



VERMONT GROWERS ASSOCIATION: CANNABIS RETAIL OPT-IN FACT SHEET

WHAT IS RETAIL OPT-IN, AND WHY IS IT IN ACT 164?

Retail opt-in means a town must vote, by Australian ballot at an annual or special meeting, to allow cannabis stores to operate in their town. No Vermont town may have a cannabis retail location without its residents first voting to approve retail sales. Town approval does not mean a retailer will open in that town, local ordinances and permitting will still apply. Towns may only vote to opt-in cannabis retailers, all other license and business types do not require town approval.

CAN A TOWN REGULATE CANNABIS BUSINESSES IN THEIR TOWN UNDER ACT 164?

Yes, a town has the authority to regulate all cannabis businesses through zoning bylaws, sign ordinances, and nuisance ordinances. However, under Act 164, towns cannot use this authority to prohibit licensed businesses. Towns may (but need not) establish local control boards as with liquor control. The Select Board is empowered to enact these bylaws and ordinances without further voter approval.

HOW DOES IT BENEFIT THE TOWN?

All sales in cannabis stores will be subject to a 14% excise tax, and the regular 6% sales tax, as well a town's 1% Local Option Tax. All license applicants will pay local license fees to defray any town administrative expenses.

30% of the State excise tax will be reserved for prevention programs. The 6% sales tax is allocated to the State's Education Fund, and earmarked for universal after-school programs.



In addition to keeping local dollars local and drawing more shoppers to town, a legal cannabis store converts illegal activity to legal activity by reducing the amount of illicit market sales that are happening today.

HOW WOULD A CANNABIS STORE IMPACT PROPERTY VALUES?

From the National Association of Realtors, “Marijuana and Real Estate: A Budding Issue” February 2020, “Marijuana has been a boon to commercial real estate values” - noting increased demand for commercial buildings and land.

Conklin, et al. (2017), “Contact High: The External Effects of Retail Marijuana Establishments on House Prices” (U. of GA, U. of Wisc. – Madison, Cal State Sacramento): Found that values of single-family residences “in close proximity” to retailers rose by 8% more than those “slightly farther away”.

Burkhardt & Flyr (2018), “The Effect of Marijuana Dispensary openings on Housing Prices” (Colorado State U.): The introduction of a new dispensary within a half-mile radius of a new home increases home prices by approximately 7.7% on average.

Cheng, et al. (2018), “The Effect of Legalizing Retail Marijuana on Housing Values: Evidence from Colorado”: Legalization leads to an average 6% increase in housing values.

HOW WOULD A CANNABIS STORE IMPACT TOWN CRIME RATES?

Cannabis is being sold illegally in every Vermont town today. Moving sales from the street to a regulated and taxed store immediately replaces illegal activity with legal activity and more tax revenue.

Lu, et al. (2019) “The Cannabis Effect on Crime: Time-Series Analysis of Crime in Colorado and Washington State” (Stockton U., Washington State U., U. of Utah): Marijuana legalization and sales have had minimal to no effect on major crimes in Colorado or Washington”; “ – noting no statistically significant long-term effects on violent or property crime rates.



Cannabis Retail Opt-In Fact Sheet

Brinkman & Mok-Lamme (2019) “Not in my backyard? Not so fast. The effect of marijuana legalization on neighborhood crime” (Federal Reserve): An additional dispensary in a neighborhood leads to roughly a 19% decline” in crime rates, which is “highly localized” to the dispensary.

CANNABIS AND OPIOIDS

The “gateway theory” has been widely dismissed, including by the US Drug Enforcement Agency. Cannabis provides many with opioid use disorder an “offramp” from opioids.

A new UC-Davis/Yale study (Hsu & Kovacs, BMJ, 1/27/21) found higher # of dispensaries within a county is associated with reduced opioid overdose deaths, suggesting a substitutive effect.

Findings consistent with research indicating that safe and legal access to cannabis is associated with: Reduced opioid prescribing (Bradford ,et al., 2018, JAMA Inter. Med.) Reduced opioid-related drugged driving deaths (Kim, et al., 2016, Am. J. of Pub. Health) Better OUD treatment outcomes (Socias, et al., 2020, Drug and Alcohol Dependence)

About Vermont Growers Association: We are Vermont’s cannabis professionals that have come together to establish and protect a fair and sustainable cottage cannabis industry. Vermont Growers Association is a non-partisan, mutual benefit, not-for-profit trade association that is committed to ensuring Vermont has a viable, craft-centric, small business-driven cannabis marketplace