



General Assembly

January Session, 2021

Raised Bill No. 6099

LCO No. 2339



Referred to Committee on GENERAL LAW

Introduced by:
(GL)

**AN ACT CONCERNING ANTITRUST ISSUES AND THE PALLIATIVE
USE OF MARIJUANA.**

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2021*) (a) For purposes of this
2 section:

3 (1) "Material change" means: (A) The addition of a dispensary facility
4 backer or producer backer, (B) a change in the ownership interest of an
5 existing dispensary facility backer or producer backer, (C) the merger,
6 consolidation or other affiliation of a medical marijuana business with
7 another person, (D) the acquisition of all or part of a medical marijuana
8 business by another person, and (E) the transfer of assets or security
9 interests from a medical marijuana business to another person;

10 (2) "Medical marijuana business" means a medical marijuana
11 dispensary facility or production facility, licensed pursuant to chapter
12 420f of the general statutes and the regulations promulgated
13 thereunder;

14 (3) "Person" means an individual, firm, partnership, corporation,

15 company, association, trust or other business or tribal entity; and

16 (4) "Transfer" means to sell, transfer, lease, exchange, option, convey,
17 give or otherwise dispose of or transfer control over, including, but not
18 limited to, transfer by way of merger or joint venture not in the ordinary
19 course of business.

20 (b) No person shall, directly or indirectly, enter into a transaction that
21 results in a material change to a medical marijuana business, unless all
22 persons involved in the transaction file a written notification with the
23 Attorney General pursuant to subsection (c) of this section and the
24 waiting period described in subsection (d) of this section has expired.

25 (c) The written notice required under subsection (b) of this section
26 shall be in such form and contain such documentary material and
27 information relevant to the proposed transaction as the Attorney
28 General deems necessary and appropriate to enable the Attorney
29 General to determine whether such transaction, if consummated, would
30 violate antitrust laws.

31 (d) The waiting period required under subsection (b) of this section
32 shall begin on the date of the receipt by the Attorney General's office of
33 the completed notification required under subsection (c) of this section
34 from all parties to the transaction and shall end on the thirtieth day after
35 the date of such receipt, unless such time is extended pursuant to
36 subsection (f) of this section.

37 (e) The Attorney General may, in individual cases, terminate the
38 waiting period specified in subsection (d) of this section and allow any
39 person to proceed with any transaction.

40 (f) The Attorney General may, prior to the expiration of the thirty-day
41 waiting period, require, pursuant to a subpoena or voluntarily, the
42 submission of additional information or documentary material relevant
43 to the proposed acquisition from a person required to file notification
44 with respect to such acquisition under subsection (b) of this section.
45 Upon request for additional information under this subsection, the

46 waiting period shall be extended until thirty days after the parties have
47 substantially complied, as determined solely by the Attorney General,
48 with such request for additional information.

49 (g) Any information or documentary material filed with the Attorney
50 General pursuant to this section shall not be disclosed pursuant to
51 subsection (c) of section 35-42 of the general statutes and, shall be
52 exempt from disclosure under section 1-200, et seq. of the general
53 statutes, and no such information or documentary material may be
54 made public, except as may be relevant to any administrative or judicial
55 action or proceeding. Such information or documentary material shall
56 be returned to the person furnishing such information or documentary
57 material upon the termination of the Attorney General's review or final
58 determination of any action or proceeding commenced thereunder.

59 Sec. 2. Section 22-61l of the general statutes is repealed and the
60 following is substituted in lieu thereof (*Effective July 1, 2021*):

61 (a) For the purpose of this section and section 22-61m, as amended by
62 this act, the following terms have the same meaning as provided in 7
63 CFR 990.1, as amended from time to time: "Acceptable hemp THC level",
64 "Agricultural marketing service", "Cannabis", "Conviction", "Corrective
65 action plan", "Culpable mental state greater than negligence",
66 "Decarboxylated", "Decarboxylation", "Dry weight basis", "Gas
67 chromatography", "Geospatial location", "Handle", "High-performance
68 liquid chromatography", "Information sharing system", "Measurement
69 of uncertainty", "Negligence", "Phytocannabinoid",
70 "Postdecarboxylation" and "Reverse distributor". In addition, for the
71 purpose of this section and section 22-61m, as amended by this act:

