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*Sarah Clark, Interim Secretary*

Interagency Committee On Administrative Rules (ICAR) Agenda  
Monday, December 9, 2024, 2:00 p.m.

To attend virtually via Microsoft Teams, please [click here to join the meeting](#) for full meeting audio and visual. Meeting ID: 258 213 386 215#, Passcode: krX4KR. If you require a call-in option to participate (e.g., the computer does not have a microphone), dial 802-828-7667 and enter Phone Conference ID: 829 388 718#.

Effective July 1, 2024, meetings will be held electronically per [S.55](#) signed into law by Governor Scott on May 30, 2024.

- Welcome
- Review and approval of the [minutes](#) from the November 15, 2024 meeting
- Note any additions or deletions from the agenda
- Public comment
- Presentation of the following proposed rules:
  - 1) Rule 1: Licensing of Cannabis Establishments, Cannabis Control Board
    - a) Rule 1 regulates the licensing of any person or entity that seeks to participate in the legal market for cannabis. The rule sets qualifications for licenses of various types. Proposed amendments simplify the annual license renewal process by relying on a continuous maintenance obligation to avoid redundant collection of documents; clarify eligibility criteria for social equity benefits; establish siting requirements to promote geographic distribution of retailers; simplify the process for obtaining Board approval of major license changes; provide for voluntary and compulsory tier changes based on performance standards; require that all establishments operate and use deposit accounts; increase flexibility to address past misconduct by applicants; and retire a cumbersome system of prequalification, replacing it with a simple orientation.
  - 2) Rule 2: Regulation of Cannabis Establishments, Cannabis Control Board
    - a) Rule 2 regulates the operation of any entity that has received a license to participate in the legal market for cannabis. Proposed amendments conform to corresponding amendments to Rules 1, 3, & 4; improve safety and sanitation standards; clarify digital reporting requirements, including who may access the Inventory Tracking System; prohibit consignment; standardize transport manifests; disallow the use of illusory brands; adopt the IICPS Cannabinoid Product Symbol; elaborate upon permissible product remediation and transparent consumer labeling; reinforce the product registration obligations; strike rigid fencing requirements; strike burdensome reporting requirements; clarify packaging requirements; implement propagation cultivator licensure as required by Act 65 (2023); provide for low-contact transactions; introduce a structure for allowing tested hemp



products in cannabis products; prohibit cannabinoids in beverage alcohol; and streamline Board collaboration with municipal government.

3) Rule 3: Medical Cannabis, Cannabis Control Board

a) Rule 3 regulates the use of therapeutic cannabis in Vermont, including by governing qualifying criteria for patients and caregivers. Proposed amendments to the existing rule match statutory changes to eligibility and examination requirements, accommodate adult-use endorsements for retail establishments, and importantly, bring to Vermont's medical cannabis system the product safety standards, testing requirements, and inventory tracking practices featured in the newer adult-use system.

4) Rule 4: Compliance and Enforcement, Cannabis Control Board

a) Rule 4 provides the enforcement mechanisms, procedures, and penalties for the Cannabis Control Board's Rules 1 through 3, which govern the licensing and regulation of commercial cannabis businesses and patient access to therapeutic cannabis. Amendments to the standing rule create an express penalty category for deceptive and fraudulent conduct, using standard language borrowed from the law of professional regulation; integrate changes to Board Rule 1 by creating a designated sanction category for failing to maintain governing documents; and add a procedure, corresponding to 7 V.S.A. § 904(e), to ensure appropriate due process in relation to orders issued in the field by agents of the Cannabis Control Board.

- Other business
- Next meeting date: Monday, January 13, 2025 at 2:00 p.m.
- Adjournment

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