OLR Bill Analysis
sSB 888

AN ACT RESPONSIBLY AND EQUITABLY REGULATING ADULT-USE CANNABIS.

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Prohibits agencies or political subdivisions of the state from relying on a federal law violation related to cannabis as the sole basis for taking an adverse action against a person; prohibits law enforcement officers from assisting a federal operation if the activity complies with the bill’s provisions; specifies that it is Connecticut’s public policy that contracts related to operating cannabis establishments are enforceable

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Starting July 1, 2021, allows DCP to administer licenses for retailers, hybrid retailers, food and beverage manufacturers, product manufacturers, product packagers, delivery services, cultivators, and micro-cultivators; prohibits anyone from acting or representing themselves as one of these licensees without obtaining a license; establishes licensure requirements; allows dispensaries to convert to hybrid retailers and vice versa

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Requires each cannabis establishment to maintain specified records through an electronic tracking system and establishes narrow conditions under which the records may be released

§ 57 — FINANCIAL RECORDKEEPING AND DCP ENFORCEMENT
Requires cannabis establishments to maintain records of their business transactions for the current tax year and the three immediately preceding years in an auditable format; gives the DCP commissioner certain powers to supervise and enforce the bill’s provisions

§ 58 — DCP DISCIPLINARY ACTIONS
Allows the DCP commissioner, for sufficient cause, to take certain disciplinary actions, including, among other things, suspending or revoking a credential or issuing fines.

§ 59 — DCP REGULATIONS, POLICIES, AND PROCEDURES
Allows the DCP commissioner to adopt (1) implementing regulations and (2) policies and procedures before adopting regulations.

§ 60 — DCP RECOMMENDATIONS ON HOME-GROWN CANNABIS AND ON-SITE CONSUMPTION AND EVENTS
Requires DCP to make written recommendations to the governor and the legislature on whether to allow home-grown cannabis or on-site consumption or events that allow cannabis usage.

§ 61 — MATERIAL CHANGE
Requires any person who enters into a transaction that results in a material change to a cannabis establishment to file a written notice with the attorney general and serve a waiting period.

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Requires a cannabis establishment to annually report its annual electricity usage and purchase renewable energy to the extent possible.

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§ 64 — INSURANCE REPORT
Requires the Insurance Commissioner to report to the governor and Insurance Committee on cannabis establishments’ access to insurance.

§ 65 — ALCOHOL AND DRUG POLICY COUNCIL REPORT
Requires the Alcohol and Drug Policy Council to make recommendations to the governor and legislature on efforts to promote certain public health initiatives and collecting data for certain reviews.

§§ 66-71 & 77 — MEDICAL MARIJUANA PATIENTS, CAREGIVERS, AND HEALTH CARE PROVIDERS
Allows medical marijuana patients to grow up to six cannabis plants in their homes, if they keep them secure from unauthorized access or minors; allows patients and caregivers to possess up to five ounces of marijuana; eliminates the requirement for patients to select a dispensary from whom they will obtain marijuana; revises terminology for patient caregivers and eliminates the requirement that they only obtain marijuana from dispensaries; broadens the types of entities in which physicians or APRNs who certify patients for medical marijuana use may not have a financial interest to include most cannabis establishments.

§§ 66, 72, 73 & 82 — DISPENSARY FACILITIES
Makes various minor, technical, and conforming changes transferring many of current law’s requirements for a licensed dispensary to a dispensary facility; expands the entities a dispensary facility may acquire marijuana from; requires a dispensary facility or hybrid retailer employee to transmit dispensing information in real-time or within one hour.

§§ 66 & 76 — MEDICAL MARIJUANA QUALIFYING CONDITIONS AND BOARD OF PHYSICIANS
Allows the DCP commissioner to add to the list of qualifying medical marijuana conditions without adopting regulations; specifies that she has the discretion to accept or reject the physician board’s recommendations; eliminates the requirement for the board to hold hearings at least twice a year

§§ 66, 79 & 81 — MEDICAL MARIJUANA RESEARCH PROGRAMS
Expands the list of entities that may oversee or administer medical marijuana research programs; expands the list of entities from whom these programs may acquire marijuana, or to whom they may deliver it; requires research program employees to be registered rather than licensed

§ 74 — PRODUCERS
Expands the entities a producer or its employee may sell to and immunizes them when acting within the scope of employment

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Requires the DCP commissioner to amend regulations, as applicable, to implement the bill’s changes to the medical marijuana laws and requires her to adopt policies and procedures before the regulations are finalized

§§ 78 & 80 — LABORATORIES
Requires a laboratory to be licensed and (1) independent from all parties involved in the marijuana industry and (2) maintain all minimum security and safeguard requirements for storing and handling controlled substances

§§ 83 & 84 — MUNICIPAL AUTHORITY
Addresses various issues on municipalities’ authority to regulate cannabis, such as (1) allowing them to enact certain zoning regulations or ordinances; (2) requiring them, upon petition of 10% of their voters, to hold a local referendum on whether to allow the recreational sale of marijuana; (3) barring them from prohibiting the delivery of cannabis by authorized persons; (4) allowing them to charge retailers for certain initial public safety expenses; and (5) allowing them to establish fines for cannabis smoking in outdoor sections of restaurants

§ 85 — SCHOOL HEALTH SURVEY
Requires DPH to administer the Connecticut School Health Survey every two years to high schools randomly selected by the CDC

§§ 86 & 87 — CLEAN INDOOR AIR ACT
Extends existing law’s prohibition on smoking and e-cigarette use in certain establishments and public areas to include cannabis, hemp, and electronic cannabis delivery systems (ECDS); expands the locations where the prohibition applies; extends existing signage requirements and penalties for smoking and e-cigarette use to cannabis, hemp, and ECDS

§ 88 — WORKPLACE SMOKING BAN
Generally bans smoking (whether tobacco, cannabis, or hemp) and e-cigarette use in workplaces, regardless of the number or employees

§ 89 — HOTELS AND CANNABIS
Requires hotels and motels to ban the smoking or vaping of cannabis, but otherwise prohibits them from banning its use or possession in non-public areas

§ 90 — TENANTS AND CANNABIS
Restricts when landlords and property managers can refuse to rent to an individual due to convictions, or take certain other actions, related to cannabis

§ 91  —  CANNABIS USE BANNED ON STATE LANDS OR WATERS
Establishes penalties for using cannabis on state lands or waters managed by DEEP

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Provides certain protections for medical patients, parents, and pregnant women if traces of cannabinoid metabolites are detected in their bodily fluids

§ 95  —  POSITIVE STUDENT THC TESTS
Prohibits, with some exceptions, a positive drug test result that solely indicates a specified metabolite of THC from being the sole basis for a school to penalize a student

§ 96  —  BAN ON REVKING FINANCIAL AID OR EXPPELLING HIGHER EDUCATION STUDENTS
Generally bans institutions of higher education from (1) revoking financial aid or student loans or (2) expelling a student, solely for use or possession of small amounts of cannabis

§§ 97-101  —  EMPLOYMENT RELATED PROVISIONS
Defines numerous terms including exempt employer and exempt employee; sets rules for what employers are (1) banned from doing and (2) authorized to do under certain conditions; specifies it does not limit an employer’s ability to require employees to submit to drug testing; creates a civil action for employees aggrieved by a violation of the bill’s employer limitations

§§ 102-104  —  CANNABIS CONTROL COMMISSION POWERS, DUTIES, AND PROCEDURES
Places the Cannabis Control Commission within the DCP’s boards and commissions and extends specified powers and duties to the commission

§ 105  —  PENALTIES FOR SALES TO UNDERAGE PERSONS
Establishes misdemeanor penalties for cannabis establishments and employees who sell to people under age 21

§ 106  —  PHOTO IDENTIFICATION
Allows cannabis establishments and their employees to require customers to have their photos taken or show IDs to prove their age and provides an affirmative defense for relying on these documents; otherwise limits the use of these photos or information; allows DCP to require cannabis establishments to use an online age verification system

§ 107  —  PENALTIES FOR INDUCING UNDERAGE PERSONS TO BUY CANNABIS
Establishes misdemeanor penalties for inducing someone under age 21 to buy cannabis
§ 108 — IDENTIFICATION USE AND PENALTIES FOR ATTEMPTED PURCHASES BY UNDERAGE PERSONS
Allows driver’s licenses and non-driver ID cards to be used to prove age for buying cannabis; establishes penalties for underage persons who misrepresent their age or use someone else’s license in an attempt to buy cannabis.

§ 109 — PENALTIES FOR ALLOWING UNDERAGE PERSONS TO POSSESS CANNABIS AT A PERSON’S PROPERTY
Makes it a class A misdemeanor for someone in control of a home or private property to allow someone under age 21 to possess cannabis there.

§ 110 — PROHIBITION ON ALLOWING UNDERAGE PERSONS TO LOITER AT CANNABIS RETAILERS
Establishes penalties for cannabis retailers or hybrid retailers who allow underage individuals to loiter or enter certain parts of the establishment.

§ 111 — UNDERAGE PERSONS POSSESSING ALCOHOL AT A PERSON’S PROPERTY
Narrows the existing crime of allowing underage persons to possess alcohol at a property, by eliminating criminal negligence as a sufficient mental state for this crime.

§§ 112 & 113 — CANNABIS USE IN MOTOR VEHICLES
Makes it a (1) class C misdemeanor to smoke, otherwise inhale, or ingest cannabis while driving a motor vehicle and (2) class D misdemeanor to smoke cannabis in a motor vehicle.

§ 114 — DRUG RECOGNITION EXPERTS AND ADVANCED ROADSIDE IMPAIRED DRIVING ENFORCEMENT
Requires POST and DOT to determine the number of drug recognition experts needed; requires certain officers to be trained in advanced roadside impaired driving enforcement; and requires related training plans.

§ 116 — DRIVING UNDER THE INFLUENCE (DUI)
Modifies the state’s DUI law, including allowing drug influence evaluations to be admitted as evidence, allowing courts to take judicial notice of THC’s effects, and providing immunity to people who draw blood at a police officer’s direction.

§ 117 — ALCOHOL EDUCATION AND TREATMENT PROGRAM
Specifies that the court can require people convicted of DUI to attend an alcohol education and treatment program if they drove under the influence of alcohol or both alcohol and drugs.

§ 118 — ADMINISTRATIVE PER SE LICENSE SUSPENSION PROCESS
Makes changes to the administrative per se process, including (1) expanding it to include procedures for imposing penalties on drivers without an elevated BAC but found to be driving under the influence based on behavioral impairment evidence and (2) applying the existing per se process to operators who refuse the nontestimonial portion of a drug influence evaluation.

§ 119 — PROCEDURES FOR ACCIDENTS RESULTING IN DEATH OR SERIOUS INJURY
Modifies intoxication testing procedures for accidents resulting in death or serious injury, including by requiring drug influence evaluations of surviving operators.
§ 120 — COMMERCIAL VEHICLE DRIVING DISQUALIFICATION
Extends existing commercial motor vehicle driving disqualification penalties to drivers who refused a drug influence evaluation or drove under the influence of alcohol, drugs, or both.

§ 121 — EDUCATIONAL MATERIALS ON DRE PROGRAM AND DRUG INFLUENCE EVALUATIONS
Requires the Traffic Safety Resource Prosecutor to develop educational materials and programs about the DRE program and drug influence evaluations.

§ 122 — ADMINISTRATIVE PENALTIES FOR BOATING UNDER THE INFLUENCE
Makes changes to DEEP’s administrative sanctions process for boating under the influence that are substantially similar to the bill’s changes to DMV’s administrative process.

§ 123 — BOATING UNDER THE INFLUENCE
Makes substantially similar changes to the boating under the influence law as those the bill makes to the DUI law, such as allowing DREs to testify in boating under the influence cases.

§ 124 — DOT RECOMMENDATIONS ON IMPAIRED DRIVING DATA COLLECTION AND PILOT PROGRAMS
Requires DOT to make recommendations regarding impaired driving data collection and pilot programs on electronic warrants and oral fluid testing in impaired driving investigations.

§ 125 — STATE EXCISE TAX ON CANNABIS
Establishes a state excise tax on the first sale or use of cannabis flowers, cannabis trim, or wet cannabis by a producer, cultivator, or micro-cultivator in the state; for FYs 22-23, directs the revenue to the General Fund; beginning in FY 24, directs a portion of the revenue to a new cannabis equity and innovation account and prevention and recovery services account for specified purposes.

§§ 126 & 127 — MUNICIPAL SALES TAX
Imposes a 3% municipal sales tax on the sale of cannabis and cannabis products that applies in addition to the state’s 6.35% sales tax.

§§ 127-129 — STATE SALES TAX ON CANNABIS AND CANNABIS PRODUCTS
With certain exceptions, prohibits exemptions under the state’s sales and use tax law from applying to cannabis or cannabis product sales; extends the sales and use tax to cannabis-related advertising and public relations services, including services related to media and cooperative direct mail advertising; prohibits refunds to purchasers and businesses for sales and use taxes paid on cannabis and cannabis products.

§§ 130-132 & 140 — MARIJUANA AND CONTROLLED SUBSTANCES TAX
Repeals the marijuana and controlled substances tax.

§ 133 — ANGEL INVESTOR TAX CREDITS FOR SOCIAL EQUITY APPLICANTS
Extends the angel investor tax credit program to eligible cannabis businesses for which social equity applicants have been granted a license or provisional license; allows
investors to claim a 40% income tax credit for credit-eligible investments in these businesses; imposes a $15 million per fiscal year cap on these credits, and increases the total credits allowed under the program to $20 million per fiscal year

§§ 134 & 135 — CANNABIS-RELATED FINANCIAL ASSISTANCE AND WORKFORCE TRAINING PROGRAMS

Authorizes up to $50 million in state general obligation bonds for DECD and the Cannabis Control Commission to use for specified financial assistance and workforce training programs

§§ 136-140 — REPEAL OF OBSOLETE PROVISIONS

Repeals obsolete provisions on medical marijuana patient temporary registration certificates

BACKGROUND

SUMMARY

This bill makes numerous changes related to criminal justice, licensing, employment, tax, traffic enforcement, and other laws to establish legal adult recreational use of cannabis (marijuana).

Regarding adult recreational use, the bill allows individuals age 21 or older (consumers) to possess, use, or otherwise consume cannabis and cannabis products. It (1) generally sets a possession limit of 1.5 ounces of cannabis plant material and five ounces in a locked container in the person’s residence and (2) erases certain cannabis-related criminal convictions, in some cases automatically and in others upon the person’s petition.

The bill establishes (1) various Department of Consumer Protection (DCP) licensing and registration requirements for individuals and entities to work in the cannabis industry and (2) the Cannabis Control Commission, within DCP, to regulate these licenses and monitor the recreational adult use cannabis industry. Application requirements include, among other things, that cannabis establishment licensees be at least age 21, their employees be at least age 18, and the number of licenses certain individuals hold be limited to two.

The bill also establishes a Social Equity Council to promote and encourage full participation in the cannabis industry by people from communities disproportionately harmed by cannabis prohibition. Starting July 1, 2021, it allows DCP to accept social equity applications
(up to 40% for each license type) and allows these applicants to pay 50% of most license fee amounts. The council must make recommendations on various matters, such as establishing a process to ensure that these applicants have access to sufficient capital to operate these businesses.