72 (1) "Cannabidiol" or "CBD" means the nonpsychotropic compound by
73 the same name;

74 (2) "Certificate of analysis" means a certificate from a laboratory
75 describing the results of the laboratory's testing of a sample;

76 (3) "Commissioner" means the Commissioner of Agriculture, or the

77 commissioner's designated agent;

78 (4) "Cultivate" means to plant, grow, harvest, handle and store a plant
79 or crop;

80 (5) "Federal act" means the United States Agricultural Marketing Act
81 of 1946, 7 USC 1639o et seq., as amended from time to time;

82 (6) "Department" means the Department of Agriculture;

83 (7) "Hemp" has the same meaning as provided in the federal act;

84 (8) "Hemp products" means all manufacturer hemp products and
85 producer hemp products;

86 (9) "Independent testing laboratory" means a facility:

87 (A) For which no person who has any direct or indirect financial or
88 managerial interest in the laboratory and also has any direct or indirect
89 interest in a facility that:

90 (i) Produces, distributes, manufactures or sells hemp or hemp
91 products, or marijuana in any state or territory of the United States; or

92 (ii) Cultivates, processes, distributes, dispenses or sells marijuana;
93 and

94 (B) That is accredited as a laboratory in compliance with section 21a-
95 408-59 of the regulations of Connecticut state agencies;

96 (10) "Laboratory" means a laboratory that meets the requirements of
97 7 CFR 990.3 and that is accredited as a testing laboratory to International
98 Organization for Standardization (ISO) 17025 by a third-party
99 accrediting body such as the American Association for Laboratory
100 Accreditation or the Assured Calibration and Laboratory Accreditation
101 Select Services;

102 (11) "Law enforcement agency" means the Connecticut State Police,
103 the United States Drug Enforcement Administration, the Department of

104 Agriculture, the Department of Consumer Protection Drug Control
105 Division or any other federal, state or local law enforcement agency or
106 drug suppression unit;

107 (12) "Licensee" means an individual or entity that possesses a license
108 to produce or manufacture hemp or hemp products in this state;

109 (13) "Manufacture" means the conversion of the hemp plant into a by-
110 product by means of adding heat, solvents or any method of extraction
111 that modifies the original composition of the plant for the purpose of
112 creating a manufacturer hemp product for commercial or research
113 purposes;

114 (14) "Manufacturer" means a person in the state licensed by the
115 Commissioner of Consumer Protection to manufacture, handle, store
116 and market manufacturer hemp products pursuant to the provisions of
117 section 22-61m, as amended by this act, and any regulation adopted
118 pursuant to section 22-61m, as amended by this act;

119 (15) "Marijuana" has the same meaning as provided in section 21a-
120 240;

121 (16) "Market" or "marketing" means promoting, distributing or
122 selling a hemp product within the state, in another state or outside of
123 the United States and includes efforts to advertise and gather
124 information about the needs or preferences of potential consumers or
125 suppliers;

126 (17) "On-site manager" means the individual designated by the
127 producer license applicant or producer responsible for on-site
128 management and operations of a licensed producer;

129 (18) "Pesticide" has the same meaning as "pesticide chemical" as
130 provided in section 21a-92;

131 (19) "Lot" means a contiguous area in a field, greenhouse or indoor
132 growing structure containing the same variety or strain of hemp
133 throughout the area;

134 (20) "Post-harvest sample" means a representative sample of the form
135 of hemp taken from the harvested hemp from a particular lot's harvest
136 that is collected in accordance with the procedures established by the
137 commissioner;

138 (21) "Pre-harvest sample" means a composite, representative portion
139 from plants in a hemp lot, that is collected in accordance with the
140 procedures established by the commissioner;

141 (22) "Produce" means to cultivate hemp or create any producer hemp
142 product;

143 (23) "State plan" means a state plan, as described in the federal act and
144 as authorized pursuant to this section;

145 (24) "THC" means delta-9-tetrahydrocannabinol;

146 (25) "Controlled Substances Act" or "CSA" means the Controlled
147 Substances Act as codified in 21 USC 801 et seq.;

148 (26) "Criminal history report" means the Federal Bureau of
149 Investigation's Identity History Summary;

