



Judiciary Committee Public Hearing

February 26, 2021

Testimony of the Mashantucket Pequot Tribal Nation

regarding

SB 888: An Act Responsibly and Equitably Regulating Adult-use Cannabis

Distinguished Members of the General Assembly,

On behalf of the Mashantucket Pequot Tribal Nation, we offer the following comments for your consideration.

We are not advocating for or against Senate Bill 888. Rather, we simply ask that if the legislature decides to move forward with legalizing cannabis, it consider how Indian Tribes may be involved. Specifically, while the Mashantucket Pequot Tribal Nation is not currently involved in the cannabis industry, we ask that you include in any bill that legalizes cannabis for adult use, language to enable the State of Connecticut and Tribes to enter into compacts concerning the regulation, production and sale of cannabis by Indian Tribes in Connecticut.

In Washington State, Oregon, and Nevada, enabling legislation was passed to permit the negotiation of State-Tribal cannabis compacts. Pursuant to that legislation, States and interested Tribes have entered into compacts relating to cannabis production and sales, and these have been successful from both the State and Tribal perspective. Such compacts have created economic opportunities for Tribes, who can then serve as customers and vendors for non-Tribal wholesalers and retailers. Compacts have also assured State regulators that Tribal cannabis enterprises operate under comparable health and safety standards as State-licensed companies. Finally, compacts provide a distribution outlet in parts of the states that may otherwise be underserved. Several tribally-owned cannabis facilities are operating safely and successfully in those states pursuant to compacts.

Establishing a similar structure in Connecticut would enable agreements that address cannabis-related issues, including the preservation of public health and safety; the security of production, processing retail, and research facilities; and cross-border commerce in cannabis. In addition to the public health and safety benefits, a compacting approach could include that Tribal governments would impose a tax on cannabis sales on tribal land that is at least equal to the tax imposed by the State of Connecticut, creating tax parity between State and Tribally licensed businesses and providing Tribal governments with a needed revenue source.

We believe these compacts will facilitate and promote a cooperative and mutually beneficial relationship between the State and the Tribes, enhance public health and safety, ensure a lawful and well-regulated cannabis market, encourage

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economic development for both State and Tribal businesses, and provide fiscal benefits to all governments. Just as the State has expressed an interest in working with surrounding states regarding cannabis legalization, it would be mutually beneficial for the State and interested Tribes to create a cohesive regulatory structure. Mashantucket Pequot is well-positioned to take on such a role, having developed and maintained with great success comprehensive regulatory schemes concerning gaming, environmental matters, and a range of other issues on tribal lands.

We understand there will be continued discussions to reach consensus among stakeholders. In that vein, we note that HB 6377 offered by the Labor Committee included a recognition of Tribal governments in any cross-border approach to cannabis policy and acknowledged Tribal sovereignty. While we would request the opportunity to further discuss the specific language, we appreciated inclusion of this concept, which is an important aspect to consider as we endeavor to work in tandem with the State to develop consistent and mutually beneficial regulations governing the cultivation and sale of recreational cannabis.

We look forward to an opportunity to work with the State and the Legislature in this effort, and we thank the Committee for its consideration.