The bill sets cannabis establishment licensure requirements for each license type, for which DCP may accept applications from anyone starting on January 1, 2024. For example, it (1) generally limits purchases to one ounce for consumers and five ounces for qualifying patients or caregivers, (2) prohibits certain advertising practices by cannabis establishments (e.g., targeting minors or claiming therapeutic effects), (3) limits how cannabis may be delivered to consumers, and (4) sets requirements for how undelivered products must be securely stored.

The bill establishes guidelines, rules, and protections for employers and employees regarding recreational cannabis use. It generally bans certain employer actions, such as taking action against an employee for the employee’s use of cannabis prior to employment. The bill specifically authorizes other actions, such as allowing employers to establish a workplace policy prohibiting cannabis possession or use by an employee, except for possession of medical marijuana. The bill (1) exempts some employers and types of positions from its requirements and (2) specifies that it does not limit an employer’s ability to require employees to submit to drug testing. It also creates a civil action for employees aggrieved by a violation of the bill’s employer limitations.

Regarding taxes, the bill establishes a state excise tax on the first sale of cannabis in the state ($0.28 per gram of wet cannabis, $0.50 per dry-weight gram of cannabis trim, and $1.25 per dry-weight gram of cannabis flowers) and directs a portion of the revenue to a new (1) cannabis equity and innovation account and (2) prevention and recovery services account for specified purposes. It imposes a 3% municipal sales tax on the sale of cannabis and cannabis products that applies in addition to the state’s 6.35% sales tax. It also extends the angel investor tax credit program to eligible cannabis businesses for
which social equity applicants have been granted a license or provisional license.

The bill also authorizes up to $50 million in state general obligation bonds for the Department of Economic and Community Development and the Cannabis Control Commission to use for specified financial assistance and workforce training programs.

Regarding traffic enforcement, the bill modifies the state’s driving under the influence (DUI) and boating under the influence laws and the related administrative sanction processes to enhance enforcement against those who are drug impaired but do not have an elevated blood alcohol content (BAC). It includes increasing the number of police officers trained in impaired driving assessment techniques. It also makes it illegal to use cannabis products while driving or smoke cannabis in a motor vehicle.

The bill establishes penalties for various actions, such as (1) consumers possessing cannabis in excess of the possession limit, (2) underage individuals possessing cannabis or attempting to buy it, (3) retailers selling cannabis to customers under age 21, and (4) property owners allowing persons under age 21 to possess cannabis at the property. The bill lowers existing penalties for illegally (1) growing up to six cannabis plants for personal use or (2) selling less than eight ounces.

The bill makes certain changes to the state’s medical marijuana laws, such as allowing (1) patients to grow up to six cannabis plants in their homes, subject to certain requirements, and (2) DCP to add to the list of qualifying medical conditions without adopting regulations.

The bill also has several student-related provisions including prohibiting, with some exceptions, a positive drug test that solely indicates a specified metabolite of THC from being the sole basis for a school to penalize a student. It also generally bans higher education institutions from (1) revoking financial aid or student loans or (2) expelling a student, solely for using or possessing small amounts of cannabis.
Among numerous other cannabis-related provisions, the bill also:

1. prohibits minors from being adjudicated delinquent for certain cannabis-related offenses;

2. limits when cannabis odor or possession can justify a search or motor vehicle stop;

3. limits when cannabis possession or use can be grounds to revoke parole, special parole, or probation;

4. allows municipalities to regulate certain aspects of cannabis businesses through zoning ordinances and requires municipalities, upon petition of 10% of their voters, to hold a referendum on whether to allow recreational cannabis sales;

5. extends existing law’s prohibition on smoking and e-cigarette use in certain establishments and public areas to include cannabis, hemp, and electronic cannabis delivery systems, and expands the locations where the prohibition applies; and

6. restricts when landlords can take certain cannabis-related actions regarding tenants.

The bill makes a minor change to an alcohol-related crime.

It also makes minor, technical, and conforming changes.

EFFECTIVE DATE: Various; see below.

§ 1 — DEFINITIONS

Defines numerous terms such as cannabis and cannabis product, consumer, cannabis establishment, and equity.

The bill defines numerous terms, including those in the categories below. Certain other terms are defined further below in context.

EFFECTIVE DATE: Upon passage

Cannabis and Related Terms

Under the bill, “cannabis” is marijuana as defined under existing
law. Existing law defines “marijuana” to include parts of a plant or species of the genus cannabis, whether or not it is growing, and including its seeds and resin; its compounds, manufactures, salts, derivatives, mixtures, and preparations; and cannabinon, cannabinol, cannabidiol (CBD), and similar compounds unless derived from hemp as defined in federal law. Among other things, the definition excludes a plant’s mature stalks; fiber made from the stalks; oil or cake made from the seeds; a compound, manufacture, salt, derivative, mixture, or preparation made from the stalks, except the extracted resin; and hemp (CGS § 21a-240(29)).

“Cannabis flower” is the flower of a plant of the genus cannabis (including abnormal and immature flowers) that has been harvested and dried and cured, and before it is processed and transformed into a cannabis product, but not including the plant’s leaves or stem. “Cannabis trim” includes all parts of the cannabis plant other than those that have been harvested, dried, and cured, and before it is processed and transformed into a cannabis product. Both terms exclude hemp.

“Cannabis product” is a cannabis concentrate or a product that contains cannabis, which may be combined with other ingredients, and is intended for use or consumption. It does not include the raw cannabis plant. “Cannabis concentrate” is any form of concentration extracted from cannabis or a cannabis product, such as extracts, oils, tinctures, shatter, and waxes.

A “marijuana product” is one that contains marijuana (alone or with other ingredients) and is intended for use or consumption, but not including the raw marijuana plant. A “medical marijuana product” is marijuana or a marijuana product that (1) dispensary facilities and hybrid retailers (see below) exclusively sell to qualifying patients and caregivers and (2) the Department of Consumer Protection (DCP) designates on its website as reserved for sale to those individuals.

The bill defines “THC” as tetrahydrocannabinol and any material, compound, mixture, or preparation that contain their salts, isomers,
and salts of isomers, whenever the existence of these salts, isomers, and salts of isomers is possible within the specific chemical designation. The definition excludes (1) dronabinol in sesame oil and encapsulated in a soft gelatin capsule in a product approved by the federal Food and Drug Administration (FDA) and (2) any tetrahydrocannabinol product that has been FDA-approved for a medical use and reclassified or unscheduled in the federal controlled substances schedule.

**Consumer, Cannabis Establishment, and Related Terms**

Under the bill, a “consumer” is someone who is at least 21 years old.

A “cannabis establishment” is a producer, dispensary facility, cultivator, micro-cultivator, retailer, hybrid retailer (i.e., licensed to sell both recreational cannabis and medical marijuana), food and beverage manufacturer, product manufacturer, product packager, or delivery service.

Under the bill, an “employee” is generally:

1. someone employed by a cannabis establishment or who otherwise has access to it or the vehicles used to transport cannabis or cannabis products, including an independent contractor with routine access to the premises or to the establishment’s cannabis or cannabis products, or

2. a board member of a company with an ownership interest in a cannabis establishment.

A “backer” is not considered an employee. A backer is an individual with a direct or indirect financial interest in a cannabis establishment. This does not include someone who (1) has an investment interest of up to 5% of the total ownership or interest rights (alone or with coworkers, employees, or a spouse, parent, or child) and (2) does not participate in the establishment’s control, management, or operation.

A “financial interest” is an actual or future right to ownership, an investment, or a compensation arrangement with another person,
directly, through business, investment, or family. It does not include owning investment securities in a publicly-held corporation that is traded on a national exchange or over-the-counter market, as long as the person (alone or with a spouse, parent, or child) does not own more than 0.5% of the corporation’s shares.

Generally, a “key employee” is a cannabis establishment’s president or chief officer, financial manager, compliance manager, or someone with an equivalent title.

**Equity, Social Equity Applicant, and Related Terms**

The bill defines “equity” and “equitable” as efforts, regulations, policies, programs, standards, processes, and any other government functions or principles of law and governance intended to:

1. identify and remedy past and present patterns of discrimination and disparities of race, ethnicity, gender, and sexual orientation;
2. ensure that these intentional or unintentional patterns are not reinforced or perpetuated; and
3. prevent the emergence and persistence of foreseeable future patterns of discrimination or disparities on these bases.

A “social equity applicant” is an applicant for a cannabis establishment license, provided the establishment is either at least 51% owned by, or under the day-to-day control of, an individual or individuals who:

1. have a prior arrest or conviction, as an adult or juvenile, for the sale, possession, use, manufacture, or cultivation of cannabis;
2. have a parent, spouse, or child who has such an arrest or conviction;
3. have been a resident of a disproportionately affected community for at least five of the 10 years immediately before applying for the license; or
4. reside on tribal land.

In addition, these individuals’ primary addresses must have been in Connecticut for at least five years immediately before applying for the license.

A “disproportionately affected community” is either of the following:

1. one of the top 20 communities on the most recent Public Investment Community index prepared by the Office of Policy and Management (OPM) (this index ranks municipalities in descending order based on their relative wealth and need, according to specified criteria); or

2. a census tract in any municipality whose unemployment rate, and percentage of town residents below the federal poverty level, is greater than the statewide rate and percentage respectively.

§§ 2-3, 6 & 115 — CANNABIS POSSESSION AND USE

Allows people age 21 or older to possess or use cannabis or cannabis products, up to a specified possession limit; establishes various penalties for possession by underage individuals or possession exceeding the bill’s limit; allows people to pay certain fines by mail without making a court appearance

The bill allows individuals age 21 or older (consumers) to possess, use, or otherwise consume cannabis and cannabis products, up to a specified possession limit. Specifically, the amount of cannabis must not exceed (1) 1.5 ounces of cannabis plant material and five ounces of such material in a locked container in the person’s residence, (2) an equivalent amount of cannabis product, or (3) an equivalent combined amount of cannabis and cannabis product.

Generally, the bill defines “cannabis plant material” as the cannabis flower, trim, and all parts of the cannabis plant or species, excluding (1) a growing plant and its seeds or (2) industrial hemp as defined under federal law. Under the bill, 1.5 ounces of cannabis plant material is equivalent to 7.5 grams of cannabis concentrate or any other cannabis product with up to 750 milligrams of THC. Five ounces is
equivalent to 25 grams of cannabis concentrate or any other cannabis product with up to 2,500 milligrams of THC.

Current law prohibits the possession of cannabis, except as authorized by law for medical purposes, and imposes civil fines and other penalties for possession of under ½ ounce and criminal penalties for the possession of larger amounts. The following table describes the current penalties.

**Penalties for Cannabis Possession Under Current Law**

<table>
<thead>
<tr>
<th>Possession of less than ½ ounce (CGS § 21a-279a):</th>
</tr>
</thead>
<tbody>
<tr>
<td>• First offense: $150 fine</td>
</tr>
<tr>
<td>• Subsequent offenses: $200 to $500 fine (third-time violators must attend drug education, at their own expense)</td>
</tr>
<tr>
<td>• Violators follow the procedures the law sets for infractions (e.g., they can pay the fine by mail) (CGS § 51-164n)</td>
</tr>
<tr>
<td>• 60-day suspension of the driver’s license or nonresident operating privileges of anyone under age 21 who is convicted of a violation (if the person does not have a license, he or she is ineligible for one for 150 days) (CGS § 14-111e)</td>
</tr>
<tr>
<td>• Burden of proof is preponderance of the evidence (rather than beyond a reasonable doubt) (CGS § 51-164n(i))</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Possession of ½ ounce or more (CGS § 21a-279(a)):</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Class A misdemeanor, punishable by up to one-year prison term, up to a $2,000 fine, or both</td>
</tr>
<tr>
<td>• Second offense: court must evaluate the defendant and may suspend prosecution and order substance abuse treatment if the court determines that the person is drug dependent</td>
</tr>
<tr>
<td>• Subsequent offenses: court may find the person to be a persistent offender for controlled substance possession and impose the prison term that applies to class E felonies (i.e., up to three years)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Possession of ½ ounce or more within 1,500 feet of the property comprising (1) an elementary or secondary school by someone who is not attending the school or (2) a licensed child care center as identified by a sign posted in a conspicuous place (CGS § 21a-279(b)):</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Class A misdemeanor</td>
</tr>
<tr>
<td>• Court must sentence the person to a term of imprisonment and probation. The conditions of probation must include community service.</td>
</tr>
</tbody>
</table>
As explained below, the bill establishes a range of penalties for cannabis possession (1) by underage individuals or (2) that exceeds the bill’s possession limit. In all cases, these penalties do not apply if the possession is authorized under the state’s medical marijuana law.

For purposes of the bill’s possession limit, associated penalties, and certain related provisions, one ounce of cannabis plant material is equivalent to (1) five grams of cannabis concentrate or (2) any other cannabis product with up to 500 milligrams of THC. Also, the amount of cannabis possessed is calculated by converting any quantity of cannabis product to its equivalent quantity of plant material and taking the sum of these quantities.

**Penalties for Underage Individuals Possessing Less Than Four Ounces (§ 3(b) & (c))**

The bill establishes the following penalties for people under age 21 possessing less than (1) four ounces of cannabis plant material, (2) 20 grams of cannabis concentrate or any other cannabis product with up to 2,000 milligrams of THC, or (3) an equivalent combined amount of cannabis and cannabis product. (For penalties for people of any age possessing larger amounts, see below under “Penalties for Possessing Four or More Ounces.”)

**Individuals Under Age 18.** The bill prohibits the police from arresting anyone under age 18 for possessing less than four ounces of cannabis or equivalent product amounts or combined amounts as specified above. It establishes the following penalties:

1. first offense: a written warning and possible referral to a youth services bureau or other appropriate services;

2. second offense: mandatory referral to a youth services bureau or other appropriate services; and

3. third offense: adjudicated as delinquent in juvenile court.

By law, youth services bureaus coordinate community-based services that provide prevention and intervention programs for
delinquent, pre-delinquent, pregnant, parenting, and troubled youths referred to them by schools, police, and juvenile courts, among others (CGS § 10-19m).

**Individuals Age 18 to 20.** The bill establishes the following penalties for 18- to 20-year-olds possessing under four ounces of cannabis or equivalent product amounts or combined amounts as specified above:

1. first offense: $50 fine, except the fine is waived if the individual attests to his or her indigency, and

2. second offense: $150 fine, or as an alternative, the individual may perform six hours of community service for a private, nonprofit charity or other nonprofit organization (if the individual chooses community service, he or she must attest to completing that service and present confirming documentation).

In addition, whether it is a first or subsequent offense, the bill requires these individuals to view and sign a statement acknowledging the health effects of cannabis on young people.

**Penalties for Individuals Age 21 or Older Possessing Over the Bill’s Limit but Less Than Four Ounces (§ 3(d))**

Under the bill, someone age 21 or older is subject to fines for possessing more than the bill’s possession limit but less than (1) four ounces of cannabis plant material and five ounces in a locked container in the person’s residence or (2) an equivalent amount of cannabis product or combined amount of cannabis and cannabis product.

The bill establishes a $150 fine for a first offense and $300 fine for a subsequent offense.

**Penalties for Possessing Four or More Ounces (§ 3(e))**

The bill establishes the following penalties for any person possessing at least (1) four ounces of cannabis plant material or five ounces in a locked container in the person’s residence or (2) an equivalent amount of product or combined amount of plant material
and product:

1. first offense: $500 fine and

2. second offense: class C misdemeanor, punishable by up to three months in prison, a fine of up to $500, or both.

