any purpose. This Act classifies cannabis as a Schedule I substance, determined to have a high potential for abuse and no accepted medical use – thereby prohibiting even medical use. However, recent bills have been introduced by Democrats and Republicans in both the Senate and the House of Representatives to end cannabis prohibition at the Federal level.

### *Vermont Cannabis Regulations*

Vermont legalized the possession of cannabis in 2018 with [Act 86](#), allowing adults 21 and older to possess up to one ounce of flower, five grams of concentrates, and grow two mature and four immature plants per household, all without establishing a marketplace.

- Consumption and smoking of cannabis must be done within a private space.
- Smoke-free policies are recommended to extend to cannabis.

Vermont Act 164, regulating the sales and taxation of adult recreational cannabis, was enacted on October 7, 2020. With this, Vermont became the 11th state to tax and regulate cannabis. The Act creates an adult-use marketplace in Vermont with retail shops, cultivation licenses, and much more.

- Cities, towns, and villages must vote by Australian Ballot to ‘opt-in’ to allow cannabis retail operations.
- The five existing medical cannabis establishments will be allowed to sell recreational use cannabis as early as May 2022.
- The Cannabis Control Board will begin issuing licenses for new retail cannabis establishments as early as October 2022.

### *Local Regulation Rules*

- Cannabis establishments are subject to the same zoning rules and municipal ordinances that apply to any business. Beyond municipalities' general authority to create and enforce zoning rules or ordinances that apply to all businesses, they **do not** have the power to create special rules for cannabis establishments.
- Cannabis retail cannot be located within 500 feet of a school or on an abutting property to a school.
- Retail cannabis operations must first obtain a local operating license before obtaining a state operating license (if that community has a local Cannabis Control Board).

- The town and/or village may establish a local Cannabis Control Board. This can be the selectboard, village trustees, or a designated group. If one is not created, then there is no local licensing approval necessary.
- Cannabis growers are not considered farmers, and cannabis is not an agricultural product.

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## What are the Public Safety Impacts?

### *Possession*

- **Cannabis Flower**
  - Possession of one ounce or less of cannabis by a person 21 years of age or older, is not an offense.
  - Home grown cannabis does not have possession limits.
  - One to two ounces is a misdemeanor with fines of \$500 (up to \$2,000 for subsequent offenses).
  - More than two ounces is a felony, with escalating fines and jail time depending on quantity.
  - Crossing state lines with any amount of cannabis is a federal crime.
- **Hash and Concentrates**
  - Vermont classifies hashish and concentrates as marijuana.
  - Possession of 5 grams or less of hash by anyone age 21 or older is not an offense.
  - Possession of more than 5 grams of hash is a misdemeanor punishable by fines and jail time.

### *Use in Public*

- You may not smoke cannabis in public or in any place where you are prohibited from smoking tobacco

### *Driving Under the Influence:*

- Vermont has a [drugged driving](#) law.
- People are not permitted to drive a motor vehicle if they have a detectable level of an illicit drug in their body.
- Drug Recognition Experts or Drug Recognition Evaluators (DREs) are law enforcement officers trained to recognize impairment in drivers under the influence of drugs other than, or in addition to, alcohol.
- [Vermont State Highway Safety Office Drug Recognition Experts Program](#)
- Vermont allows law enforcement officials to conduct sobriety checkpoints under both the state and federal constitutions.
- The State Highway Safety Office continues to strongly support the DRE program. In addition, it provides funding for equipment and training for members. Two certification

trainings are held each year and all members are required to recertify every two years under IACP standards.

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### **How Does Youth Prevention Play into Retail Cannabis?**

- Retail cannabis is limited to those 21 years of age or older
  - While there are both benefits and concerns with cannabis use in adults, it is clear in scientific research that those with developing brains (25 and younger) are negatively affected by cannabis use.
  - The Woodstock Supervisory School District is reported to have the highest use of cannabis and alcohol among youths in Vermont.
  - The Vermont Cannabis Control Board is taking youth prevention seriously with strict advertising rules, and 30% of all state tax revenue will go towards youth prevention measures.
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### **What is the Difference Between a Regulated Cannabis Market and a Black Market?**

A regulated market is a legal, official, authorized, or intended market for goods and services.

A black market, underground economy or shadow economy is a clandestine market or series of transactions that has some aspect of illegality or is characterized by some form of noncompliant behavior with an institutional set of rules. If the rule defines the set of goods and services whose production and distribution is prohibited by law, non-compliance with the rule constitutes a black market trade since the transaction itself is illegal.

Per the Vermont Cannabis Control Board, “It is imperative that Vermont cannabis users have the option to purchase cannabis and cannabis derived products that are consistently tested, labeled, and free from harmful contaminants. To achieve this goal, the Board will rely on the expertise of the Agency of Agriculture to ensure that consumer protection standards are achieved in both the adult-use and medical-use programs in Vermont.”

The establishment of a regulated adult-use cannabis market including regulations for product availability and dispensing has the potential to discourage black markets and their availability to underage consumers.