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DEPUTY SPEAKER

MEMBER
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Testimony

In Support of Senate Bill 487

**AN ACT CONCERNING THE LEGALIZATION, TAXATION AND REGULATION OF
THE RETAIL SALE AND RECREATIONAL USE OF MARIJUANA AND
CONCERNING THE PRODUCTION AND REGULATION OF HEMP
March 19, 2018**

Senators Doyle and Kissel, Representatives Tong and Rebimbas, esteemed members of the Judiciary Committee, I respectfully submit testimony in support of SB 487 for your public hearing today.

I offer my support for SB 487 which will regulate the retail sale of marijuana. Passing this legislation and making it the law of the land is long overdue. As you are likely aware, the vast majority of Connecticut residents are in favor of legal marijuana.

My purpose today is to allay fears that legal marijuana will lead to abuse. Many years of research and studies have shown that marijuana is less problematic than alcohol, opioids and other substances. I believe that proper regulation of marijuana can be accomplished with well thought-out legislation. Attached are proposed regulations for legal marijuana in Connecticut. I want to point out that the information contained in the document is based on marijuana regulations in California and Colorado. Add this to our state-of-the-art medical marijuana program and Connecticut will be in a position to have the best legal, retail marijuana program in the U.S.

Thank you for your time.

Juan Candelaria

Attachment: Marijuana Law Reg CT_03-15-18

Revised March 15, 2018

Table 1: Recreational Marijuana Regulations

Age for lawful purchase or possession	21 (could compromise)
Amount one is allowed to possess; penalties for possessing larger amounts	<p>CT must determine reasonable amt. for personal use.</p> <p>Penalty for possessing more than amount allowed are: 1st offense – warning 2nd offense – fine up to \$500 3rd offense – fine of \$1,000, possible prison</p>
Home cultivation	<ul style="list-style-type: none"> • May grow up to 6 plants at home for personal use • Total number of plants grown in a residence is limited to 6 plants (seedlings to fully grown) • Marijuana plants must also be kept indoors in an enclosed, locked area that cannot be openly viewed • Growers must ensure that minors do not have access to the plants • Local jurisdictions may ban outdoor cultivation; they may not ban indoor cultivation but may enact “reasonable regulations” concerning such activity
Categories of licensed marijuana businesses	<ul style="list-style-type: none"> • Distributors • Marijuana stores (similar to CT liquor regulations) • Cultivation facilities • Product manufacturers • Testing facilities • Microbusinesses (defined below: Limited to a maximum 10,000 sf, a micro business is an operation where growing, cultivation, processing and on-site sales occur. Product testing, however, is conducted in accordance with OCP regulations on marijuana)
State licensing entity	Enforcement to be under the jurisdiction of the Department of Consumer Protection “Bureau of Marijuana Control” which licenses all recreational marijuana businesses
Marijuana businesses— local approval	Localities can prohibit marijuana businesses from operating within their jurisdiction. If a municipality chooses to prohibit, such municipality will forego any revenue sharing from the sale and taxation of marijuana.
Penalty for engaging in marijuana business without a license	Civil penalty of up to 3 times the amount of the license fee for each violation; each day of unlicensed operation constitutes a separate violation. Criminal penalties also apply to the individuals involved (specific crimes vary based on the activity, e.g., illegal drug sales. (Penalties to be determined by Judiciary Committee)
Background checks required for business applicants?	Yes

Licensing restriction for criminal history	<p>The applicable licensing authority may deny an application based on rules and regulations to be determined</p> <ul style="list-style-type: none"> • discharged for a sentence for a felony conviction in the prior 5 years (to be included with rules and regulations for licensing restrictions) <p>Felony conviction for any controlled substance after being issued the license is grounds for license revocation</p>
Information on persons with financial interest in the business	Applicants must provide a complete disclosure of all persons having a direct or indirect financial interest, and the extent of such interest, in each marijuana business license
May one person have multiple business licenses?	Yes, except someone holding a testing laboratory license may not (1) be licensed for any other type of marijuana business or (2) employ someone who is also employed by another type of marijuana business
Locational restrictions for businesses	Business must not be located within 600 feet of a K-12 school, day care center, or youth center unless permitted by the local jurisdiction or state licensing authority
Minimum age for business employees	21 (in accordance with established lawful legal age for purchase and possession)
Product tracking system	Marijuana will be tracked from “seed to sale” via the same, or similar, narcotics tracking system currently in use in Connecticut. All marijuana products will be given a unique identifier and shipped in secure packaging that can be accessed to obtain specified information about the products’ strain, potency, purity and whereabouts in the supply chain.
Cultivation facilities—production limits	<p>Based on size of facility.</p> <p>Facility licenses for authorization to cultivate based on small, medium and large facilities as defined below:</p> <p>Small: up to 5,000 sf Medium: 5,001 to 20,000 sf Large: over 20,000 sf.</p>
Retail stores—allowable hours of operation	Same as CT liquor stores
Retail stores—may customers consume marijuana on the premises?	No
Retail stores— is home delivery allowed?	No
Advertising—age-based restrictions	All advertising limited to in-store only. Ads may not target underage individuals or use cartoon characters.
Recordkeeping	Marijuana businesses must maintain records for 7 years.
Product testing requirement	Prohibits marijuana or marijuana products from being sold unless a representative sample has been tested by a licensed laboratory.

Product packaging and labeling requirements	<p>Among other requirements, marijuana items sold at retail must:</p> <ul style="list-style-type: none"> • be labeled and placed in a re-sealable, tamper-evident, child-resistant package, • include a unique identifier, • not be made to be attractive to children, and • contain specified information on the label, such as the THC content and a warning that the product may be possessed or consumed only by a person age 21 or older and that consumption may impair the ability to drive and operate machinery
Public information program	<p>State Department of Public Health shall establish and implement a public information to provide information on the:</p> <ul style="list-style-type: none"> • state laws regulating the marijuana industry • scientific basis for restricting access to persons under age 21 and the penalties for providing access to such persons • dangers of driving while impaired from marijuana use, • potential harm of using marijuana while pregnant or breastfeeding, and potential harm of overusing marijuana
Application and License Fees	<p>Fees to be determined (Both fees must be renewed annually)</p>
State taxes	<p>20% excise tax on cultivators CT sales tax levied on distributors CT sale tax levied on manufacturers and retailers Minimum 2% sales tax revenue returned to host city/town</p>
Local taxes	<p>Municipalities may not tax marijuana</p>
Revenue allocation	<ul style="list-style-type: none"> • Cultivation and excise tax are deposited in the Marijuana Tax Fund • The law specifies several purposes for which the fund amounts must be allocated. For example: • \$20 million to the state Dept. of Education to share with local school districts for drug prevention and drug education programs. • \$2.5 million is annually disbursed to public universities in Connecticut to research and evaluate the state's regulation of marijuana, such as impacts on public health, impact of treatment for maladaptive marijuana use, and the effectiveness of treatment programs • Increasing amounts, up to \$10 million in FY xx-xx, will be annually disbursed to a community reinvestments grants program to local health departments and nonprofit organizations to support, among other things, mental health treatment, and substance use disorder treatment