In addition, the court (1) must evaluate the person and (2) if it determines that the person is drug dependent, may suspend prosecution and order the person to undergo a treatment program.

The bill requires referral to a drug education program for anyone who for a third time enters a no contest plea to, or is found guilty after trial of, possessing these larger amounts. The person must pay for the program.

The bill specifies that the penalties for larger amounts do not apply to authorized possession by cannabis establishments or their employees.

**Driver’s License Suspension for Underage People (§ 115)**

In addition to the penalties listed above, the bill requires the motor vehicles commissioner to impose a 60-day suspension of the driver’s license or nonresident operating privilege for anyone under age 21 convicted of possessing any amount of cannabis. Current law requires this for underage people convicted of possessing less than ½ ounce of cannabis.

**Violations Subject to Infraction Procedures (§ 6)**

For the above violations punishable by non-criminal fines, the bill generally subjects the violations to the same procedures as those governing infractions. Thus, someone who does not wish to contest the fine may pay it by mail without a court appearance.

Under current law, someone who possesses up to ½ ounce of cannabis may similarly pay the fine by mail without appearing in court.

EFFECTIVE DATE: January 1, 2022, except for a conforming change
regarding driver’s license suspensions, which is effective April 1, 2022.

§§ 4 & 115 — CANNABIS PARAPHERNALIA

For drug paraphernalia actions related to cannabis, (1) raises the threshold amount of cannabis for which misdemeanor penalties apply and (2) for amounts below that threshold, modifies the penalties for individuals under age 18.

Current law prohibits the use, possession with intent to use, manufacture, and other specified actions related to drug paraphernalia in connection with illegal drugs, including cannabis. In general, these actions are infractions if they relate to less than ½ ounce of cannabis or misdemeanors if they relate to larger amounts. The bill raises the threshold amount of cannabis for which the misdemeanor penalties apply. For amounts below that threshold, it modifies the penalties if the offender is under age 18.

Misdemeanor Penalties for Larger Amounts

Under current law, it is a:

1. class C misdemeanor to use or possess with intent to use drug paraphernalia relating to ½ ounce or more of cannabis or

2. class A misdemeanor to deliver, possess with intent to deliver, or manufacture with intent to deliver drug paraphernalia relating to ½ ounce or more of cannabis.

Under the bill, these penalties instead apply to cannabis-related drug paraphernalia actions except those involving (1) under four ounces of plant material, or an equivalent amount of product or combined amount, or (2) up to six plants in the person’s own residence for personal use.

In addition, as under current law relating to more than ½ ounce, there generally is a mandatory one-year minimum prison term if these actions are committed within 1,500 feet of an elementary or secondary school property by someone who is not a student there. The judge may depart from this sentence under certain circumstances (CGS § 21a-283a).

Penalties for Smaller Amounts
Under current law, it is an infraction to (1) use or possess with intent to use or (2) deliver, possess with intent to deliver, or manufacture with intent to deliver, drug paraphernalia in connection with less than ½ ounce of cannabis. The bill instead sets this threshold at the amounts specified above (e.g., under four ounces of plant material or six or fewer plants at home).

For these amounts, the bill retains the existing infraction penalty for persons age 18 or older. For younger people, it applies the same penalties as for cannabis possession of under four ounces. Thus, it (1) prohibits the police from arresting anyone under age 18 for these paraphernalia-related actions and (2) establishes the following penalties:

1. first offense: a written warning and possible referral to a youth services bureau or other appropriate services,

2. second offense: mandatory referral to a youth services bureau or other appropriate services, and

3. third offense: adjudicated as delinquent in juvenile court.

As under current law for these offenses involving less than ½ ounce of cannabis, the bill requires the motor vehicles commissioner to impose a 60-day suspension of the driver’s license or nonresident operating privilege for anyone under age 21 convicted of paraphernalia-related offenses involving these amounts of cannabis (e.g., under four ounces or six or fewer plants at home).

EFFECTIVE DATE: January 1, 2022, except for a conforming change regarding driver’s license suspensions, which is effective April 1, 2022.

§ 5 — DELINQUENCY ADJUDICATION FOR POSSESSION BY JUVENILES

Prohibits minors from being adjudicated delinquent for certain cannabis-related offenses

Under current law, minors (age seven through 17) may be adjudicated delinquent for, among other things, violating most state laws, including laws prohibiting cannabis possession or drug-
paraphernalia actions involving cannabis.

The bill prohibits minors from being adjudicated delinquent for certain cannabis-related offenses. Specifically, it prohibits delinquency adjudications for a first or second offense for the following:

1. possessing up to four ounces of cannabis or equivalent product amounts or combined amounts or

2. drug paraphernalia actions related to under four ounces of cannabis plant material (or equivalent product or combined amounts) or six or fewer plants at home for personal use.

EFFECTIVE DATE: January 1, 2022

§ 7 — MEDICAL ASSISTANCE FOR CANNABIS-RELATED DISTRESS

Generally prohibits prosecuting someone for cannabis possession or certain related offenses if evidence was obtained through efforts to seek medical assistance for cannabis-related medical distress.

The bill generally prohibits prosecuting a person for illegal cannabis possession or certain related offenses (e.g., possession with intent to sell) based on discovery of evidence arising from efforts to seek medical assistance for cannabis-related medical distress.

Specifically, it prohibits prosecuting someone who seeks or receives medical assistance in good faith under the following scenarios:

1. when a person seeks assistance for someone else based on a reasonable belief that the person is experiencing cannabis-related medical distress,

2. when a person seeks medical attention based on a reasonable belief that he or she is experiencing that distress, or

3. when another person reasonably believes that he or she needs medical assistance.

“Good faith” does not include seeking medical assistance while law enforcement officers are executing an arrest or search warrant or
conducted a lawful search.

EFFECTIVE DATE: January 1, 2022

§§ 8 & 9 — CRIMINAL RECORD ERASURE

Allows for petitions to erase records for cannabis-related convictions within a certain period, including for possessing up to four ounces; using or possessing drug paraphernalia; or selling, manufacturing, or related actions involving up to four ounces or up to six plants grown in the person’s home for personal use; provides for automatic erasure of convictions within a certain period for possessing less than four ounces of cannabis or any quantity of non-narcotic or non-hallucinogenic drugs; makes certain changes to existing laws on record erasure for any decriminalized offense

Under existing law, offenders convicted of acts that are subsequently decriminalized may petition to have their records erased. This includes convictions for possessing less than ½ ounce of cannabis, which was decriminalized under state law in 2011 (see State v. Menditto, 315 Conn. 861 (2015)). If petitioned, the court must order the physical destruction of all related police, court, and prosecutor records.

The bill additionally allows anyone with certain cannabis-related convictions to file a court petition for the records’ erasure, as shown in the following table.

<table>
<thead>
<tr>
<th>Date of Conviction</th>
<th>Offense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before January 1, 2000, or October 1, 2015 (see Background) through December 31, 2021</td>
<td>Possession of four ounces or less of cannabis</td>
</tr>
<tr>
<td>Before January 1, 2022</td>
<td>Use or possession with intent to use drug paraphernalia in connection with cannabis use</td>
</tr>
<tr>
<td>Before January 1, 2022</td>
<td>Manufacturing, selling, possessing with the intent to sell, and similar actions involving (1) four ounces or less of cannabis or (2) six or fewer plants grown in the person’s residence for personal use</td>
</tr>
</tbody>
</table>

Additionally, the bill provides for the automatic erasure of convictions from January 1, 2000, through September 30, 2015, for
possessing less than four ounces of cannabis or any amount of certain other drugs. This automatic erasure provision does not apply to (1) narcotics (e.g., heroin or cocaine) or (2) non-marijuana hallucinogens.

PA 11-71, effective July 1, 2011, decriminalized the possession of up to \( \frac{1}{2} \) ounce of marijuana. Thus, possessing less than that amount since then is not a crime and thus is not covered by the bill’s erasure provisions. PA 11-71 similarly decriminalized paraphernalia-related actions involving less than \( \frac{1}{2} \) ounce of marijuana, so these actions since then are also not crimes and not covered by the bill.

The bill specifies that these erasure provisions (both those added by the bill and the existing law on decriminalized offenses) do not apply to court records and transcripts prepared by official court reporters, assistant court reporters, and monitors. It also makes certain changes to existing procedures for the erasure of decriminalized offenses.

EFFECTIVE DATE: July 1, 2022, except for the automatic erasure provisions, which are effective July 1, 2023.

**Petitions for Erasure of Certain Cannabis Possession, Paraphernalia, Sale, and Related Convictions (§ 8)**

Under the bill, a person seeking this erasure must file the petition with the Superior Court (1) where the person was convicted, (2) that has the conviction records, or (3) where venue would currently exist if the conviction took place in a court that no longer exists (e.g., the Court of Common Pleas). The bill bars the court from charging any fees for these petitions.

The petitioner must include a copy of the arrest record or an affidavit supporting that the conviction meets the bill’s requirements set forth above (e.g., for possession convictions, that the amount was four ounces of less). If the petition includes the required documentation, the court must order the erasure of all related police, court, and prosecutor records.

Under the bill, these provisions do not apply if the (1) criminal case is pending or (2) person was charged with multiple counts, until all
counts are entitled to destruction or erasure. But if there are multiple counts, the court must direct the erasure of records of any offenses that would otherwise be entitled to destruction under existing procedures.

**Automatic Erasure of Certain Possession Convictions (§ 9)**

The bill additionally provides for automatic erasure of the police, court, and prosecutor records for certain drug possession convictions from January 1, 2000, through September 30, 2015, as specified above. Under the bill, if these records are electronic, they must be erased; if they are not electronic, they are deemed erased by operation of law. The bill specifies that scanned copies of physical documents are not considered to be electronic records.

Under the bill, someone whose records are erased under these provisions may represent to any entity, other than a criminal justice agency, that he or she has not been arrested or convicted for the erased conviction.

If the person was charged with multiple counts, these provisions do not apply unless all counts are entitled to erasure, except that electronic records, or portions of them, released to the public must be erased to the extent they reference charges entitled to erasure.

The bill specifies that these provisions do not (1) limit any other procedure for erasure of criminal history record information or (2) prohibit someone from participating in those procedures, even if that person’s records have been erased under the bill’s procedure.

The bill specifies that it does not require the Department of Motor Vehicles (DMV) to erase criminal history record information from operators’ driving records. It requires DMV, when applicable, to make this information available through the Commercial Driver’s License Information System.

These provisions also do not require criminal justice agencies to partially redact any of their internal physical documents or scanned copies of them.
Petitions for Erasure of Convictions for Any Decriminalized Offense (§ 8)

Under the bill, some of the above provisions on petitions to erase cannabis convictions also apply to petitions to erase convictions for any decriminalized offenses. These include the provisions (1) specifying the court in which to file the petition if the convicting court no longer exists, (2) prohibiting petitions while a case is pending, and (3) establishing procedures for cases with multiple counts.

Background — 2015 Changes to Drug Possession Laws

Effective October 1, 2015, PA 15-2, §1, June Special Session, replaced the prior penalty for drug possession crimes, which punished most types of illegal drug possession as felonies. It created a new structure that generally punishes possession of half an ounce or more of cannabis, or any amount of another illegal drug, as a class A misdemeanor.

§ 10 — RECORD PURCHASERS AND DISCLOSURE

Current law establishes certain requirements that persons who purchase public criminal records from the judicial branch must meet before disclosing these records. The bill expands these provisions to also cover records purchased from other criminal justice agencies (e.g., the State Police, DMV, or Department of Correction). It also specifies that these requirements apply to background screening providers and similar data-based services or companies, in addition to consumer reporting agencies as under current law.

Under existing law, the judicial branch must make information (such as docket numbers) on erased records available to these purchasers, to allow them to identify and permanently delete these records. Currently, before disclosing the records, the person must purchase from the judicial branch any updated public criminal records or information available to comply with the law, either on a monthly basis or on another schedule the judicial branch establishes. As noted
above, the bill extends these provisions to other criminal justice agencies.

Current law also requires these purchasers to update their records to permanently delete any erased records. The bill requires them to do this within 30 days after receiving information on erased records.

As under existing law, the purchaser may not further disclose erased records.

EFFECTIVE DATE: January 1, 2023

§ 11 — LEGAL PROTECTIONS FOR ESTABLISHMENTS, EMPLOYEES, AND BACKERS

Provides legal protections for cannabis establishments, and their employees and backers, who comply with the bill’s requirements

The bill provides legal protections for cannabis establishments, or their employees or backers, for various cannabis-related actions, as long as they comply with requirements under the bill and related regulations for that person’s license or registration type. These protections apply regardless of conflicting statutes.

Specifically, the protections apply when these people or entities acquire, distribute, possess, use, or transport cannabis or related paraphernalia in their capacity as a cannabis establishment, employee, or backer. They may not be arrested, prosecuted, or otherwise penalized, including being subject to civil penalties, or denied any right or privilege for these actions under the conditions described above.

EFFECTIVE DATE: January 1, 2022

§ 12 — PROFESSIONAL LICENSING DENIALS

Limits when the state can deny a professional license because of certain cannabis-related activity

Subject to the exceptions below, the bill prohibits state entities from denying a professional license because of someone’s (1) employment or affiliation with a cannabis establishment, (2) cannabis possession or use that is legal under the bill or the medical marijuana law, or (3)
conviction for possessing or using under four ounces of cannabis.

This does not apply if denying a license is required due to (1) federal law, (2) an agreement between the federal government and the state, or (3) a substantial risk to public health or safety.

EFFECTIVE DATE: January 1, 2022

§ 13 — RETURN OF SEIZED PROPERTY

Requires the return of drug paraphernalia or other cannabis-related property seized from a consumer for a suspected violation of the law on cannabis possession

The bill establishes when DCP, law enforcement, or court officials must return drug paraphernalia or other cannabis-related property that was seized from a consumer in connection with suspected illegal possession of cannabis (e.g., possession over the bill’s limit).

Specifically, they must return it immediately upon a court’s determination that the consumer’s cannabis possession did not violate the bill. This can be shown by the prosecutor’s decision not to prosecute, the dismissal of the charges, an acquittal, or another final determination by a court that the consumer did not violate the bill’s cannabis possession provisions.

EFFECTIVE DATE: January 1, 2022

§ 14 — CANNABIS GIFTS

Allows consumers to give cannabis or cannabis products to other consumers for free, within the bill’s possession limit

The bill allows consumers (i.e., people age 21 or older) to give cannabis or cannabis products to other consumers for free. This applies as long as the transferor reasonably believes that the other person may possess the cannabis or products without exceeding the bill’s possession limit.

EFFECTIVE DATE: January 1, 2022

§ 15 — PENALTIES FOR ILLEGALLY GROWING OR SELLING CANNABIS

Lowers the penalties for illegally growing up to six cannabis plants for personal use or selling less than eight ounces
Under current law, illegally manufacturing, selling, possessing with intent to sell, or engaging in similar actions related to cannabis is punishable (1) for a first offense, by up to seven years in prison, a fine of up to $25,000, or both or (2) for a subsequent offense, by up to 15 years in prison, a fine of up to $100,000, or both.

As shown in the following table, the bill establishes lower penalties for (1) growing up to six cannabis plants for personal use or (2) sales or related actions involving less than eight ounces of cannabis, or an equivalent product amount or combination of both.

