



March 19, 2018

Sen. Paul R. Doyle, Co-Chair
Sen. John A. Kissel, Co-Chair
Rep. William Tong, Chair
Rep. Rosa C. Rebimbas, Ranking Member
Connecticut Joint Committee on Judiciary
Legislative Office Building, Room 2500
Hartford, CT 06106

Dear Sen. Doyle, Sen. Kissel, Rep. Tong and Rep. Rebimbas:

This testimony is provided on behalf of the Distilled Spirits Council, a national trade association representing producers and marketers of distilled spirits sold in the United States, regarding S.B. No. 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. We appreciate the opportunity to comment on the legislation that has been proposed as the state considers how to appropriately implement retail sales of marijuana or cannabis-related products.

It has long been the position of proponents that the retail sale of marijuana should be made under a similar regulatory and retail scheme as the highly regulated beverage alcohol system, which is very familiar to policy makers. To that end, the Board of Directors of The Distilled Spirits Council has established a series of guiding principles for consideration in states that are considering the implementation of recreational marijuana sales. They are:

- Ensure that the taxation and regulation of marijuana in governmental jurisdictions where marijuana has been approved for consumption is at least comparable to taxation and regulation of distilled spirits

Distilled spirits are among the most highly taxed retail products in the consumer marketplace. The price of an average bottle of spirits sold in the State of Connecticut is \$15.63. Of that, accounting for all state, local, federal and indirect taxes and fees, approximately \$8.42 of that price, or 53.9%, is tax. Excluding the federal excise tax on spirits, for which there is currently no comparable taxation

for retail marijuana, the tax imposed on an average bottle of spirits is 40.2% in Connecticut.

- Ensure that any and all efforts to legalize the consumption of marijuana include a 21-year-old legal purchase and use requirement.

The distilled spirits industry has been a recognized leader in the effort to prevent underage access to alcohol and has a strong commitment to moderate and socially responsible use of our products. Further, the industry has a very robust and effective code of marketing and advertising practices addressing a wide array of marketing issues including placement, viewership and access to print, broadcast, digital and social media promotion and advertising. There are also very specific state-by-state trade practice requirements regulating the sale of spirits.

- Insist on the development of a standard measurement of marijuana-induced impairment (comparable to .08 BAC).

The amount of alcohol (ethanol) in an individual's bloodstream used as an indicator as to whether or not a person is legally intoxicated and, therefore, too impaired to drive has been scientifically established and repeatedly verified through decades of practical application. There has not yet been a comparable test or scientific standard established for determining THC impairment. Other states that have established a standard have had no scientific basis on which to make that determination.

- Advocate for development of a roadside impairment test for marijuana such as the breathalyzer test for beverage alcohol

Similar to the lack of a standard measurement of marijuana-induced impairment, there is currently no manner in which to reliably and accurately determine an individual's tetrahydrocannabinol (THC) level at the point of law enforcement interdiction.

- Ensure that the same penalties exist for driving under the influence of marijuana and other intoxicants as for driving under the influence of beverage alcohol.

The penalties for driving under the influence of THC should be no less than those

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for driving under the influence of alcohol at all levels. A lower per-se level of impairment as well as increased penalties for higher levels of THC, similar to those that exist for high-BAC offenses, should also apply.

- Ensure that testing and reporting for the presence of drugs, including marijuana, as well as beverage alcohol is required for all U.S. highway fatalities

This is a standard that should be adhered to by all jurisdictions in order to continue to evaluate the impact of increased marijuana use and the resultant traffic safety implications.

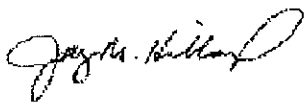
- Require that all marijuana products appropriately disclose the THC dose in a manner and under similar conditions of the alcohol by volume declaration required of beverage alcohol products

By Federal law, all alcoholic beverages sold in the United States must declare the ABV (alcohol by volume) contained in each product. This ensures transparency and disclosure for the end user at the retail point of sale. This same standard should apply to any retail product containing THC.

We hope these general principles will assist policymakers in their discussion of how to appropriately establish a regulatory scheme for the retail sale of marijuana and cannabis-related products. We appreciate the opportunity to share our thoughts with you as you continue your deliberations.

Should you have any questions or if you would like to discuss any of the above guiding principles further, please feel free to contact me at jhibbard@distilledspirits.org or by phone at 207-831-8285. Thank you again for your consideration.

Sincerely,



Jay M. Hibbard
Vice-president/Government Relations

cc: Members of the Connecticut General Law Committee