150 (27) "Drug Enforcement Administration" or "DEA" means the United
151 States Drug Enforcement Administration;

152 (28) "Farm service agency" or "FSA" means an agency of the United
153 States Department of Agriculture;

154 (29) "Key participant" means a sole proprietor, a partner in
155 partnership or a person with executive managerial control in an entity,
156 including persons such as a chief executive officer, chief operating
157 officer and chief financial officer;

158 (30) "Manufacturer hemp product" means a commodity
159 manufactured from the hemp plant, for commercial or research
160 purposes, that is intended for human ingestion, inhalation, absorption
161 or other internal consumption, that contains a THC concentration of not

162 more than 0.3 per cent on a dry weight basis or per volume or weight of
163 such manufacturer hemp product;

164 (31) "Producer" means an individual or entity licensed by the
165 commissioner to produce and market producer hemp products
166 pursuant to the federal act, the state plan, the provisions of this section
167 and the regulations adopted pursuant to this section;

168 (32) "Producer hemp product" means any of the following produced
169 in this state: Raw hemp product, fiber-based hemp product or animal
170 hemp food product, and each of which contains a THC concentration of
171 not more than 0.3 per cent on a dry weight basis or per volume or weight
172 of such producer hemp product;

173 (33) "USDA" means the United States Department of Agriculture;

174 (34) "Entity" means a corporation, joint stock company, association,
175 limited partnership, limited liability partnership, limited liability
176 company, irrevocable trust, estate, charitable organization or other
177 similar organization, including any such organization participating in
178 the hemp production as a partner in a general partnership, a participant
179 in a joint venture or a participant in a similar organization; and

180 (35) "Homogenize" means to blend hemp into a mixture that has a
181 uniform quality and content throughout such mixture.

182 (b) The Commissioner of Agriculture shall establish and operate an
183 agricultural pilot program, as defined in 7 USC 5940, as amended from
184 time to time, for hemp research to enable the department, and its
185 licensees, to study methods of producing and marketing hemp. All
186 producer licensees licensed pursuant to this section shall be participants
187 in the state agricultural pilot program for hemp research. Until such
188 time as said commissioner adopts regulations, in accordance with the
189 provisions of chapter 54, the Department of Agriculture shall utilize
190 procedures and guidance policies that the commissioner deems to be
191 consistent with the provisions of 7 USC 5940, as amended from time to
192 time, provided such procedures and guidance policies shall, at a

193 minimum, require: (1) The commissioner to certify and register any site
194 used to grow hemp, (2) any person who produces hemp to produce
195 plants that meet the definition of hemp and verify such, (3) the
196 maintenance of records by any person who grows hemp and the
197 availability of inspection of such records by the commissioner, and (4)
198 verification of compliance with the definition of hemp by a laboratory,
199 at the expense of any licensee. The provisions of this section shall take
200 precedence over any such procedure or guidance policy. Participants in
201 the state agricultural pilot program for hemp research shall be licensed
202 in accordance with the provisions of this section. Such pilot program
203 shall operate until the earlier of the date of a fully approved state plan
204 under the federal act, as described in this section, or the date of repeal
205 of the federal law permitting the state's agricultural pilot program for
206 hemp research.

207 (c) (1) The commissioner shall prepare a state plan in accordance with
208 the federal act and 7 CFR 990.3, for approval by the Governor, in
209 consultation with the office of the Chief State's Attorney and the
210 Attorney General. The state plan, once approved by the Governor and
211 the Attorney General, shall be submitted by the commissioner to the
212 United States Secretary of Agriculture for his or her approval. The
213 commissioner shall have the authority to amend the state plan, in
214 consultation with the Governor, the Attorney General and the office of
215 the Chief State's Attorney, as necessary to comply with the federal act.