### Penalties for Growing up to Six Cannabis Plants or Selling Under Eight Ounces

<table>
<thead>
<tr>
<th>Conduct</th>
<th>Penalty Under the Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growing up to six cannabis plants in the person’s own residence, for</td>
<td>First offense: up to $500 fine</td>
</tr>
<tr>
<td>personal use</td>
<td>Second offense: class B misdemeanor (up to six months in</td>
</tr>
<tr>
<td></td>
<td>prison, up to $1,000 fine, or both)</td>
</tr>
<tr>
<td>Growing up to six cannabis plants outside the person’s own residence,</td>
<td>First offense: class A misdemeanor (up to one year in</td>
</tr>
<tr>
<td>for personal use</td>
<td>prison, up to $2,000 fine, or both)</td>
</tr>
<tr>
<td></td>
<td>Second offense: class E felony (up to three years in prison,</td>
</tr>
<tr>
<td></td>
<td>up to $3,500 fine, or both)</td>
</tr>
<tr>
<td>Manufacturing, selling, possessing with intent to sell, or similar</td>
<td>First offense: up to $500 fine</td>
</tr>
<tr>
<td>actions involving less than eight ounces of cannabis plant material or</td>
<td>Second offense: class C misdemeanor (up to three months in</td>
</tr>
<tr>
<td>an equivalent amount of cannabis product or combined amount</td>
<td>prison, up to $500 fine, or both)</td>
</tr>
</tbody>
</table>

Under existing law, unchanged by the bill, additional penalties apply for illegal cannabis sales or related actions in certain circumstances. For example, there is a two-year mandatory prison term, running consecutively to the term for the underlying crime (i.e., selling cannabis), if an illegal sale is by a non-drug-dependent person to a minor at least two years younger (CGS § 21a-278a(a)).

EFFECTIVE DATE: January 1, 2022

§ 16 — PAROLE, SPECIAL PAROLE, OR PROBATION
Limits when cannabis possession or use can be grounds to revoke parole, special parole, or probation

The bill generally prohibits cannabis possession or use from being grounds for revoking someone’s parole, special parole, or probation, as long as the person complies with the bill’s requirements (i.e., the possession limit and age restrictions) and the medical marijuana law.

But it allows for cannabis use to be grounds for revocation if a person’s conditions of parole, special parole, or probation (1) include an individualized finding that cannabis use would pose a danger to the person or the public and (2) require the person to refrain from cannabis use.

EFFECTIVE DATE: January 1, 2022

§ 17 — BAIL RELEASE CONDITIONS

Limits when the lawful use of intoxicating substances or drugs may be prohibited as a condition of release on bail

Under current law, bail commissioners or intake, assessment, and referral specialists may require an arrested person, as a condition of release on bail, to refrain from using or possessing intoxicants or controlled substances.

The bill instead allows this blanket restriction as a condition of release only in the case of unlawful use or possession. Otherwise, it allows bail commissioners to require the person, as a condition of release, to refrain from using intoxicants or controlled substances only if they make an individualized finding that the person’s use would be dangerous to himself, herself, or the public. In making this finding, they cannot consider the person’s prior arrests or convictions for cannabis use or possession.

EFFECTIVE DATE: January 1, 2022

§ 18 — SEARCHES AND MOTOR VEHICLE STOPS

Limits when cannabis odor or possession can justify a search or motor vehicle stop

The bill generally provides that the following do not constitute (in whole or part) probable cause or reasonable suspicion, and must not
be used as a basis to support any stop or search of a person or motor vehicle:

1. the possession or suspected possession of up to four ounces of cannabis plant material (or an equivalent amount of product or combined amount);

2. the presence of $500 or less in cash or currency near the cannabis or product; or

3. the odor of cannabis or burnt cannabis.

But the bill allows law enforcement officers to conduct a test for impairment based on this odor if the officer reasonably suspects that the operator or passenger is violating the DUI laws (see below).

Under the bill, any evidence discovered through a stop or search that violates these provisions is not admissible in evidence in any trial, hearing, or other court proceeding.

EFFECTIVE DATE: January 1, 2022

§ 19 — BOARD OF EDUCATION POLICIES

Prohibits school board disciplinary policies from setting stricter penalties for violations involving cannabis than for alcohol

By law, school boards must have policies for dealing with students’ use, sale, or possession of alcohol or drugs on school grounds. The policies must conform with certain standards on private communications between staff and students and must include a process for referring students to appropriate agencies and for cooperating with law enforcement.

The bill prohibits these policies from resulting in students facing greater discipline, punishment, or sanctions for cannabis use, possession, or sale than they would for alcohol.

EFFECTIVE DATE: October 1, 2021

§ 20 — DOMESTICATED ANIMALS
Establishes penalties for feeding cannabis to domesticated animals

The bill makes it a class C misdemeanor to knowingly or recklessly provide cannabis or cannabis products to a domesticated animal. A class C misdemeanor is punishable by up to three months in prison, a fine of up to $500, or both.

EFFECTIVE DATE: October 1, 2021

§ 21 — CANNABIS CONTROL COMMISSION

Establishes a three-member Cannabis Control Commission to establish guidelines for cannabis business licensing

The bill establishes a three-member Cannabis Control Commission. It requires the commission to establish guidelines for DCP’s licensing of cannabis retailers, hybrid retailers, cultivators, micro-cultivators, product manufacturers, food and beverage manufacturers, product packagers, and delivery services.

Under the bill, the commission includes (1) the DCP commissioner, who serves as the commission’s chairperson, and (2) two other members appointed by the governor. The appointed members’ terms coincide with the governor’s term or end when a successor is chosen, whichever is later.

The commissioners must take the oath prescribed for executive officers, and no more than two of them may be members of the same political party.

The governor must fill any vacancy for the unexpired portion of the term and may remove any commissioner through the existing procedures for removing an officer, commissioner, or deputy.

EFFECTIVE DATE: Upon passage

§ 22 — SOCIAL EQUITY COUNCIL

Establishes a Social Equity Council to promote and encourage full participation in the cannabis industry by people from communities disproportionately harmed by cannabis prohibition

The bill establishes a 13-member Social Equity Council to be administered by the Cannabis Control Commission.
Council Membership and Administration

Under the bill, the council’s membership includes the DCP, Department of Revenue Services (DRS), and Department of Economic and Community Development (DECD) commissioners and the OPM secretary, or their designees.

The council also includes nine appointed members, as shown in the following table.

<table>
<thead>
<tr>
<th>Appointing Authority</th>
<th>Appointee Qualifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>House speaker</td>
<td>Professional background of at least five years working in social justice or civil rights</td>
</tr>
<tr>
<td>Senate president pro tempore</td>
<td>Professional background of at least five years working in social justice or civil rights</td>
</tr>
<tr>
<td>House majority leader</td>
<td>Professional background of at least five years working in economic development to help minority-owned businesses</td>
</tr>
<tr>
<td>Senate majority leader</td>
<td>Professional background of at least five years in providing access to capital to racial and ethnic minorities or women</td>
</tr>
<tr>
<td>House minority leader</td>
<td>Professional background of at least five years working in economic development</td>
</tr>
<tr>
<td>Senate minority leader</td>
<td>Professional background of at least five years in providing access to capital to racial and ethnic minorities or women</td>
</tr>
<tr>
<td>Black and Puerto Rican Caucus</td>
<td>Unspecified qualifications</td>
</tr>
<tr>
<td>Governor</td>
<td>Two appointees, each from communities that have been disproportionately harmed by cannabis prohibition and enforcement</td>
</tr>
</tbody>
</table>

The bill requires these appointing authorities to use their best efforts to make appointments that reflect the state’s racial, gender, and geographic diversity. They must make the appointments within 30 days after the bill’s passage. The governor appoints a council chairperson from among its members.
Under the bill, the governor’s appointees serve four-year terms and the other appointees serve three-year terms. The appointing authority must fill any vacancy for the unexpired term. A majority of the council’s members constitutes a quorum.

The bill provides that the council’s members are not paid for their service, but within available appropriations, they must be reimbursed for their necessary expenses.

**Council Responsibilities**

The bill requires the Social Equity Council to promote and encourage full participation in the cannabis industry by people from communities disproportionately harmed by cannabis prohibition and enforcement.

It requires the council, within 45 days after the bill’s passage, to establish criteria for proposals for an independent third party to conduct a study and provide detailed findings of fact on specified matters. The OPM secretary must post the request for proposals on the State Contracting Portal.

The study and findings must address the following issues, in relation to Connecticut:

1. historical and current social, economic, and familial consequences of cannabis prohibition, the criminalization and stigmatization of cannabis use, and related public policies;

2. historical and current structures, patterns, causes, and consequences of intentional and unintentional racial discrimination and disparities in the development, application, and enforcement of this prohibition and related public policies;

3. foreseeable long-term social, economic, and familial consequences of unremedied past racial discrimination and disparities arising from past and continued cannabis prohibition, stigmatization, and criminalization;
4. existing patterns of racial discrimination and disparities in access to entrepreneurship, employment, and other economic benefits arising in the state’s medical marijuana sector; and

5. any other matters that the council deems relevant and feasible to study for making reasonable and practical recommendations for establishing an equitable and lawful adult-use cannabis business sector.

By November 15, 2021, and taking into account the study’s results, the council must make recommendations to the governor and the Finance, Revenue and Bonding, General Law, and Judiciary committees for legislation to implement these social equity provisions. The recommendations must address:

1. creating programs to ensure that individuals from disproportionately harmed communities have equal access to cannabis establishment licenses;

2. specifying additional qualifications for social equity applicants;

3. providing for expedited or priority license processing for social equity applicants for retailer, hybrid retailer, cultivator, micro-cultivator, product manufacturer, food and beverage manufacturer, product packager, and delivery service licenses;

4. establishing minimum criteria for cannabis establishments licensed on or after January 1, 2022, that are not owned by a social equity applicant to comply with an approved plan to reinvest or provide jobs and training opportunities for individuals in disproportionately affected communities;

5. recruiting individuals from these communities to the workforce training program established under the bill (see § 39 below);

6. developing an objective scoring system for evaluating final license applications to ensure cannabis establishments are furthering equity;
7. potential uses for revenue generated under the bill to further equity;

8. encouraging participation by investors, cannabis establishments, and entrepreneurs in the cannabis business accelerator program established under the bill (see § 38 below);

9. establishing a process to best ensure that social equity applicants have access to the capital and training needed to own and operate cannabis establishments; and

10. developing a vendor list of women- and minority-owned businesses that cannabis establishments may contract with for necessary services, such as office supplies, information technology infrastructure, and cleaning services.

EFFECTIVE DATE: Upon passage

§ 23 — CANNABIS ARREST AND CONVICTION DATA
Requires the Social Equity Council to report on cannabis arrest and conviction data

The bill requires the Social Equity Council, by October 1, 2023, to report to the governor and Judiciary Committee on arrest and conviction data for cannabis possession, including a breakdown by town, race, gender, and age.

EFFECTIVE DATE: Upon passage

§ 24 — AGE REQUIREMENTS
Requires individuals to be at least (1) age 21 to hold any cannabis establishment license or be a backer or key employee and (2) age 18 to be employed at a cannabis establishment

The bill requires individuals to be at least age 21 to (1) hold any cannabis establishment license or (2) be a backer or key employee of a cannabis establishment.

It requires individuals to be at least age 18 to (1) be a cannabis establishment employee or (2) be employed by a cannabis establishment or licensee.

EFFECTIVE DATE: July 1, 2021
§ 24 — REGISTRATION OR LICENSE REQUIRED

Generally requires all cannabis establishment employees, key employees, and backers to obtain a DCP registration or license, as applicable.

The bill generally requires all cannabis establishment employees, key employees, and backers to obtain a DCP registration or license, as applicable, in a manner the DCP commissioner prescribes. The bill exempts:

1. delivery service employees that do not (a) transport, store, or distribute, or have access to cannabis or cannabis products and (b) engage in security controls or contract management with other cannabis establishments;

2. product packager employees who do not (1) have access to cannabis or cannabis products, or (2) engage in the physical packaging, security controls, or contract management with other cannabis establishments; and

3. other employee categories the commissioner determines, provided that key employees are not exempt from registration or licensure requirements.

EFFECTIVE DATE: July 1, 2021

§ 25 — ADVERSE ACTION DUE TO FEDERAL LAW PROHIBITED

Prohibits agencies or political subdivisions of the state from relying on a federal law violation related to cannabis as the sole basis for taking an adverse action against a person; prohibits law enforcement officers from assisting a federal operation if the activity complies with the bill’s provisions; specifies that it is Connecticut’s public policy that contracts related to operating cannabis establishments are enforceable.

Under the bill, no agency or political subdivision of the state (e.g., municipality) may rely on a federal law violation related to cannabis as the sole basis for taking an adverse action against a person.

Under the bill, it is Connecticut’s public policy that (1) contracts related to operating cannabis establishments are enforceable and (2) no contract entered into by a licensed cannabis establishment or its agents as authorized under the license, or by those who allow the establishment to use the property, its employees, or its agents as
authorized under the license, be unenforceable on the basis that cultivating, obtaining, manufacturing, distributing, dispensing, transporting, selling, possessing, or using cannabis is prohibited by federal law.

The bill prohibits, under certain circumstances, law enforcement officers employed by an agency that receives state or local government funds from expending resources, including the officer’s time, to (1) effect any arrest or seizure of cannabis, or conduct any investigation, or (2) provide information or logistical support to a federal law enforcement authority or prosecuting entity. These actions are prohibited if (1) they are solely based on an activity that the officer believes constitutes a federal law violation and (2) the officer has a reasonable belief that the activity complies with the bill’s recreational cannabis licensure provisions or medical marijuana laws.

EFFECTIVE DATE: July 1, 2021

§ 26 — MEDICAL MARIJUANA PRODUCER EXPANDED ACTIVITIES

Allows medical marijuana producers to expand their license to include certain recreational cannabis-related activities, upon DCP authorization

Under the bill, in addition to the permitted activities under the medical marijuana laws, a producer may expand its license and be authorized to sell, deliver, transfer, or transport cannabis or cannabis products using a delivery service or the producer’s own employees, to cannabis establishments, upon DCP’s written authorization. Producers may not transport any cannabis or cannabis products to consumers, patients, or caregivers directly or through a delivery service.

The authorization may be granted only after (1) DCP receives a complete license expansion application on a DCP-prescribed form, (2) the producer submits and DCP approves a medical cannabis preservation plan to ensure against supply shortages of medical marijuana product, and (3) payment of the $750,000 license expansion fee for producers to engage in the adult use cannabis market.

EFFECTIVE DATE: July 1, 2021
§ 26 — PERMITTED CANNABIS-RELATED ACTIVITIES BY SPECIFIED ENTITIES

Specifies only certain entities may deliver, sell, or offer cannabis to consumers, patients, or caregivers.

Except as allowed under the dependency-producing drug and medical marijuana laws, the bill prohibits anyone other than (1) a retailer, hybrid retailer, micro-cultivator, or delivery service, or their employees in the course of their employment, from delivering, selling, or offering cannabis or cannabis products to a consumer and (2) a hybrid retailer, dispensary facility, or delivery service, or their employees in the course of their employment, from delivering, selling, or offering cannabis or cannabis products to qualifying patients and caregivers.

EFFECTIVE DATE: July 1, 2021

§ 27 — INTERSTATE SALES AND TRANSFERS PROHIBITED

Prohibits cannabis establishments from taking actions outside Connecticut if they violate federal law.

The bill prohibits a cannabis establishment from selling or obtaining cannabis or cannabis products from a location outside the state, or otherwise transferring them to or from such a location, if the activity would violate federal law.

