

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2016

Bill Number: S.241 Name of Bill: An act relating to personal possession and cultivation of cannabis and the regulation of commercial cannabis establishments

Agency/Dept: DPS/VCIC Author of Bill Jeffrey Wallin
Review: _____

Date of Bill Review: 1/8/16 Related Bills and Key Players: S.95 (Zuckerman)

Status of Bill: (check one)

Upon Introduction As passed by 1st body As passed by both bodies

Recommended Position:

Support Oppose Remain Neutral Support with modifications identified in # 8 below

Analysis of Bill

- 1. Summary of bill and issue it addresses.** *Describe what the bill is intended to accomplish and why.*
The bill would legalize recreational marijuana operations (cultivation, retail, manufacturer, transport, lounge, laboratory) in Vermont, establish various civil and criminal penalties related to the above, and establish control structures (temporary Commission and permanent Control Board). This would include both personal and commercial cultivation. Concurrently the bill would expunge (remove) marijuana related misdemeanor convictions current held by Vermont courts.
- 2. Is there a need for this bill?** *Please explain why or why not.*
At this time VCIC cannot comment on the need for the bill without engaging in commentary on the appropriateness of legalization.
- 3. What are likely to be the fiscal and programmatic implications of this bill for this Department?**
This would generate significant fiscal and programmatic implications for the department. The bill creates an entirely new unit of the department, requiring staffing, physical space, IT support, and policy support (at a minimum). Areas of the department not specifically mentioned within the bill would also see impacts on daily operations (including DPS Administration and DPS technology management). These stresses would then reduce related support for other units of DPS (including the Vermont State Police, Radio Technology, the Vermont Forensic Lab, and Homeland Security/Emergency Management). The creation of both a temporary Commission and permanent Control Board would similarly complicate efforts to manage the program in an efficient and highly regulated manner.
Additionally, language in the bill which expunges marijuana related convictions (§ 2135) would create a significant workload within VCIC as over 12,000 qualifying events may exist.
- 4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?**
The bill also would interact with the Department of Taxes and Secretary of Administration with regards to financial collection and reporting. As there is no specific support to those departments within the bill, they are likely to express concern (to a lesser extent) similar to that mentioned above.
Also there are several technical updates mentioned in the bill (updating the definition of “farming” for example) which may have programmatic impacts for other areas of state government.

5. **What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it?** (for example, public, municipalities, organizations, business, regulated entities, etc)
Municipalities are allowed to prohibit marijuana establishments within their jurisdiction, it can be expected this would generate significant work at the town level to analyze and determine if/how they wished to exercise these options.
Drug addiction and recovery advocacy groups would be expected to bear additional workload due to any increase in drug use across Vermont.
The Criminal Justice community at large (law enforcement agencies, the court system, State's Attorneys, etc.) are likely to see increased workload as well due to additional civil and criminal penalties afforded by the bill.
6. **Other Stakeholders:**
- 6.1 **Who else is likely to support the proposal and why?**
Pro-cannabis business and advocacy groups, sectors of the general public
- 6.2 **Who else is likely to oppose the proposal and why?**
Law enforcement, anti-drug community groups, sectors of the general public
7. **Rationale for recommendation:** *Justify recommendation stated above.*
The bill in question would create a dual bureaucracy to oversee the roll-out of recreational cannabis use across the state. This system has the potential to be both inefficient and contradictory (for example, page 34 line 7 requires the temporary Commission to question the value of legislation while the Control Board begins accepting applications and begin rulemaking in a similar timeframe).
The structure of civil penalties (especially for selling to minors) seems inadequate given the potential for abuse, negative health effects, and diversion to other minors.
There is also insufficient guidance provided in the bill to give direction to any responsible agency (Commission or Control Board) with regards to analyzing applications. This creates the potential for significant influence by special interests that may not stand for the overall public good.
8. **Specific modifications that would be needed to recommend support of this bill:** *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*
Remove Commission and Review Board structures and create stand-alone unit within DPS consisting of dedicated departmental staff (similar to but completely separate from the Therapeutic Program). This will allow for significantly increased efficiency in program management and application processing. Significantly increase criminal penalties for sales to those under 21 and remove authority for personal cultivation. Significantly reduce the number of categories of marijuana related businesses (for example, rather than having transport, simply allow cultivators and processors to transport themselves). Remove language around expungement of misdemeanor convictions.
9. **Will this bill create a new board or commission AND/OR add or remove appointees to an existing one? If so, which one and how many?**
A temporary Cannabis Program Review Commission (7 members) and Board of Cannabis Control (5 members).

Secretary/Commissioner has reviewed this document



Date: 2/1/16