216 (2) The commissioner shall operate the state plan, which shall
217 include, at a minimum, the following requirements:

218 (A) The sampling of hemp shall comply, at a minimum, with 7 CFR
219 990.3(a)(2) and be performed by the commissioner, the commissioner's
220 designated agents, or an authorized sampling agent;

221 (B) The testing of hemp shall comply, at a minimum, with 7 CFR
222 990.3(a)(3);

223 (C) The control and disposal of noncompliant cannabis plants shall
224 comply with 7 CFR 990.27;

225 (D) The department shall comply with all recordkeeping and
226 reporting requirements in the federal act, and 7 CFR 990.1 to 7 CFR
227 990.71, inclusive;

228 (E) The department shall comply with enforcement procedures in 7
229 CFR 990.6;

230 (F) The department shall conduct annual inspections of, at a
231 minimum, a random sample of producers to verify that hemp is not
232 produced in violation of the federal act, the state plan and the provisions
233 of this section, and shall enforce any violation as provided for in the
234 federal act and as defined in 7 CFR 990.6;

235 (G) Producers shall report their required license, lot and hemp crop
236 acreage information to FSA, in accordance with the requirements in 7
237 CFR 990.7; and

238 (H) Producers shall report to the commissioner the total acreage of
239 hemp planted, harvested and, if applicable, disposed of, and such other
240 information as the commissioner may require.

241 (3) All sampling and testing of hemp shall be done using protocols
242 that are at least as statistically valid as the USDA's published protocols
243 for sampling and testing of hemp, which protocols shall be posted on
244 the department's Internet web site. During a scheduled sample
245 collection, the producer, or an authorized representative of the
246 producer, shall be present at the lot. A producer shall not harvest the
247 cannabis crop prior to the taking of samples. Samples of hemp plant
248 material from one lot shall not be commingled with hemp plant material
249 from other lots. Lots tested and not certified by a laboratory at or below
250 the acceptable hemp THC level shall be handled and disposed of in
251 accordance with the federal act, the provisions of this section and the
252 state plan, as applicable.

253 (4) The commissioner shall collect, maintain and provide to the
254 USDA, on a timely basis, and not less than once per month, license status
255 of each hemp producer, contact information for each hemp producer

256 licensed in the state, including lot legal descriptions and locations, and
257 any changes to such information. The commissioner shall also report to
258 the USDA, on a timely basis, and not less than once per month, all
259 required hemp test results and disposal information for all
260 nonconforming hemp plants and plant material. Such information shall
261 not include state and federal fingerprint-based records pursuant to
262 section 29-17a.

263 (d) The commissioner shall have the authority to enforce the federal
264 act, as amended from time to time, the state plan, this section and any
265 regulations adopted in accordance with the federal act and chapter 54
266 for hemp production in the state. The commissioner shall have the
267 authority to enforce the applicable standards for producer hemp
268 products. The commissioner may consult, collaborate and enter into
269 cooperative agreements with any federal or state agency, municipality
270 or political subdivision of the state concerning application of the
271 provisions of the federal act and the regulations adopted pursuant to the
272 federal act, as may be necessary to carry out the provisions of this
273 section.

274 (e) Any person who produces hemp shall: (1) Be licensed by the
275 commissioner; (2) comply with the federal act, the state plan, the
276 provisions of this section and any regulation adopted pursuant to this
277 section; and (3) transport hemp and hemp samples in a manner and with
278 such documentation as required by the commissioner.

279 (f) Any person who sells hemp products shall not be required to be
280 licensed provided such person only engages in: (1) The retail or
281 wholesale sale of hemp or hemp products in which no further
282 producing or manufacturing of the hemp products occurs and the hemp
283 products are acquired from a person authorized under the laws of this
284 state or another state, territory or possession of the United States or
285 another sovereign entity to possess and sell such hemp products; (2) the
286 acquisition of hemp or hemp products for the sole purpose of product
287 distribution for resale; or (3) the retail sale of hemp products that are
288 otherwise authorized under federal or state law.

289 (g) Any applicant for a license pursuant to this section shall meet each
290 of the following requirements, as applicable:

291 (1) Each applicant, whether an individual or an entity, shall submit
292 an application for a license that consists, at a minimum, of the following:
293 (A) The name, telephone number, electronic mail address, business
294 address and address of any individual who is the applicant, the full
295 name of any entity that is the applicant, including any applicable
296 principal business location and the full name, title and electronic mail
297 address of each key participant; (B) the name and address of each lot for
298 the hemp cultivation or producing location; (C) the geospatial location
299 of each lot by means of global positioning system coordinates and legal
300 description of each lot used for the hemp cultivation; (D) the acreage
301 size of each lot where the hemp will be cultivated; (E) written consent
302 allowing the commissioner to conduct both scheduled and random
303 inspections of and around the premises on which the hemp is to be
304 cultivated, harvested, stored and produced; and (F) any other
305 information as may be required by the commissioner;