EFFECTIVE DATE: July 1, 2021

§ 28 — PAYMENT FOR PROMOTION AND EXCLUSIVE CONTRACTS PROHIBITED

Prohibits retailers from (1) accepting payment from certain entities to place or promote their product and (2) entering into exclusive contracts.

The bill prohibits cannabis retailers or hybrid retailers from accepting payment or other forms of compensation from a cultivator, micro-cultivator, producer, food and beverage manufacturer, or product manufacturer to carry a cannabis product or for placing or promoting a product in the retail location. It also prohibits these retailers from entering into exclusive or near exclusive contracts with these entities or other contracts that limit the retailer from purchasing from other entities.
EFFECTIVE DATE: July 1, 2021

§ 28 — SALES OF CANNABIS INTENDED FOR ANIMAL USE PROHIBITED

Prohibits cannabis establishments from preparing or selling cannabis intended for animal use.

The bill prohibits cannabis establishments from producing, manufacturing, or selling cannabis or cannabis products intended for use or consumption by animals.

EFFECTIVE DATE: July 1, 2021

§ 28 — TRANSACTION LIMITS FOR CANNABIS

Limits the amount a customer may buy to one ounce; sets the limit at five ounces for a qualifying patient or caregiver; allows the DCP commissioner to set lower limits.

The bill generally prohibits a retailer or hybrid retailer from knowingly selling to a customer more than one ounce of cannabis or the equivalent amounts of cannabis product or a combination of both. But the bill allows a hybrid retailer or dispensary facility to sell up to five ounces to qualifying patients or caregivers per day. Regardless of the Uniform Administrative Procedure Act’s (UAPA) requirements for giving notice amending regulations, in order to avoid cannabis shortages or address a public health and safety concern, the DCP commissioner may set temporary lower per-transaction limits, which must be published on DCP’s website. These limits become ineffective six months after their publication or when the commissioner determines that the shortage or concern no longer exists, whichever is earlier.

EFFECTIVE DATE: July 1, 2021

§ 28 — CANNABIS ESTABLISHMENTS PROHIBITED FROM HAVING LIVE CANNABIS PLANTS

Generally prohibits cannabis establishments from having live plants unrelated to their licensed operations.

The bill prohibits a cannabis establishment, except a producer, cultivator, or micro-cultivator, from acquiring or possessing live cannabis plants.
EFFECTIVE DATE: July 1, 2021

§ 28 — CREDENTIAL ASSIGNMENT PROHIBITED

Generally prohibits the assignment or transfer of a cannabis credential

The bill prohibits anyone issued a license or registration under the bill from assigning or transferring it without the commissioner’s prior approval.

EFFECTIVE DATE: July 1, 2021

§ 29 — REGISTRATION OR LICENSE REQUIRED

Requires cannabis establishment employees to be registered and backers or key employees to be licensed; specifies certain crimes disqualify prospective licensees

The bill requires cannabis establishment employees, other than key employees, to annually apply for and obtain a registration on a form and in a manner the DCP commissioner prescribes. They must do so before beginning their employment at the establishment.

The bill also requires a backer or key employee, or anyone representing that they are one, to be licensed by DCP. These individuals must apply for a license on a form and in a manner the commissioner prescribes. The form may require the applicant to:

1. submit to a state and national criminal check (see also §§ 30 & 31), which may include a financial history check if the commissioner requests it, to determine the applicant’s character and fitness for the license;

2. provide information sufficient for DCP to assess whether the applicant has an ownership interest in another cannabis establishment, cannabis establishment applicant, or cannabis-related business nationally or internationally; and

3. obtain any other information DCP determines is consistent with the bill or the medical marijuana laws.

A backer or key employee must be denied a license if his or her background check reveals a disqualifying conviction. Under the bill, a “disqualifying conviction” is a conviction in the last 10 years that the
state, another state, or the federal government has not pardoned, for the following offenses:

1. money laundering in the first, second, or third degree (CGS §§ 53a-276 to -278);

2. vendor fraud in the first, second, or third degree (CGS §§ 53a-291 to -293);

3. insurance fraud (CGS § 53a-215);

4. forgery in the first or second degree (CGS §§ 53a-138 & -139);

5. filing a false record (CGS § 53a-142a);

6. certain bribery-related crimes (CGS §§ 53a-147 to -150, -152, -153 & -158 to -161);

7. certain tampering with or intimidating witnesses, jurors, or evidence crimes (CGS §§ 53a-151, -151a, -154 & -155);

8. perjury or false statements (CGS §§ 53a-151, -156, -157a & -157b);

9. certain crimes related to bids and kickbacks (CGS §§ 53a-161 to -162);

10. telephone fraud in the first, second, third, or fourth degree (CGS §§ 53a-125c to -125f);

11. identity theft in the first, second, or third degree (CGS § 53a-129b to -129d);

12. conspiracy or criminal attempt, if the offense which is attempted or is an object of the conspiracy is one of the offenses listed above (CGS §§ 53a-48 & -49);

13. willfully delivering or disclosing certain tax forms that the person knows to be fraudulent (CGS § 12-737(b)); or
14. any law in another state or federal government that has elements that are substantially similar to the offenses listed above.

Under the bill, anyone who receives a cannabis establishment, backer, or key employee license or employee registration must provide written notice to DCP about any changes to the information supplied on the application within five business days after the change.

EFFECTIVE DATE: July 1, 2021

§§ 30 & 31 — CRIMINAL HISTORY CHECKS

Requires initial backers and key employees to submit to criminal history checks before getting their license

On and after July 1, 2021, the bill generally requires the DCP commissioner to require that each applicant for an initial backer or key employee license submit to fingerprint-based state and national criminal history checks before issuing the license. These checks must be conducted under the state’s criminal history record checks law. The commissioner may require a backer or key employee to comply with the same requirements before renewing the license. The bill requires DCP to charge the applicant a fee equal to the cost.

Instead of the requirements above, the bill allows the commissioner to accept an initial backer or key employee applicant’s submission of a third-party local and national criminal background check that includes a multistate and multi-jurisdiction criminal record locator or similar commercial nationwide database with validation, and other background screening the commissioner may require. The bill requires any of these checks to be conducted by a third-party consumer reporting agency or background screening company that complies with the federal Fair Credit Reporting Act and is accredited by the Professional Background Screening Association.

EFFECTIVE DATE: July 1, 2021

§ 32 — IMPLEMENTING REGULATIONS AND POLICIES AND PROCEDURES
Requires the commissioner to adopt regulations and policies and procedures on various cannabis issues (e.g., appropriate serving size, labeling and packaging, consumer health materials, laboratory standards, certain prohibitions regarding minors, certain supply requirements, and product registration)

The bill requires the DCP commissioner to adopt regulations to implement the bill’s provisions. Regardless of the UAPA’s regulation adoption process, in order to effectuate the bill’s purposes and protect public health and safety, before adopting the required regulations, the commissioner must issue policies and procedures to implement the bill’s provisions. These policies and procedures have the force and effect of law.

At least 15 days before the policies and procedures are effective, the bill requires the commissioner to post them on DCP’s website and submit them to be posted on the Secretary of the State’s (SOTS) website. A policy or procedure is no longer effective once SOTS codifies the final regulation or, if the regulations have not been submitted to the Regulations and Review Committee, starting 48 months after this provision’s effective date, whichever occurs earlier.

The bill requires the commissioner to issue policies and procedures and then final regulations that:

1. set appropriate dosage, potency, concentration, and serving size limits and delineation requirements for cannabis and cannabis products, as long as a standardized serving of edible cannabis product or beverage contains no more than five milligrams of THC;

2. require each single standardized serving of cannabis product in a multi-serving edible product or beverage to be physically demarked in a way that lets a reasonable person determine how much is a single serving and a maximum THC amount per multiple-serving edible cannabis product or beverage;

3. require that, if it is impracticable to clearly demark every standardized cannabis product serving or make each standardized serving easily separable in an edible cannabis
product or beverage, the product must contain no more than five milligrams of THC per unit of sale;

4. establish consumer health materials, in consultation with the Department of Mental Health and Addiction Services (DMHAS), that must be posted or distributed, as the DCP commissioner specifies, by cannabis establishments to maximize dissemination to cannabis consumers (these may include pamphlets, packaging inserts, signage, online advertisements, and advisories, and printed health materials must be provided to all consumers under age 25);

5. establish laboratory testing standards;

6. restrict forms of cannabis products and their delivery systems to ensure consumer safety and deter public health concerns;

7. prohibit adding flavoring to certain cannabis products, including any cannabis product that is combusted, aerosolized, or vaporized;

8. prohibit product types that appeal to children;

9. establish physical and cyber security requirements related to build out, monitoring, and protocols for cannabis establishments as requirements for licensure;

10. place temporary limits on cannabis and cannabis product sales in the adult-use market, if the commissioner deems appropriate and necessary to respond to product shortages for qualifying patients;

11. require retailers and hybrid retailers to make best efforts to provide access to (a) low-dose THC products, including products that have one milligram and 2.5 milligrams of THC per dose, and (b) high-dose cannabidiol (CBD) products; and

12. require producers, cultivators, micro-cultivators, product manufactures, and food and beverage manufacturers to register
brand names for cannabis and cannabis products under the procedures and subject to the fees in the medical marijuana law.

The commissioner must also impose policies and procedures and then regulations on labeling and packaging requirements for cannabis and cannabis products a cannabis establishment sells. These must include:

1. a universal symbol to indicate that a product contains cannabis, and prescribe how the product and packaging must use and exhibit the symbol;

2. a disclosure about how long it typically takes for the cannabis or cannabis product to affect an individual, including that certain forms take longer to have an affect;

3. a notation of the amount of cannabis the cannabis product is considered equivalent to;

4. a list of ingredients and all additives for cannabis and cannabis products;

5. child-resistant packaging;

6. product tracking information sufficient to determine where and when the cannabis was grown and manufactured so that a product recall could be effectuated;

7. a net weight statement;

8. a recommended use by or expiration date; and

9. standard and uniform packaging and labeling, including requirements that all packaging is opaque and on branding or logos.

EFFECTIVE DATE: Upon passage

§ 33 — CERTAIN ADVERTISEMENTS PROHIBITED
Prohibits cannabis establishments from advertising in certain ways (e.g., targeting those under age 21, representing that cannabis has therapeutic effects, sponsoring certain events, and advertising near certain schools); requires a warning regarding under age 21 cannabis use.

The bill prohibits cannabis establishments from:

1. advertising cannabis or cannabis products and paraphernalia in ways that target or are designed to appeal to those under the legal age (21) to purchase cannabis (this includes having spokespersons or celebrities who appeal to these underage individuals; depicting anyone under age 21 consuming cannabis or cannabis products; including objects such as toys, characters, or cartoon characters suggesting underage individuals are present; or any other depiction designed to appeal to someone under age 21);

2. engaging in advertising unless the advertiser has reliable evidence that at least 90% of the advertisement’s audience is reasonably expected to be age 21 or older;

3. engaging in advertising or marketing directed toward location-based devices, including cellphones, unless the marketing is a mobile device application that the owner, who is age 21 or older, installed on the phone and includes a permanent and easy opt-out feature and warnings that use of cannabis and cannabis products is restricted to those age 21 and older;

4. advertising cannabis or cannabis products in a manner that represents the product as having curative or therapeutic effects, or making medical claims or promoting cannabis for wellness purposes, unless the claims are substantiated in the medical marijuana regulations or a licensed pharmacist verbally conveys it during the course of business in a hybrid retail or dispensary facility;

5. sponsoring charitable, sports, musical, artistic, cultural, social, or other similar events or advertising at or in connection with these events, unless the sponsor or advertiser has reliable
evidence that not more than 10% (a) of the in-person audience is reasonably expected to be under age 21 and (b) of the audience that will watch, listen, or participate in the event is expected to be under age 21;

6. advertising cannabis or cannabis products or paraphernalia in any physical form visible to the public within 500 feet of elementary or secondary school grounds;

7. cultivating cannabis or manufacturing cannabis products for distribution outside of Connecticut in violation of federal law; and

8. exhibiting within or on the outside of the cannabis establishment or including in any advertisement the words “drug store,” “pharmacy,” apothecary,” “drug,” “drugs,” or “medicine shop,” or any combination of these terms or other words, displays, or symbols indicating that the business is a pharmacy.

The bill requires cannabis establishments’ advertisements to have the following warning: “Do not use cannabis if you are under twenty-one years of age. Keep cannabis out of the reach of children.” For print or visual mediums, the warning must be easily legible and take up less than 10% of the advertisement space. For an audio medium, the warning must be at the same speed as the rest of the advertisement and be easily intelligible.

EFFECTIVE DATE: January 1, 2022

§ 33 — BRAND NAME REGISTRATION PROHIBITED

Prohibits DCP from registering certain cannabis brands if they are similar to existing or unlawful products or previously approved cannabis brands

The bill prohibits DCP from registering any cannabis brand name that is:

1. identical or confusingly similar to the name of an existing non-cannabis product or unlawful product or substance;
2. confusingly similar to the name of a previously approved cannabis brand name;

3. obscene or indecent; and

4. customarily associated with individuals under age 21.

EFFECTIVE DATE: January 1, 2022

§§ 34 & 35 — APPLICATION TYPES AND FEES

Allows DCP to accept social equity applications beginning July 1, 2021, and other applications beginning January 1, 2024; sets application fees

Starting July 1, 2021, the bill allows DCP to accept applications from social equity applicants for the following licenses:

1. retailer,

2. hybrid retailer,

3. cultivator,

4. micro-cultivator,

5. product manufacturer,

6. food and beverage manufacturer,

7. product packager, and

8. delivery service.

On the same date, DCP may also accept applications from (1) medical marijuana dispensary facilities to convert their license to a hybrid-retailer and (2) producers for authorization to expand their license to engage in the adult use cannabis market. Starting January 1, 2024, DCP may accept applications from anyone.

The DCP commissioner must prescribe the form and manner of application, in consultation with the Cannabis Control Commission. DCP must post on its website the application period for each license type. DCP may consider complete and timely applications.
Before DCP starts accepting applications for a license type, it must, in consultation with the commission, determine the maximum number of applications that will be considered for that license type and post the information on its website. DCP must reserve 40% of the maximum number of applications that must be considered for eligible license types for social equity applicants.

**Fees**

Under the bill, the following fees must be paid by each applicant (unless they are a social equity applicant, see below):

1. a retailer or hybrid retailer fee or product packager fee to enter the lottery is $500, the fee for a provisional license is $5,000, and the fee for a final license is $25,000;

2. a cultivator fee to enter the lottery is $1,000, the fee for a provisional license is $25,000, and the fee for a final license is $75,000;

3. a micro-cultivator fee to enter the lottery is $250, the fee for a provisional license is $500, and the fee for a final license is $1,000;

4. a product manufacturer fee to enter the lottery is $750, the fee for a provisional license is $5,000, and the fee for a final license is $25,000; and

5. a food and beverage manufacturer fee or delivery service fee to enter the lottery is $250, the fee for a provisional license is $1,000, and the fee for a final license is $5,000.

Under the bill, the license fee for a backer or key employee is $100; employee registrations for others are $50. The license conversion fee for a dispensary facility to become a hybrid retailer is $250,000. The license expansion fee for a producer to engage in the adult use cannabis market is $750,000.

The bill requires any fee DCP collects to be paid to the State
Treasurer and credited to the General Fund, but the conversion and expansion fees must be deposited in the cannabis social equity account (see below).

