

Good morning,

My name is Sohail Chaudhry and I am testifying against Senate Bill 326 as a representative of Rocky Hill-based Sam's Food Stores.

As a result of this proposed ban, there will be unintended adverse consequences.

Currently, regulated sales bring tax revenue for our cash-strapped state. Otherwise this revenue will go to illicit drugs and result in closed businesses & higher unemployment for CT residents. This will result in higher unemployment benefit claims, further digging into CT state funds.

We as a convenience store community, we are responsible gatekeepers for these products – and make sure taxes are paid to the CT Department of Revenue.

For as long as adult customers are looking for these products, we will continue to sell these legal products for as long as the people want them. Business owners only carry the product that is in-demand. This proposal goes against free market principles that our state champions – this bill impacts business and therefore its employees.

People depend on us not just to carry these items, but thousands of other products. All the items we carry, the community depends on and expects.

This proposed bill will approximately impact 35-41% of our business. Covid has adversely impacted small businesses already and this legislation will compound the misery.

Majority of the business owners are by minorities and the ethnic community members and this group will be adversely impacted.

The rise of a black market will create environments of underground, unregulated sales. These items may still be available at CT-based Indian reservations, allowing for their access and distribution without regulation or tax collection.

We are mindful to sell these items only sold to adults and comply rigorously.

Ultimately: CT tax revenue will lose over \$145-147 million per year – from our industry trade groups' projection.

We appreciate your consideration of our concerns. Thank you.