306 (2) Each individual who is an applicant and each key participant of
307 any entity applying for a producer license, or renewal thereof, shall
308 submit to state and national fingerprint-based criminal history records
309 checks conducted in accordance with section 29-17a, at his or her own
310 expense. For the period commencing on the effective date of this section
311 and ending on December 31, 2021, the results of any such criminal
312 history records checks shall be provided by such applicants and key
313 participants to the commissioner for review;

314 (3) No individual, including any key participant of any entity, who
315 has been convicted of any felony, as prescribed in the federal act, shall
316 be eligible to obtain or hold a producer license, provided such restriction
317 shall not apply to any individual who lawfully grew hemp with a
318 license, registration or authorization under any state pilot program
319 authorized by section 7606 of the Agricultural Act of 2014 before
320 December 20, 2018. Any individual or entity that materially falsifies any
321 information in an application pursuant to this section shall be ineligible

322 to obtain a producer license; and

323 (4) Each individual or entity who is required by this section to obtain
324 a producer license shall pay for all costs of sampling, testing, retesting
325 and resampling any samples at a laboratory for the purpose of
326 determining the THC concentration level of any cannabis under their
327 control, or in their possession. Each individual or entity who is required
328 by this section to obtain a producer license shall pay for all costs of
329 disposal of all noncompliant cannabis plants under their control, or in
330 their possession.

331 (h) Any producer license issued by the commissioner shall expire on
332 the third following December thirty-first and may be renewed during
333 the preceding month of October. Such licenses shall not be transferable.

334 (i) The following fees shall apply for each producer license and
335 inspection:

336 (1) A nonrefundable license application fee of fifty dollars, provided
337 any constituent unit of higher education, state agency or department
338 shall be exempt from such application fee if such production is for
339 research purposes;

340 (2) A nonrefundable triennial producer license fee of four hundred
341 fifty dollars for up to one acre of planned hemp plantings and thirty
342 dollars per each additional acre of planned hemp plantings rounded to
343 the nearest acre, except no license fee charged shall exceed three
344 thousand dollars, provided any constituent unit of higher education,
345 state agency or department shall be exempt from such license fee if such
346 production is for research purposes; and

347 (3) In the event that resampling by the commissioner is required due
348 to a test result that shows a violation of any provision of this section or
349 any regulation adopted pursuant to this section, the licensee shall pay
350 an inspection fee of fifty dollars. Such fee shall be paid prior to the
351 inspection and collection of the sample to be used for resampling.

352 (j) After receipt and review of an application for producer licensure,
353 the commissioner may grant a triennial license upon a finding that the
354 applicant meets the applicable requirements. Each producer licensee
355 shall notify the commissioner of any changes to their application
356 information, not later than fifteen days after such change. While the
357 pilot program is in effect, the commissioner may grant a conditional
358 approval of a producer license, pending receipt of the criminal history
359 records check required by this section. The commissioner shall assign
360 each producer with a license or authorization identifier in a format
361 consistent with 7 CFR 990.3(a)(9).

362 (k) Whenever an inspection or investigation conducted by the
363 commissioner pursuant to this title reveals any violation of the state
364 plan, this section or any regulation adopted thereunder, the producer
365 license applicant or respondent, as applicable, shall be notified, in
366 writing, of such violation and any corrective action to be taken and the
367 time period within which such corrective action shall be taken. Any such
368 producer license applicant or respondent may request a hearing,
369 conducted in accordance with chapter 54, on any such notification. Any
370 notification issued pursuant to this section shall be made by certified
371 mail, return receipt requested to the producer license applicant or
372 respondent's last known address, by in-hand service by the
373 commissioner or designated agent of the commissioner, electronic mail
374 service with the consent of the recipient, or by service in accordance
375 with chapter 896. The commissioner shall report all producer violations
376 made with a culpable mental state greater than negligence to the United
377 States Attorney General and the State's Attorney for the judicial district
378 in which the producer violation occurred.

