Written Testimony for the Judiciary Committee
March 2, 2020

Governor’s Bill No. 16
An Act Concerning the Adult Use of Cannabis

Senator Winfield, Representative Stafstrom and members of the Judiciary Committee:

Thank you for the opportunity to submit testimony on the topic of the legalization and regulation of adult use cannabis in Connecticut. I am a licensed attorney in Connecticut and Massachusetts with extensive experience in the cannabis industry and have been practicing law in this area since 2014.

My practice is focused on the licensing, permitting, and development of this new industry. I represent dozens of cultivators, product manufacturers and retailers in both the medical and adult use industry. Most notably, I represented the first medical marijuana dispensary to be licensed in the City of Boston and I represented one of the first two adult use retailers in the Commonwealth of Massachusetts.

I am writing to express my strong support of SB 16 as both a practitioner in this industry and a resident of the State of Connecticut.

In addition to my support of SB 16, I also offer some recommendations on the implementation of Connecticut’s adult use cannabis industry for this committee’s consideration:

1. I strongly support the initiative to establish standards for cross ownership of cannabis establishments (line 1726 through 1728). More specifically, the concept of vertical integration is critical to the development of a strong adult use cannabis industry. Control over both supply and distribution is an important component for small businesses to enable them to compete in, and withstand market fluctuations in, a highly competitive market such as cannabis. Accordingly, my recommendation is that this bill proactively permit vertical integration by businesses or individuals.

2. I strongly support the creation of a “product manufacturing” license category (Section 25, beginning on line 1751), “micro-business” license category (line 1456), “retail delivery” license category (line 1459) and research initiatives (line 1891). Business opportunities in this industry should be expanded and promoted to provide the most accessibility to residents of Connecticut. To that end, I would suggest that specifically identifying a cultivation license category (lines 1632-1638) would be beneficial to the implementation of this new industry. Furthermore, I would suggest that this legislation should specifically indicate that there will be no cap or limit on
the number of licenses to be issued in Connecticut. As evidenced by the adult use cannabis programs in other states there is significant interest and opportunity in the cannabis industry from the private sector. As an example, and a market with which I am very familiar, Massachusetts has received approximately 4,500 licensing applications, issued 284 licenses and authorized almost 100 businesses to commence operations, including 39 adult use retail stores.

3. I strongly support the creation of a Cannabis Equity Committee (Section 18 beginning on line 1360) comprised of experts to provide additional recommendations on equitable implementation of Connecticut’s adult use cannabis industry; however I would suggest that such commission not be expressly prohibited from allowing “equity applicants” to transfer their licenses (line 1447-1452). I have seen many entrepreneurs in this industry generate life changing wealth by procuring permits and approvals for cannabis establishments. These individuals often have no intention of operating those facilities, but rather utilize their priority licensure status and knowledge of development in local communities to procure permits and approvals, set the standards by which the business will operate, and then sell those permits and approvals to an established and experienced industry operator.

4. I strongly support the right and ability of local municipalities to create zoning or licensing regulations regarding the development and operation of cannabis establishments in Connecticut (line 1799); however, my recommendation is that the legislation specifically mandate that municipalities develop said zoning or licensing regulations. In my experience, many municipalities will approve cannabis within their borders, while others will prohibit the same, but a major hurdle that cannabis establishment operators face are those municipalities that simply do nothing and take a “wait and see” approach.

5. I strongly support the limitation imposed on municipalities from entering into host agreements with cannabis establishments (lines 1829-1836). In Massachusetts, the host community agreement process has been detrimental to small businesses and anyone else unable to “pay to play”.

Thank you very much for your attention to this important topic and please do not hesitate to reach out to me directly should you have any additional follow up questions or comments.

Very Truly Yours,

Daniel S. Glissman, Esq.
Phone: 860-278-1900
Email: daniel.glissman@mrglaw.com