

Governor's Marijuana Advisory Commission
Vermont State House, Montpelier, VT
9/10/2018, 12:00 PM

1) At 12:05 p.m. Co-Chair Jake Perkinson called the meeting to order, declaring a quorum present. Commission members in attendance were:

- Jake Perkinson, Co-Chair
- Tom Little, Co-Chair
- Michael Schirling, Secretary of the Agency of Commerce and Community Development
- Kaj Samsom, Commissioner of the Department of Taxes
- Senator Richard Sears
- John Campbell, Executive Director of the Department of State's Attorneys and Sheriffs
- Deputy Secretary of Agriculture Allyson Eastman (representing Secretary of Agriculture Anson Tebbetts)
- Dr. Mark Levine, Commissioner of the Department of Health
- Assistant Attorney General Ultan Doyle (representing Assistant Attorney General David Scherr)
- Tom Anderson, Commissioner of the Department of Public Safety

Also present:

- Craig Bolio, Deputy Commissioner, Dept. of Taxes
- Joe Flynn, Secretary of the Agency of Transportation

Co-Chair Tom Little framed the remainder of the Commission's work as follows:

Section III (3) of Executive Order No. 15-17 lays out the elements of the research, study and report the Commission must complete by December 15, 2018. Section III (3) is set forth below. The Commission believes it is useful at this juncture to frame that work in a manner that will help Vermonters understand the Commission's approach. We believe that we are being asked, not to make a recommendation, yes or no, on whether Vermont ought to legalize retail sales of various forms of cannabis sold at state-licensed stores and regulate and tax those sales (and also regulate commercial cultivation, distribution, and processing). Rather, the Commission sees the driving question as this: assuming the state were to make that choice through the legislative process, what would be the best way for Vermont to implement that change, in terms of timing; making the effective date somehow contingent on achieving certain threshold improvements in programs for highway safety, education, prevention, and tax and regulation readiness; assuring that the concerns of towns and cities are addressed; and identifying funding sources for the costs of implementation that will be incurred prior to the receipt of tax revenue from sales (keeping in mind that there is no consensus, yet, on how much revenue would be generated (and how fast), and on the state and local costs of implementation.

The Subcommittees have been engaged in this work over the last eight months. Today, we will hear updates from each subcommittee to get a better sense of what work remains to be done. Each of them has been studying the other states that have already gone down

this road, to learn from their experiences to better inform what Vermont could and should do. While Vermonters are accustomed to driving on bumpy roads, in this critical area of law, health and safety, the Commission wants to enable our decision-makers to build a good road if they choose to legalize retail sales of cannabis.

The text of the framing statement, plus the pertinent section of the Executive Order, will be posted to the Commission's website.

2) Reports and Updates from Subcommittees

- **Dr. Mark Levine**, Commissioner of Health & Chair of the Education and Prevention

Subcommittee – PowerPoint presentation

Dr. Levine delivered a PowerPoint presentation on his Subcommittee's recent work, highlighting recently compiled Vermont Youth Risk Behavior data. Of note:

- Alcohol use had decreased 10% in 10 years
- Marijuana use has remained stable at about 20% - increased recently from 22% to 24%
- Nearly a quarter of high school students used marijuana in the last 30 days – above the 2020 goals of 20%

The PowerPoint presentation will be posted to the Commission's website.

The Subcommittee has broken down into six work groups for the purpose of developing the recommendations called for in the Executive Order. The work groups are:

- School-based programs
- Community-based programs
- Potency and alternative delivery systems/edibles/infusibles
- Messaging
 - www.parentupvt.org
- Policy
- Research & surveillance

Dr. Levine related that the most vulnerable time for an adolescent (anywhere in the world) is 3pm – 7pm. He spoke of the “Iceland Model” of after school activities and programs, involving concerted school and parental involvement.

Dr. Levine responded to Commission member questions and comments about the information in the presentation.