**EFFECTIVE DATE: July 1, 2021**

**§§ 34 & 35 — SOCIAL EQUITY PROVISIONS**

* Allows social equity applicants to pay 50% of most fee amounts; establishes the cannabis social equity account; requires the Social Equity Council to review certain information on equity applications

**Fees**

Under the bill, a social equity applicant must pay 50% of any of the fee amounts listed above (§ 34), except the applicant must pay the full amount for conversion and expansion fees.

**Cannabis Social Equity Account**

The bill establishes the “cannabis social equity account,” as a separate, non-lapsing General Fund account. The account must contain any money the law requires to be deposited in it, including conversion and expansion fees. The Cannabis Control Commission must use the money for the cannabis business accelerator program (see § 38, below) and the workforce training program (see § 39, below).

**Social Equity Council Application Review**

The bill requires the Social Equity Council to review the ownership and demographic information in the applications for the micro-cultivator, food and beverage manufacturer, and delivery service license types, if the applicant designates it for the council to review, to identify eligible social equity applicant applications. The council must define majority ownership and the documentation needed to establish such ownership and residency. The bill prohibits providing the council with identifying information beyond what is needed to establish social equity status.

**Lottery**

Under the bill, social equity applications are entered into the lottery for the applicable license type, and if applicable, into the separate and distinct social equity application lottery for the license type. However,
the maximum license award restrictions apply, and a single application is not eligible for more than one provisional license.

EFFECTIVE DATE: July 1, 2021

§ 35 — LOTTERY AND APPLICATION RANKING

Sets procedure for putting applicants in a license lottery, which must be conducted by a third-party lottery operator

Under the bill, if the application period for a license type closes and DCP received more than the maximum number of applications, a third-party lottery operator must conduct a lottery to select applications for DCP-review. If an application period closes and the Social Equity Council has identified more qualifying social equity applicants than the number allocated to be reserved, a third-party lottery operator must conduct a lottery to select applications for DCP and the council to review.

The third-party operator must:

1. not be given any application received after the application period closed;

2. give equal weight to every complete application submitted during the application period; and

3. conduct an independent lottery for each license type (the same applies to the social equity lottery) that results in each application being randomly ranked starting with one and continuing sequentially.

The third-party operator must also identify for DCP all applicants to be considered, which must consist of the applications ranked numerically. If DCP determined that it would review 10 applications for a license type, the lottery must identify the applications ranked 1 to 10. DCP may only review and issue licenses to applications selected through the lottery.

Under the bill, a “third-party lottery operator,” means a person, or a state higher education institution, that conducts the initial selection of
cannabis establishment applicants from the lottery and has no direct or indirect oversight of or investment in a cannabis establishment.

The bill requires the third-party lottery operator to rank all applications numerically, including those that exceed the number to be considered. The bill does not prevent the (1) operator from providing the numerical rankings of all applications for each license type for which the lottery is performed or (2) department from obtaining the numerical rankings of all applications for each license type for which a lottery was performed.

EFFECTIVE DATE: July 1, 2021

§ 35 — REVIEW FOR DISQUALIFYING CONDITIONS

Requires DCP and the council to review applications selected through the lottery

Under the bill, upon being notified by the third-party lottery operator of the applications chosen for review, DCP must review each application to confirm it is complete and determine whether any application:

1. includes a backer with a disqualifying conviction or would result in common ownership in violation of the cap the bill sets, or
2. has a backer who individually or in connection with a cannabis business in another state or country has an administrative finding or judicial decision that may substantively compromise the cannabis program’s integrity, as DCP determines, or that precludes its participation in the state’s cannabis program.

Concurrently, the bill requires the Social Equity Council to also review social equity applicants’ applications for completeness and to determine whether the applicant’s majority ownership meets the applicable criteria. If the number of applications submitted is equal to or less than the maximum number posted on DCP’s website, the department may immediately begin to review the applications without using a lottery process.
Denied Applications

Under the bill, if an applicant or a single backer of an applicant is disqualified because of the criteria set above, the entire application must be denied, and the denial is DCP’s final decision, provided:

1. backers of the applicant entity named in the lottery application submission may be removed before submitting a final license application, and

2. no additional backers may be added to a cannabis establishment application between lottery entry and when a final license is awarded to the cannabis establishment.

If the applicant removes a backer that would cause the applicant to be denied, then the applicant entity must not be denied a license for that reason, if the backer is removed within 30 days after DCP’s notice about the backer’s disqualification. Within 30 days after serving denial notice to the applicant, the applicant may appeal to Superior Court under the UAPA.

If an application is disqualified as described above, the bill allows DCP to request that the lottery identify the next-ranked application in the applicable lottery. This process may continue until the department has identified for further consideration the number of applications equivalent to the maximum number on its website. If the number of applications remaining is less than the maximum number posted, DCP may reopen the application period or award fewer licenses.

EFFECTIVE DATE: July 1, 2021

§ 35 — PROVISIONAL LICENSES

Requires DCP to issue provisional licenses, valid for 14 months, if an application is not disqualified; provisional license does not allow licensee to begin cannabis-related operations.

Application

The bill requires that all applicants selected in the lottery and not disqualified be provided a provisional license application, which must be submitted in a form and manner the commissioner prescribes.
Applicants must complete their application within 60 days after they receive it and the right to apply for a provisional license is nontransferable.

**Review and Issuance**

Upon receiving an applicant’s provisional application, DCP must review it for completeness and confirm that all information provided is acceptable and complies with applicable requirements and regulations, if adopted.

Under the bill, if a provisional application meets the standards, the applicant must be provided a provisional license, which is nontransferable. If the application does not meet the standards or is not completed within 60 days, the applicant must not receive a provisional license. DCP’s decision not to award a provisional license is final but may be appealed under the UAPA. The bill specifies that nothing in this provision prevents a provisional applicant from applying for a future lottery.

A provisional license expires after 14 months and is not renewable. A provisional licensee may apply for a final license during the initial application period.

**EFFECTIVE DATE:** July 1, 2021

**§ 35 — FINAL LICENSE**

*Specifies information that must be submitted as part of an application*

The bill requires final license applications to be submitted on a form and in a manner the DCP commissioner approves and must include the information required before, as well as evidence of the following:

1. a contract with an approved seed-to-sale vendor in accordance with the bill’s provisions;

2. a right to occupy the location where the cannabis establishment will be located;

3. any necessary local zoning approval for the cannabis
establishment;

4. a social equity plan;

5. written policies for preventing diversion and misuse of cannabis and sales to underage persons;

6. all other security requirements set forth by the department based on the specific license type; and

7. a labor peace agreement entered into between the cannabis establishment and a bona fide labor organization.

Under the bill, a “labor peace agreement” is an agreement between a cannabis establishment and a bona fide labor organization that protects the state’s interests by, at minimum, prohibiting the labor organization from engaging in picketing, work stoppages, or boycotts against the cannabis establishment. A “bona fide labor organization” is a labor union (1) that represents employees in the state with regard to wages, hours, and working conditions; (2) whose officers have been elected by a secret ballot or in a manner consistent with federal law; (3) that is free of employer domination or interference; (4) that has received no improper assistance or support from an employer; and (5) that is actively seeking to represent cannabis workers in the state.

The bill allows DCP, at any point before the provisional license expires, to award a provisional licensee a final license for the license type for which the licensee applied. Prior to receiving final license approval, a provisional licensee must not possess, distribute, manufacture, sell, or transfer cannabis. In addition, DCP may conduct a site inspection before issuing a final license.

The bill allows a cannabis establishment to begin operations at any time after receiving a final license, if all other requirements for opening a business comply with state law, all employees have been registered, and all key employees and backers have been licensed.

EFFECTIVE DATE: July 1, 2021
§ 36 — CHANGE IN OWNERSHIP REGULATIONS

Requires the Cannabis Control Commission to adopt regulations to prevent changes of social equity ownership within three years of license issuance.

The bill requires the Cannabis Control Commission to adopt regulations to prevent the sale or change in ownership of a producer, dispensary facility, cultivator, micro-cultivator, retailer, hybrid retailer, food and beverage manufacturer, product manufacturer, product packager, or delivery service license awarded to a social equity applicant for three years after issuance, unless the backer has died or become seriously ill. If the licensee is unable to successfully operate, the license reverts to the state.

EFFECTIVE DATE: July 1, 2021

§ 37 — CANOPY REGULATIONS

Requires the Cannabis Control Commission to adopt regulations to establish the maximum canopy space a cultivator or micro-cultivator may use.

The bill requires the Cannabis Control Commission to adopt regulations to establish the maximum canopy space allowed for a cultivator and micro-cultivator. “Canopy space” is the surface area used to produce mature marijuana plants calculated in square feet and measured using the outside boundaries of any area that includes mature marijuana plants, including all the space within the boundaries.

The bill requires the canopy space’s square footage to be measured horizontally starting from the outermost point of the farthest mature flowering cannabis plant in a designated growing space and continuing around the outside of all mature flowering cannabis plants within the designated growing space. If growing spaces are stacked vertically, each level of space must be measured and included as part of the total canopy space measurements. In adopting these regulations, the commission must seek to ensure an adequate supply of cannabis for the market.

EFFECTIVE DATE: July 1, 2021

§ 38 — CANNABIS BUSINESS ACCELERATOR PROGRAM
Requires the Cannabis Control Commission to develop a cannabis business accelerator program to provide technical assistance to accelerator licensees

The bill requires the Cannabis Control Commission, with the advice of the Social Equity Council and in coordination with DECD, to develop a cannabis business accelerator program to provide technical assistance to accelerator licensees by partnering accelerator licenses with a cannabis establishment. The commission may consult with a state higher education institution in developing the program.

The bill allows any person who meets the criteria to apply for an accelerator license. To qualify, an individual must:

1. have been, as an adult or juvenile, arrested for or convicted of, the sale, possession, use, manufacture, or cultivation of cannabis;

2. have a parent, spouse, or child who was, as an adult or juvenile, arrested for or convicted of the sale, possession, use, manufacture, or cultivation of cannabis;

3. have been a resident of a disproportionately affected community for at least five of the 10 years immediately before the application date; or

4. be a resident of tribal land.

Starting October 1, 2021, DCP may accept applications from qualified individuals for the following license types: (1) accelerator retailer, (2) accelerator cultivator, (3) accelerator product manufacturer, (4) accelerator food and beverage manufacturer, and (5) accelerator product packager.

Starting July 1, 2022, DCP may accept applications from (1) retailers, (2) cultivators, (3) product manufacturers, (4) food and beverage manufacturers, (5) product packagers, (6) hybrid-retailers, and (7) micro-cultivators to partner with an accelerator licensee of the same license type.

Under the bill, as part of the cannabis business accelerator program,
accelerator licensees may be required to participate in training on accounting methods, business services, how to access capital markets and financing opportunities, and regulatory compliance. Social equity applicants who have been awarded either a provisional or final license for a cannabis establishment may participate in the training programs.

The commission must facilitate opportunities for participants in the cannabis business accelerator program to meet with potential investors. An accelerator licensee who has partnered with an establishment must be allowed the same privileges afforded the cannabis establishment licensee.

The bill allows the commission to determine the duration and number of accelerator licenses to award.

EFFECTIVE DATE: Upon passage

§ 39 — WORKFORCE TRAINING PROGRAM

Requires the Cannabis Control Commission to develop a workforce training program

The bill requires the Cannabis Control Commission, in consultation with the Social Equity Council and in coordination with DECD, to develop a workforce training program to further equity goals, ensure cannabis establishments have access to a well-trained employee applicant pool, and support individuals who live in a disproportionately affected community to find employment in the cannabis industry. The commission may partner with the Workforce Investment Boards and any higher education institution to develop the program.

The commission must (1) consult with establishments on an ongoing basis to develop workforce training programs that meet their business needs and (2) as part of the required workforce training program, develop a universal application for prospective enrollees in the program.

Under the bill, workforce training program enrollees may opt to have their information provided to establishments as prospective employees upon completion.
EFFECTIVE DATE: Upon passage

§ 40 — LICENSE AND OWNERSHIP LIMIT

Limits the number of licenses certain individuals may hold to two; limits how many cannabis establishments for which an individual can serve as backer.

From July 1, 2021, until June 30, 2025, the bill prohibits DCP from awarding a cannabis establishment license to any lottery applicant who, when the lottery is conducted, (1) has two or more licenses or (2) includes a backer for two or more licensees in the same license type or category for which the applicant has entered the lottery.

For the purposes of this limitation, the bill considers the following licenses to be in the same category (1) retailers and hybrid retailers and (2) producers, cultivators, and micro-cultivators.

Under the bill, applicants entering the lottery for a cannabis establishment license on or before June 30, 2025, are disqualified if a review of the business entity’s affiliations or those of any backer shows that the applicant or its backers also have an ownership interest of 5% or more in or managerial control over two other establishments with the same license type or category.

The bill requires individuals applying for a backer license to be denied if they exceed the ownership threshold the bill sets.

EFFECTIVE DATE: July 1, 2021

§§ 41-49 — DCP ISSUED LICENSES

Starting July 1, 2021, allows DCP to administer licenses for retailers, hybrid retailers, food and beverage manufacturers, product manufacturers, product packagers, delivery services, cultivators, and micro-cultivators; prohibits anyone from acting or representing themselves as one of these licensees without obtaining a license; establishes licensure requirements; allows dispensaries to convert to hybrid retailers and vice versa.

Starting July 1, 2021, the bill allows DCP to administer licenses for (1) retailers, (2) hybrid retailers, (3) food and beverage manufacturers, (4) product manufacturers, (5) product packagers, (6) delivery services, (7) cultivators, and (8) micro-cultivators. It prohibits anyone from acting or representing themselves as any of these professions without obtaining a DCP license. The bill establishes related licensure
requirements (see §§ 34 & 35 for license fees).

Additionally, the bill:

1. allows a dispensary facility to convert its license to a hybrid retailer license starting September 1, 2021;

2. prohibits a hybrid retailer from converting its license to a retailer license, instead requiring it to apply for a retail license through the DCP lottery application process; and

3. allows a hybrid retailer to convert its license to a dispensary facility if it complies with applicable state laws and obtains DCP approval.

EFFECTIVE DATE: July 1, 2021

Retailer and Hybrid Retailer Licenses (§§ 41-43)

The bill allows licensed retailers and hybrid retailers to:

1. obtain cannabis or cannabis products from a cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product manufacturer, or delivery service;

2. sell, transport, or transfer cannabis or cannabis products to a delivery service, laboratory, or research program; and

3. deliver cannabis and cannabis products using a delivery service or its own employees, except that hybrid retailers must comply with the bill’s delivery restrictions for dispensary facilities that convert to hybrid retailers (see § 43 below).

The bill also allows licensees to sell cannabis or cannabis products to consumers, but:

1. retailers cannot (a) sell medical marijuana products or offer discounts or other inducements to qualifying patients or caregivers or (b) gift or transfer cannabis or cannabis products for free to a consumer as part of a commercial transaction and
2. hybrid retailers cannot gift or transfer cannabis, cannabis products for free to consumers, qualifying patients, or caregivers as part of a commercial transaction.

**Pharmacists and Uploads.** In addition to general retail sales, the bill allows hybrid retailers to sell marijuana, marijuana products, and medical marijuana products to qualifying patients and caregivers. But it requires these products to be dispensed by a licensed pharmacist and recorded in the state’s electronic Prescription Drug Monitoring Program (PDMP).