379 (l) Nothing in this section shall be construed to limit the
380 commissioner's authority to issue a cease and desist order pursuant to
381 section 22-4d, or an emergency order, in order to respond to a condition
382 that may present a public health hazard, or issue orders necessary to
383 effectuate the purposes of this section, including, but not limited to,
384 orders for the embargo, partial destruction, destruction and release of
385 hemp or hemp products. Any cease and desist order or an emergency

386 order shall become effective upon service of such order by the
387 commissioner. Following service of any such order, subsequent
388 proceedings shall proceed in accordance with the provisions of section
389 22-4d and the rules of practice for such agency. Any embargo, partial
390 destruction, destruction or release order issued pursuant to this section
391 shall be served by certified mail, return receipt requested to the
392 respondent's last known address, by in-hand service by the
393 commissioner or designated agent of the commissioner, or by service in
394 accordance with chapter 896.

395 (m) Following a hearing conducted in accordance with chapter 54,
396 the commissioner may impose an administrative civil penalty, not to
397 exceed two thousand five hundred dollars per violation, and suspend,
398 revoke or place conditions upon any producer licensee who violates the
399 provisions of this section or any regulation adopted pursuant to this
400 section.

401 (n) (1) Any individual who produces hemp in this state without
402 obtaining a license pursuant to this section, or who produces hemp in
403 this state after having a license suspended or revoked shall have
404 committed an infraction.

405 (2) Any entity that produces hemp in this state without obtaining a
406 license pursuant to this section, produces hemp in violation of this
407 section or produces hemp in this state after having a license suspended
408 or revoked may be fined not more than two thousand five hundred
409 dollars per violation, after a hearing conducted in accordance with
410 chapter 54.

411 (o) (1) Any negligent violation, as described in the federal act, of this
412 section or the state plan shall be subject to enforcement in accordance
413 with the federal act, and the state plan for negligent violations.

414 (2) For any negligent violation, a producer shall be required to correct
415 such negligent violation, by means of a corrective action plan approved
416 by the commissioner. Each corrective action plan shall include, at a
417 minimum, a reasonable completion deadline for correction of the

418 negligent violation, periodic reporting to the commissioner for at least
419 two years and compliance with the state plan.

420 (3) Any producer that negligently violates the state plan shall not, as
421 a result of such negligent violation, be referred by the commissioner for
422 any criminal enforcement action by the federal, state or local
423 government.

424 (4) Any producer that negligently violates the state plan three times
425 during any five-year period shall be ineligible to produce hemp for a
426 period of five years beginning on the date of the third violation.

427 (5) The commissioner shall conduct an inspection to determine if the
428 corrective action plan for a producer who commits any such negligent
429 violation was properly implemented.

430 (p) Any person aggrieved by an order issued pursuant to this section
431 may appeal to the commissioner in accordance with the provisions of
432 chapter 54. Such appeal shall be made in writing to the commissioner
433 and received not later than fifteen days after the date of the order. If no
434 appeal is made pursuant to this subsection the order shall be final.

435 (q) (1) All documents submitted under this section shall be subject to
436 disclosure in accordance with chapter 14, except: (A) Information
437 depicting or describing (i) the test results of any producer, (ii) the
438 location of any hemp growing, harvesting, processing or storage
439 location, or (iii) hemp producer location security schematics; and (B) the
440 results of any criminal history records check.

441 (2) Notwithstanding the provisions of subdivision (1) of this
442 subsection, all documents and records submitted or maintained
443 pursuant to this section shall be disclosed to any law enforcement
444 agency upon request of such law enforcement agency.

445 (r) The commissioner may inspect and shall have access to the
446 buildings, equipment, supplies, vehicles, records, real property and
447 other information that the commissioner deems necessary to carry out

448 the commissioner's duties pursuant to this section from any person
449 participating in producing, handling, storing marketing or researching
450 hemp.

451 [(s) Nothing in this section shall be construed to apply to any licensee
452 of palliative marijuana authorized pursuant to chapter 420f.]

453 [(t)] (s) All licensees pursuant to this section shall maintain records
454 required by the federal act, the state plan, this section and any regulation
455 adopted pursuant to this section. Each licensee shall make such records
456 available to the department immediately upon request of the
457 commissioner and in electronic format, if available.