- **Thomas Anderson, Esq.**, Commissioner of Public Safety & Chair of the Roadway

Safety Subcommittee

Commissioner Anderson reviewed and updated some of his Subcommittee's prior recommendations (from the Commission's January 15, 2018 Interim Report):

- previous recommendations:
 - o saliva is an effective way to test – but has not been approved by legislature
 - o The state’s force of Drug Recognition Experts (DREs) is appropriate for the current law – will have more recommendations relating to possible change in law to permit retail sales
 - o The state forensic lab is building capacity for in-state testing of toxicology related to drugs/marijuana – and is expected to go live in the next month or so
 - o Begin gathering specific data related to legalization in VT, coming up with metrics to establish a baseline

The Subcommittee will update and look for new research related to roadway safety in other states who have also legalized marijuana. Other Subcommittee priorities are:

- Estimate required equipment/staffing required to address a full tax and regulate system - still figuring that out
- Focusing on injuries/deaths in vehicle crashes related to marijuana
- Search & seizure laws, figuring out how legalization will impact
- Focusing research on zero tolerance laws – whether there should be thresholds that trigger auto penalties, looking at other jurisdictions and their rules (like .08 BAC triggering auto criminal liability for alcohol)

Jake Perkinson clarified that there is no recreational marijuana in RI, only medical. RI has decriminalized possession, but there is no legal market for recreational growing or use.

- **Kaj Samsom**, Commission of Tax & Chair of the Taxation and Regulation

Subcommittee

- There is a gap in expectations of what tax system would regulate
- Edibles: trajectory of tax & regulate does not contemplate banning edibles
- Figuring out the timing expenses & revenues and the needs of highway safety/education and prevention programs
- How to suppress illicit market
- Hands it over to Deputy Commissioner Craig Bolio to update the commission on the subcommittees progress

-Craig Bolio walked the Commission members (and members of the public present) through a detailed spreadsheet of the Subcommittee’s working draft of tentative findings and recommendations. The spreadsheet will be posted on the Commission’s website. (spreadsheet presentation):

The Subcommittee has been working through some flagged potential issues/has made some suggestions:

- General concerns:
 - o Licensing – vertical integration should be permitted, but neither prohibited nor required

- Background checks should be required for licensing
- The number of licensees should be determined by a board with authority to adjust numbers in the future
- Setting fees
- Unlikely to recommend cannabis use in bars/clubs/lounges
- Consumer protection:
 - Under 21 restrictions
 - Child-resistant packaging
 - Dosage limits on packages
 - Authorize consumers right to sue in case of harm
 - Ensuring products are what they claim to be
 - Regulate edibles to prevent packaging that would be enticing to children (ex. Gummy bears)
- Follow the lead of other states on:
 - Potency and dosage limits
 - Restricting types of packaging
 - Ban THC mixes with other substances

Craig referred to the spreadsheet for the balance of the draft findings and recommendations, noting that these are not final and have not been reviewed by the Commission as a whole.

Craig responded to questions and comments from Commission members. A series of comments related to how to set the tax rate so as to not make the illegal market too attractive for consumers. There was a brief discussion on whether towns would need to opt in to a tax and regulate model (to allow sales in the town), or to opt out.

3. Work Plan Discussion

The Co-Chairs would like to have draft reports from the subcommittees, and from the Commission itself, in shape for November, for listening sessions to get feedback before completing and releasing a final report on December 15. Subcommittee chairs were directed to submit work plans in writing showing how they will achieve that.

4. Public Comment – Members of the public testified.

- Paul Rosen spoke about how to discourage the illegal market and where to set the limits of edible medical dosages.
 - Guy Page, of Physicians, Families, and Friends for a Better Vermont, mentioned a CNN report on Colorado concerning legalization and in-migration of transients.
- Eli Harrington, Heady VT Cofounder, shared his view that a retail market would need to be large enough to serve the needs of Vermonters, and that quality and safety controls are critical.
- Mariah Sanderson – from Essex, in the public health field, substance abuse prevention, related concerns about impacts on youth.

Senator Sears then initiated a discussion on the likely revenue stream from taxed retail sales. Commissioner Samson shared his view that regulatory costs, and the costs of education, [prevention, highway safety, and law enforcement would likely consume all of the likely revenues.

Tom Little announced that the Commission will hold listening hearings around the state in November, once a draft of the final report is available for the public to respond to and comment on.

5. The meeting adjourned at 1:45 pm.

Respectfully submitted,

Thomas A. Little
Co-Chair