Under the bill, pharmacists or registered dispensary technicians must record the dispensing in the PDMP in real-time, or immediately after completing the transaction. If it is not reasonably feasible to do so, they must record the transaction within one hour after completing it. The bill limits access to PDMP data to only the pharmacists and registered dispensary technicians.

The bill also requires hybrid retailers to (1) maintain a licensed pharmacist on-site when the retail location is open to the public or to qualifying patients and caregivers, (2) include a space for pharmacists to hold private consultations with qualifying patients and caregivers, and (3) accommodate an expedited entry method that allows priority entrance for qualifying patients and caregivers.

**Storing Undelivered Products.** The bill requires retailers and hybrid retailers to maintain a secure location at their premises where cannabis can be returned to them that an employee or delivery service was unable to deliver. The return location must be maintained in a manner the DCP commissioner approves and meet specifications she sets and publishes on the agency’s website.

The bill additionally requires hybrid retailers to return undeliverable cannabis or cannabis products dispensed to a qualifying patient or caregiver. They must return them to their inventory system and remove them from the PDMP within 48 hours after they receive the cannabis or cannabis products from the delivery service.
Dispensary Facility Conversion to Hybrid Retailer License (§ 43)

Starting September 1, 2021, the bill allows a dispensary facility to apply to DCP, on a form and manner the commissioner prescribes, to convert its license to a hybrid retailer license without applying through the lottery system. For conversions to a retailer license, the bill requires dispensary facilities to apply through the lottery.

Under the bill, license conversion applicants must submit to DCP a detailed medical preservation plan for how it will prioritize sales and access to medical marijuana products for qualifying patients, including managing customer traffic flow, preventing supply shortages, providing delivery services, and ensuring appropriate staffing levels.

Patient Designation of Dispensaries. Starting October 1, 2021, the bill eliminates current law’s requirement that qualifying patients (or parents or guardians of patients who are minors) designate a dispensary facility or hybrid retailer as their exclusive location to purchase medical marijuana. Additionally, the bill prohibits DCP from requiring any future change of designated dispensary facility applications.

Under the bill, if all dispensary facilities demonstrate to DCP’s satisfaction that they are adhering to the real-time upload requirements described below before October 1, 2021, the commissioner may eliminate the requirement to designate dispensary facilities before this date.

PDMP Real-Time Uploads. Starting October 1, 2021, the bill requires dispensary facilities to have licensed pharmacists dispense marijuana, marijuana products, and medical marijuana products sold to qualifying patients and caregivers and record the transaction in the PDMP in a similar manner as described above for hybrid retailers (see §§ 41 & 42).

Delivery Services. Starting September 1, 2021, the bill permits dispensary facilities and hybrid retailers to apply to DCP to provide delivery services to qualifying patients and caregivers (1) using their
own employees or an available delivery service and (2) delivering marijuana only from their own inventory.

Applicants must apply to DCP in a form and manner the commissioner prescribes, and if approved, they may begin delivery services starting January 1, 2022. However, the bill allows the commissioner to approve delivery services prior to this date, if she provides 45 days advanced written notice and publishes the notice on the agency’s website.

**Direct Consumer Deliveries.** Under the bill, hybrid retailers may begin delivering cannabis directly to consumers on the date the DCP commissioner allows the first adult use cannabis sales. Once delivery is available, hybrid retailers must only use a delivery service, and not their own employees, to deliver cannabis to consumers who are not qualifying patients or caregivers. They must do this until the earlier of May 1, 2023, or one year from the date the commissioner opens the adult use cannabis market to the public. After this date, hybrid retailers may make consumer deliveries using their own employees, a delivery service, or a combination of the two.

**Public Sales.** The bill allows dispensary facilities that convert to hybrid retailers to open their premises to the general public and commence adult use cannabis sales starting May 4, 2022. The commissioner may allow the adult use market to open before this date with 45 days advance written notice published on DCP’s website.

**Food and Beverage Manufacturer License (§ 45)**

Under the bill, food and beverage manufacturers can incorporate cannabis or its concentrates into foods or beverages as an ingredient but they cannot extract cannabis into a cannabis concentrate or create any product that is not a food or beverage intended for human consumption.

**Packaging and Labeling.** The bill allows food and beverage manufacturers to package or label any food or beverage they prepare at their establishment that incorporates cannabis or cannabis
concentrates.

All products they create must be labeled in accordance with the bill’s requirements as well as FDA and U.S. Department of Agriculture (U.S. DoAg) requirements.

**Transporting Products.** The bill allows food and beverage manufacturers to transfer or transport their own products to a cannabis establishment, laboratory, or research program, provided they use an employee or delivery service to do so. It also prohibits manufacturers from transporting, directly to a consumer or using a delivery service, cannabis, cannabis products, foods, or beverages that incorporate cannabis or cannabis concentrates.

**Sanitary Inspections.** The bill requires food and beverage manufacturers to ensure all equipment they use to manufacture, process, and package cannabis and cannabis products is sanitary and inspected regularly to prevent the adulteration of cannabis in accordance with the requirements of the bill, FDA, and U.S. DoAg.

**Product Packager License (§ 46)**

The bill allows a product packager to:

1. obtain cannabis or cannabis products from a producer, cultivator, micro-cultivator, food and beverage manufacturer, or product manufacturer and

2. transfer or transport cannabis or cannabis products to any cannabis establishment, laboratory, or research program, as long as he or she only transports those products packaged at its own establishment using its own employees or a delivery service.

Under the bill, product packagers (1) are responsible for ensuring that cannabis products are labeled and packaged in compliance with the bill’s requirements and (2) must ensure all equipment it uses to process and package cannabis and cannabis products is sanitary and inspected regularly to prevent the adulteration of the products.
**Delivery Service License (§ 47)**

When applying for a delivery service license, the bill requires applicants to indicate whether they are applying to transport cannabis and cannabis products (1) between cannabis establishments, (2) from certain cannabis establishments to consumers or qualifying patients and caregivers, or (3) a combination of the two.

**Delivering to Individuals.** Under the bill, a delivery service that delivers directly to consumers or qualifying patients and caregivers may transport:

1. cannabis and cannabis products from a micro-cultivator, retailer, or hybrid retailer directly to a consumer and

2. marijuana, marijuana products, and medical marijuana products from a hybrid retailer or dispensary facility directly to a qualifying patient or caregiver.

The bill prohibits a delivery service from storing or maintaining control of any of the substances or products listed above for more than 24 hours from when a consumer, qualifying patient, or caregiver places an order to the time the order is delivered.

**Delivering Between Establishments.** The bill allows delivery services to deliver cannabis and cannabis products between cannabis establishments, research programs, and laboratories. But when doing so, the delivery service cannot store or maintain control of the items for more than 24 hours from the time it picks up the cannabis or cannabis products at these locations to the time they deliver the order.

**Regulations.** The bill requires the DCP commissioner to adopt regulations to implement the bill’s provisions. Before doing so, she must issue implementing policies and procedures, which have the force of law. The commissioner must do this to protect the public’s health and safety and regardless of specified UAPA requirements.

The bill requires the commissioner to post all implementing policies and procedures on DCP’s website and submit them to SOTS to post on
the eRegulations System at least 15 days before they take effect. A policy or procedure is no longer in effect once SOTS codifies the final regulation or, if the regulations have not been submitted to the Regulation Review Committee, starting on July 1, 2025, whichever is earlier.

Under the bill, the department’s implementing policies and procedures and final regulations must require a delivery service to:

1. meet certain security requirements related to the (a) vehicles they use, (b) conduct of their employees and agents, and (c) documentation the service and its drivers must maintain;

2. maintain an online interface that verifies the consumer’s age and meets certain specifications and data security standards, when delivering cannabis to consumers; and

3. verify (and all its employees and agents to verify) the identity of the patient, caregiver, or consumer, and the consumer’s age, when delivering cannabis or cannabis products to consumers, qualifying patients, or caregivers, in a manner acceptable to the commissioner.

Under the bill, the person who places the cannabis order must be the person who accepts the order delivery, except for a qualifying patient, who may have his or her caregiver accept the delivery.

**Prohibition on Gifts.** The bill prohibits a delivery service from gifting or transferring cannabis or cannabis products for free to a consumer or qualifying patient or caregiver as part of a commercial transaction.

**Cultivator License (§ 48)**

The bill allows cultivators to cultivate, grow, and propagate cannabis at an indoor establishment with at least 15,000 square feet of grow space, provided they comply with the bill’s canopy requirements (see § 37 above) and the commissioner’s required physical security controls and protocols.
They may also label, manufacture, package, and perform extractions on any cannabis or cannabis product they cultivate, grow, or propagate at their licensed establishment (e.g., food and beverage products that incorporate cannabis and cannabis concentrates), as long as they meet all licensure and application requirements for food and beverage manufacturers and product manufacturers.

Additionally, the bill permits cultivators to sell, transfer, or transport their cannabis to a dispensary facility, hybrid retailer, retailer, food and beverage manufacturer, product manufacturer, research program, laboratory, or product packager. But they cannot do so to consumers either directly or through a delivery service.

**Micro-Cultivator License (§ 49)**

**License Scope.** The bill allows micro-cultivators to sell, transfer, or transport cannabis or cannabis products to a dispensary facility, hybrid retailer, retailer, delivery service, food and beverage manufacturer, product manufacturer, research program, laboratory, or product packager. They must cultivate, grow, and propagate the products and transport them using their employees or a delivery service. It prohibits them from gifting or transferring the products to consumers for free in a commercial transaction.

Under the bill, micro-cultivators may also label, manufacture, package, and extract cannabis and cannabis products they cultivate, grow, and propagate at their own licensed establishment, as long as they meet licensure and application requirements for a food and beverage manufacturer, product manufacturer, or product packager, as applicable.

The bill also allows a micro-cultivator to sell its own cannabis or cannabis products to consumers, excluding qualifying patients and caregivers, either by using its own employees or through a delivery service.

**Storage of Undelivered Products.** The bill requires micro-cultivators that deliver products using a delivery service or their own
employees to maintain an on-site secure location where undelivered orders may be returned. The return location must be maintained in a manner the commissioner approves and meet the specifications she sets and publishes on the agency’s website.

**Grow Space Limits.** The bill allows micro-cultivators to cultivate, grow, propagate, manufacture, and package the cannabis plant at an indoor establishment containing between 2,000 and 5,000 square feet of grow space. They may do this before any expansion the commissioner authorizes, provided they comply with the bill’s canopy provisions (see § 37 above) and physical security controls the commissioner sets.

**Annual Expansion.** The bill allows micro-cultivators to annually apply to DCP to expand their grow space in increments of 5,000 square feet, as long as they are not subject to any pending or final administrative actions or judicial findings. If they are subject to such an action or finding, DCP must conduct a suitability review analysis to determine whether to grant the expansion. The department’s determination is final and may only be appealed to the Superior Court.

**Conversion to Cultivator License.** Under the bill, micro-cultivators may only annually apply to expand their facilities until they reach a maximum of 15,000 square feet of grow space. Micro-cultivators who want to expand beyond this threshold may apply to DCP to convert to a cultivator license one year after its last expansion request without going through the department’s lottery application process. DCP must grant a cultivator license to micro-cultivators who meet all application and licensure requirements and pay the license fee.

§ 50 — RELOCATION FOR DISPENSARY OR HYBRID RETAILER

Temporarily allows DCP to deny a change of location for a dispensary facility or hybrid retailer because of patient needs and prohibits the department from approving a relocation that is further than 10 miles from the current location.

Before June 30, 2022, the bill prohibits the DCP commissioner from approving the relocation of a dispensary facility or hybrid retailer to a location that is further than 10 miles from its current dispensary facility or hybrid retailer location. Until June 30, 2023, the bill allows
the DCP commissioner to deny a change of location application from a dispensary facility or hybrid retailer based on the needs of qualifying patients.

EFFECTIVE DATE: July 1, 2021

§ 51 — CONFLICT OF INTEREST FOR CERTAIN DCP EMPLOYEES AND CANNABIS CONTROL COMMISSION MEMBERS

Prohibits DCP employees who carry out certain functions and Cannabis Control Commission members from having management or financial interests in the cannabis industry

The bill prohibits DCP employees who carry out the licensing, inspection, investigation, enforcement, or policy decisions authorized by the bill and its regulations and Cannabis Control Commission members from:

1. having any management or financial interest in the cultivation, manufacture, sale, transportation, delivery, or testing of cannabis in Connecticut (whether directly, indirectly, or as a member of a business entity) or

2. receiving any commission or profit from, or having any interest in, purchases or sales made by individuals authorized to do so under the bill.

This provision does not prevent these employees or members from purchasing and keeping in their possession any cannabis under the bill for their personal use or that of their family or guests.

EFFECTIVE DATE: Upon passage

§ 52 — PROTECTION FOR CANNABIS EMPLOYEES

Protects cannabis establishments and their employees from seizures and forfeiture due to cannabis related activities due to their job

The bill allows a cannabis establishment or its employee to purchase, possess, display, sell, and transport cannabis or cannabis products within the scope of the person’s employment, license, or registration. The bill deems these actions as lawful and not an offense or a basis for seizing or forfeiting assets if the person complies with the
applicable license and registration laws and regulations.

EFFECTIVE DATE: July 1, 2021

§ 53 — DISPLAY PROHIBITIONS

Prohibits cannabis establishments from displaying cannabis that is visible to the general public from a public road or on DEEP-managed property

The bill prohibits cannabis establishments from displaying cannabis, cannabis products, or drug paraphernalia in a manner that is visible to the general public from a public road or on state lands or waters the Department of Energy and Environmental Protection (DEEP) manages.

EFFECTIVE DATE: July 1, 2021

§ 54 — CANNABIS ESTABLISHMENT POLICIES AND PROCEDURES

Requires each cannabis establishment to establish, maintain, and comply with written policies and procedures on, among other things, handling recalls and crises, ensuring adulterated cannabis is destroyed, and ensuring the oldest cannabis is sold first.

The bill requires each cannabis establishment to establish, maintain, and comply with written policies and procedures for cultivating, processing, manufacturing, securing, storing, inventorying, and distributing cannabis and cannabis products, as applicable to the specific license type. The policies and procedures must include methods for identifying, recording, and reporting diversion, theft, or loss, and for correcting all inventory errors and inaccuracies. Cannabis establishments must include in their written policies and procedures a process for each of the following, if the establishment engages in such activity:

1. handling mandatory and voluntary cannabis and cannabis product recalls to adequately manage (a) recalls due to a commissioner’s order or voluntary action by the cannabis establishment to remove defective or potentially defective products from the market or (b) any action to promote public health and safety by replacing existing cannabis or cannabis products with improved products or packaging;

2. preparing for, protecting against, and handling any crisis that
affects a cannabis establishment facility’s security or operation in the event of a strike, fire, flood, or other natural disaster, or local, state, or national emergency;

3. ensuring that any outdated, damaged, deteriorated, misbranded, or adulterated cannabis or cannabis products are segregated from all other inventory and destroyed and providing for written documentation of their disposition; and

4. ensuring the oldest stock of cannabis or a cannabis product is sold, delivered, or dispensed first (but the procedure may permit deviation from this requirement if it is temporary and commissioner-approved).

The bill requires cannabis establishments to (1) store all cannabis and cannabis products in a way to prevent diversion, theft, or loss; (2) make cannabis and cannabis products accessible only to the minimum number of specifically authorized employees essential for efficient operation; and (3) return any cannabis and cannabis products to a secure location at the end of the scheduled business day.