458 [(u)] (t) The commissioner may adopt regulations, in accordance with
459 the provisions of chapter 54, to implement the provisions of this section
460 including, but not limited to, the labeling of producer hemp products.

461 [(v)] (u) Notwithstanding any provision of the general statutes: (1)
462 Marijuana does not include hemp or hemp products; (2) THC that does
463 not exceed 0.3 per cent by dry weight and that is found in hemp shall
464 not be considered to be THC that constitutes a controlled substance; (3)
465 hemp-derived cannabidiols, including CBD, shall not constitute
466 controlled substances or adulterants solely on the basis of containing
467 CBD; and (4) hemp products that contain one or more hemp-derived
468 cannabidiols, such as CBD, intended for ingestion shall be considered
469 foods, not controlled substances or adulterated products solely on the
470 basis of the containing hemp-derived cannabidiols.

471 [(w)] (v) Whenever the commissioner believes or has reasonable
472 cause to believe that the actions of a licensee or any employee of a
473 producer licensee are in violation of the federal act, the state plan, or any
474 state law concerning the growing, cultivation, handling, transporting or
475 possession of marijuana, the commissioner shall notify the Department
476 of Emergency Services and Public Protection and the State Police.

477 Sec. 3. Subsection (g) of section 22-61m of the general statutes is
478 repealed and the following is substituted in lieu thereof (*Effective July 1,*

479 2021):

480 (g) Nothing in this [section shall be construed to apply to any licensee
481 of palliative marijuana authorized pursuant to chapter 420f] chapter or
482 any regulations adopted pursuant to this chapter shall be construed to
483 apply to persons licensed pursuant to section 21a-408i nor require
484 persons licensed pursuant said section to obtain a license pursuant to
485 this chapter.

486 Sec. 4. Subsection (k) of section 22-61m of the general statutes is
487 repealed and the following is substituted in lieu thereof (*Effective July 1,*
488 *2021*):

489 (k) Any hemp intended to be manufactured into a manufacturer
490 hemp product shall be tested by an independent testing laboratory
491 located in this state. A manufacturer licensee shall make available
492 samples, in an amount and type determined by the Commissioner of
493 Consumer Protection, of hemp for an independent testing laboratory
494 employee to select random samples. The independent testing laboratory
495 shall test each sample for microbiological contaminants, mycotoxins,
496 heavy metals and pesticide chemical residue, and for purposes of
497 conducting an active ingredient analysis, if applicable, as determined by
498 the Commissioner of Consumer Protection.

499 Sec. 5. (NEW) (*Effective July 1, 2021*) Marijuana producers shall
500 manufacture, market, produce or store hemp and hemp products, as
501 defined in section 22-61l of the general statutes, as amended by this act,
502 in accordance with the provisions of chapter 424 of the general statutes
503 and the regulations promulgated thereunder, except that producers
504 may obtain hemp and hemp products from a person authorized under
505 the laws of this state or another state, territory or possession of the
506 United States or another sovereign entity to possess and sell such hemp
507 and hemp products. Hemp or hemp products purchased by producers
508 from third parties shall be tracked as a separate batch throughout the
509 manufacturing process in order to document the disposition of such
510 hemp or hemp products. Once hemp or hemp products are received by

511 a producer, such hemp or hemp products shall be deemed marijuana
512 and shall comply with the requirements for marijuana contained in the
513 general statutes and the regulations adopted thereunder. Producers
514 shall retain a copy of the certificate of analysis for hemp or hemp
515 products purchased and invoice and transport documents that evidence
516 the quantity purchased and date received. No hemp or hemp products
517 shall be sold or distributed within a dispensary facility, as defined in
518 section 21a-408-1 of the regulations of Connecticut state agencies.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	New section
Sec. 2	<i>July 1, 2021</i>	22-61l
Sec. 3	<i>July 1, 2021</i>	22-61m(g)
Sec. 4	<i>July 1, 2021</i>	22-61m(k)
Sec. 5	<i>July 1, 2021</i>	New section

Statement of Purpose:

To require proposed changes in ownership of medical marijuana businesses licensed by the Department of Consumer Protection to be reviewed by the Office of the Attorney General to determine whether such changes would violate antitrust laws and to allow medical marijuana producers to purchase hemp and hemp products from entities that are not part of the medical marijuana program.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]