

Cannabis Retail Opt-In Informational Handout

Background: Act 164 established the framework for a legal cannabis market in Vermont. Vermont law specifies that until a town or votes to opt-in, retail operations cannot be licensed in that town. Licensed cannabis retailers may only operate in towns that have voted in favor of retail sales. Cannabis retailers must obtain a license from the State Cannabis Control Board.

1. What is the Cannabis Retail Opt-In Vote?

You will be voting whether to allow cannabis retail sales in the Town of Sharon. This is the question you will see on the ballot:

ARTICLE 1: Shall the Town of Sharon authorize the operation of cannabis retailers that are licensed by the State of Vermont pursuant to 7 V.S.A. § 863, such sales also being subject to any local ordinances or regulations that the Town may lawfully adopt?

A sample ballot and warning are posted at the Town Clerk's Office, the Post Office, the Library as well as on the home page of the Town Website under "Notices."

2. Why are we voting on this question?

The Town of Sharon received a voter petition calling for a special vote on this question. The petition was signed by 5% of the registered voters in our Town. The Town Clerk's Office validated the petition. The Town is therefore required to hold a special vote in accordance with State law.

3. When, where and how do I vote?

The polls will be open at the **Sharon Town offices** for in person voting on Tuesday, October 15th, 2024 from 7AM – 7PM.

You may request an absentee ballot by contacting the Sharon Town Clerk at 802-863-8268 ext.1, or clerk@sharonvt.net.

You must cast your vote, either in person or by mail, by 7PM on October 15th, 2024.

4. Why are we using the Australian Ballot format?

State law requires Australian Ballot format.

5. If cannabis retail sales are approved by voters, is there a way to control the number of retailers licensed in our Town?

Not currently.

The State Cannabis Control Board is working to establish more clearly defined regulations regarding the geographical distribution of retailers in the State. This is a very recent development. We do not know how the State Cannabis Control Board will decide to move forward, nor do we know what it means for our Town.

6. Does the Town of Sharon have a Local Cannabis Control Commission?

No, the Town of Sharon does not have a local cannabis control commission

7. Can the Town of Sharon voters rescind the vote to allow cannabis retail sales?

Yes. But there are limits to the effect of that vote.

State law allows for "[a] rescission of the permission to operate a licensed cannabis retailer or integrated licensee within the municipality," but the vote to rescind "...shall not apply to a licensed cannabis retailer or integrated licensee that is operating within the municipality at the time of the vote." 7 V.S.A. § 863

8. Would cannabis retail sales generate any tax revenue for our Town?

Not currently. The Town of Sharon voters have not approved a 1% local options tax.

9. If approved, would a 1% local options tax apply to retail cannabis sales?

Yes, a local options tax would apply to cannabis retail sales.

Per the State <u>Cannabis Control Board</u> FAQs:

The Vermont Sales and Use Tax will apply to the retail sale of cannabis products in Vermont. Municipalities that have such a tax will receive local option tax revenue on retail sales of cannabis. The sales and use tax applies to all cannabis products. Meals and Rooms taxes do not apply to cannabis products, nor do they apply to edible cannabis products. Therefore, a local option tax on meals would not apply to the retail sale of any cannabis products.