EFFECTIVE DATE: July 1, 2021

§ 55 — ALLOWABLE PURCHASES BY MEDICAL MARIJUANA PATIENTS AND CAREGIVERS

Allows qualifying patients and caregivers to purchase cannabis with higher potency and more per transaction or per day, as the commissioner determines.

The bill authorizes the DCP commissioner to allow qualifying patients and caregivers under the medical marijuana program to purchase cannabis and cannabis products of higher potency, varied dosage form, and in a larger per transaction or per day amount than are generally available for retail purchase. This determination, if any, must be posted on DCP’s website.

Regardless of any state law, under the bill, the sale or delivery of drug paraphernalia to a qualifying patient or caregiver or person licensed under the bill or the medical marijuana laws is not considered a violation of the bill.
EFFECTIVE DATE: July 1, 2021

§ 56 — RECORDKEEPING AND ELECTRONIC TRACKING SYSTEM

Requires each cannabis establishment to maintain specified records through an electronic tracking system and establishes narrow conditions under which the records may be released.

**Recordkeeping**

The bill requires each cannabis establishment, licensed under the medical marijuana laws or the bill, to maintain a record of all cannabis grown, manufactured, wasted, and distributed between cannabis establishments and to end-user consumers, qualifying patients, and caregivers in a form and manner the DCP commissioner prescribes.

**Electronic Tracking System**

Under the bill, the commissioner must require an electronic tracking system to monitor the producing, harvesting, storing, manufacturing, transporting, and transferring of cannabis from the point of planting cannabis seeds through the point when the final product is sold to an end-user. The system must track each cannabis seed, clone, seedling, or other cannabis starter plant a cannabis establishment intends to use. Cannabis establishments must use the tracking system and enter the data points the commissioner requires to ensure cannabis and cannabis products are safe, secure, and properly labeled for consumer or qualifying patient use. The commissioner may contract with one or more vendors to electronically collect this information.

**Disclosures Generally Prohibited**

The bill prohibits the electronic tracking system from collecting information about any individual consumer, qualifying patient, or caregiver purchasing the cannabis or cannabis product. Under the bill, the electronic tracking system’s information is confidential and generally must not be subject to disclosure under the state Freedom of Information Act (FOIA). However, the bill allows the DCP commissioner to provide reasonable access to cannabis tracking data obtained under this provision to the following individuals and agencies:
1. state agencies and local law enforcement agencies (a) to investigate or prosecute a violation of law or (b) as part of a DCP disciplinary action;

2. public or private entities for research or educational purposes, provided no individually identifiable information may be disclosed; and

3. the attorney general for any review or investigation.

The commissioner must also provide access to the electronic tracking system to (1) DRS to enforce any tax-related investigations and audits and (2) the Department of Public Health (DPH) for epidemiological surveillance, research, and analysis.

EFFECTIVE DATE: January 1, 2022

§ 57 — FINANCIAL RECORDKEEPING AND DCP ENFORCEMENT

Requires cannabis establishments to maintain records of their business transactions for the current tax year and the three immediately preceding years in an auditable format; gives the DCP commissioner certain powers to supervise and enforce the bill’s provisions.

The bill requires each cannabis establishment to maintain all records needed to fully demonstrate their cannabis and cannabis product business transactions for the current tax year and the three immediately preceding tax years, all of which must be made available to DCP as described below.

The commissioner may require (1) any licensee to provide the information as she considers necessary for the bill’s proper administration and (2) an audit of any cannabis establishment at its own expense.

Under the bill, each cannabis establishment, and each person in charge, or having custody, of its documents, must maintain the documents in an auditable format for the current tax year and the three preceding tax years. Upon request, the person must (1) make the documents immediately available for inspection and copying by the commissioner or any other enforcement agency or others authorized by the bill and (2) produce copies of the documents to the
commissioner or her authorized representative within two business days. The documents must be provided in electronic format, unless it is not commercially practical. In complying with these provisions, the bill prohibits anyone from using a foreign language, codes, or symbols to designate cannabis or cannabis product types or individuals in keeping any required document.

The bill allows the commissioner, for purposes of supervising or enforcing the bill’s provisions, to:

1. enter any place, including a vehicle, where cannabis or cannabis products are held, sold, produced, delivered, transported, manufactured, or otherwise disposed of;

2. inspect a cannabis establishment and all pertinent equipment, finished and unfinished material, containers, and labeling, and all things in the location, including records, files, financial data, sales data, shipping data, pricing data, employee data, research, papers, processes, controls, and facilities; and

3. inventory any stock of cannabis and cannabis products and obtain samples of any cannabis or cannabis product, labels or containers, paraphernalia, and of any finished or unfinished material.

EFFECTIVE DATE: July 1, 2021

§ 58 — DCP DISCIPLINARY ACTIONS

Allows the DCP commissioner, for sufficient cause, to take certain disciplinary actions, including, among other things, suspending or revoking a credential or issuing fines

Disciplinary Actions

The bill allows the DCP commissioner, for sufficient cause, to suspend or revoke a license or registration, issue fines of up to $25,000 per violation, accept an offer in compromise, refuse to grant or renew a license or registration issued pursuant to the bill, place a licensee or registrant on probation, place conditions on a licensee or registrant, or take other actions the law permits.
Sufficient Cause

Under the bill, the following actions constitute sufficient cause for disciplinary action by the commissioner:

1. furnishing false or fraudulent information in an application or failing to comply with representations made in an application, including, medical preservation plans and security requirements;

2. a civil judgment against or disqualifying convictions of a cannabis establishment licensee, backer, key employee, or license applicant;

3. failure to maintain effective controls against diversion, theft, or loss of cannabis, cannabis products, or other controlled substances;

4. discipline by any federal, state, or local government, or pending disciplinary actions or unresolved complaints against a cannabis establishment licensee, registrant, or applicant regarding any professional license or registration issued by such government;

5. failure to keep accurate records and accounts for the cultivation, manufacture, packaging, or sale of cannabis and cannabis products;

6. the denial, suspension, or revocation of a license or registration, or the denial of a license or registration renewal, by a federal, state, or local government or foreign jurisdiction;

7. false, misleading, or deceptive representations to the public or the department;

8. return to regular stock of any cannabis or cannabis product where (a) the package or container has been opened, breached, tampered with, or otherwise adulterated or (b) the cannabis or cannabis product has been previously sold to an end user or research program subject;
9. involvement in a fraudulent or deceitful practice or transaction;
10. performance of incompetent or negligent work;
11. failure to maintain the entire cannabis establishment or laboratory and contents in a secure, clean, orderly, and sanitary condition;
12. permitting another person to use the licensee’s license;
13. failure to properly register employees or license key employees, or failure to notify the department about a change in key employees or backers;
14. an adverse administrative decision or delinquency assessment against the cannabis establishment from DRS;
15. failure to cooperate or give information to DCP, local law enforcement authorities, or any other enforcement agency on any matter arising out of conduct at a cannabis establishment or laboratory or in connection with a research program; or
16. failure to comply with any provision of the bill.

Revocation or Denial

If the commissioner refuses to issue or renew a license or registration, she must notify the applicant about the denial and his or her right to request a hearing within 10 days after receiving the denial notice. If the applicant requests a hearing within the 10-day period, the commissioner must (1) give notice of the grounds for the refusal and (2) conduct a hearing on the refusal under the UAPA’s procedures for contested cases.

If the commissioner’s denial of a license or registration is sustained after the hearing, an applicant may not apply for a new cannabis establishment, backer, or key employee license or employee registration for at least one year after the date the denial was sustained.

The bill prohibits a person whose license or registration has been
revoked from applying for a cannabis establishment, backer, or key employee license or an employee registration for at least one year after the revocation. The voluntary surrender or failure to renew a license or registration does not prevent the commissioner from suspending or revoking the license or registration or imposing other penalties the bill allows.

EFFECTIVE DATE: July 1, 2021

§ 59 — DCP REGULATIONS, POLICIES, AND PROCEDURES

Allows the DCP commissioner to adopt (1) implementing regulations and (2) policies and procedures before adopting regulations

The bill allows the DCP commissioner to adopt regulations, including emergency regulations, to implement the bill’s provisions.

The bill requires the commissioner to (1) adopt policies and procedures to implement the bill’s provisions that have the force and effect of law, (2) post them on DCP’s website, and (3) submit them to SOTS to post on the eRegulations system at least 15 days before they take effect. The policy or procedure is no longer effective once the final regulation is codified or, if the regulations have not been submitted to the Regulations and Review Committee, starting 48 months from this provision’s effective date, whichever occurs earlier.

EFFECTIVE DATE: Upon passage

§ 60 — DCP RECOMMENDATIONS ON HOME-GROWN CANNABIS AND ON-SITE CONSUMPTION AND EVENTS

Requires DCP to make written recommendations to the governor and the legislature on whether to allow home-grown cannabis or on-site consumption or events that allow cannabis usage

The bill requires DCP, by January 1, 2023, to make written recommendations to the governor and the General Law, Judiciary, and Finance, Revenue and Bonding committees on whether to (1) allow consumers, who are age 21 and older, to cultivate cannabis for the consumer’s use (i.e., home-grown cannabis) or (2) authorize on-site consumption or events that allow for cannabis usage, including whether to establish a cannabis on-site consumption or event license.
In making its recommendations on home-grown cannabis, the commissioner must consider the following:

1. reasonable precautions to ensure that the plants are secure from unauthorized access or access by individuals under age 21;

2. the location where the cannabis may be grown;

3. how other states allow home growing and how these states are regulating personal cultivation;

4. if personal cultivation in other states has improved consumer access; and

5. any other related public safety or regulatory issues DCP deems necessary.

EFFECTIVE DATE: July 1, 2021

§ 61 — MATERIAL CHANGE

Requires any person who enters into a transaction that results in a material change to a cannabis establishment to file a written notice with the attorney general and serve a waiting period.

The bill requires any person who enters into a transaction, either directly or indirectly, that results in a material change to a cannabis establishment to file a written notice with the attorney general and serve a specified waiting period.

Under the bill, “material change” means:

1. the addition of a backer;

2. a change in an existing backer’s ownership interest;

3. the merger, consolidation, or other affiliation of a cannabis establishment with another establishment;

4. the acquisition of all or part of a cannabis establishment by another establishment or backer; and

5. the transfer of assets or security interests from a cannabis
establishment to another establishment or backer.

“Transfer” means to sell, transfer, lease, exchange, option, convey, give, otherwise dispose of, or transfer control over, including by way of merger or joint venture not in the ordinary course of business.

**Written Notice**

The bill requires the written notice to be in a form and contain the documentary material and information relevant to the proposed transaction as the attorney general deems necessary and appropriate to enable him to determine whether the transaction, if consummated, violates antitrust laws.

By law, the attorney general has the authority to, among other things, investigate proposed transactions and require parties to provide relevant information through subpoenas and written interrogatories (CGS § 35-42).

**Waiting Period**

The bill requires a waiting period before the transaction is complete. The period begins on the day the attorney general receives the completed notice from all parties to the transaction (see above) and generally ends after 30 days, unless the attorney general extends the time or, in individual cases, terminates the waiting period and allows the transaction to proceed.

The attorney general may, before the 30-day waiting period expires, extend the waiting period by requesting additional material. He may require parties to submit additional information or documentary material relevant to the proposed transaction. Upon this request, the waiting period is extended until 30 days after the parties have substantially complied with the request, as determined by the attorney general.

**Disclosure Prohibited**

Under the bill, any information or documentary material filed with the attorney general is not disclosable under FOIA. This information or material must not be made public, except as may be relevant to an
administrative or judicial action or proceeding.

The bill requires the information or documentary material to be returned to the person who provided it when the attorney general’s review is terminated or the final determination is made in an action or proceeding that commenced as a result.

**Penalty**

Under the bill, any person, officer, director, or partner, who fails to comply with any portion of the material change provision is liable to the state for a civil penalty of up to $25,000 for each day the person is in violation. The penalty may be recovered in a civil action brought by the attorney general.

Under the bill, if any person, officer, director, partner, agent, or employee fails substantially to comply with the notification requirement or any request to submit additional information or documentary material within the waiting period, the court:

1. may order compliance;

2. must extend the waiting period until there has been substantial compliance, except that, in the case of a tender offer, the court may not extend the waiting period based on a failure by the person whose stock is sought to be acquired to comply substantially with the notification requirement or request; and

3. may grant other equitable relief as the court in its discretion determines necessary or appropriate, upon application of the attorney general.

EFFECTIVE DATE: July 1, 2021

§ 62 — ELECTRICITY USAGE REPORT AND RENEWABLE ENERGY

Requires a cannabis establishment to annually report its annual electricity usage and purchase renewable energy to the extent possible

The bill requires each cannabis establishment to annually report publicly, in a manner the DCP commissioner prescribes, (1) its annual
electricity usage and (2) what fraction of its electricity usage is generated from Class I Renewable Portfolio Standards produced in the state through the Regional Greenhouse Gas Initiative (RGGI) agreement.

The bill requires each cannabis establishment, to the greatest extent possible, to purchase electricity generated from Class I Renewable Portfolio Standards produced in the states that are party to the RGGI agreement.

EFFECTIVE DATE: July 1, 2022

§ 63 — DEPARTMENT OF BANKING REPORTING REQUIREMENT

Requires the banking commissioner to report legislative recommendations to the governor and legislature on cannabis establishments’ use of electronic payments and access to banking institutions

By January 1, 2022, the bill requires the banking commissioner, in consultation with the DCP commissioner, to report to the governor and Banking, Judiciary, and Finance, Revenue and Bonding committees on recommended legislation (1) to facilitate the use of electronic payments by cannabis establishments and consumers and (2) on access for cannabis establishments to depository banking and commercial mortgages.

EFFECTIVE DATE: Upon passage

§ 64 — INSURANCE REPORT

Requires the Insurance Commissioner to report to the governor and Insurance Committee on cannabis establishments’ access to insurance

By January 1, 2022, the bill requires the Insurance Commissioner to report to the governor and Insurance Committee regarding access to insurance by cannabis establishments.

EFFECTIVE DATE: Upon passage

§ 65 — ALCOHOL AND DRUG POLICY COUNCIL REPORT

Requires the Alcohol and Drug Policy Council to make recommendations to the governor and legislature on efforts to promote certain public health initiatives and collecting data for certain reviews
The bill requires the Alcohol and Drug Policy Council, by January 1, 2023, to make recommendations to the governor and the Public Health, Judiciary, and Finance, Revenue and Bonding committees on (1) efforts to promote public health and science-based harm reduction, mitigate misuse and the risk of cannabis addiction, and effectively treat cannabis addiction with a particular focus on individuals under age 21 and (2) the collection and reporting of data to allow for epidemiological surveillance and review of cannabis consumption and its impact in the state.

EFFECTIVE DATE: Upon passage

§§ 66-71 & 77 — MEDICAL MARIJUANA PATIENTS, CAREGIVERS, AND HEALTH CARE PROVIDERS

Allows medical marijuana patients to grow up to six cannabis plants in their homes, if they keep them secure from unauthorized access or minors; allows patients and caregivers to possess up to five ounces of marijuana; eliminates the requirement for patients to select a dispensary from whom they will obtain marijuana; revises terminology for patient caregivers and eliminates the requirement that they only obtain marijuana from dispensaries; broadens the types of entities in which physicians or APRNs who certify patients for medical marijuana use may not have a financial interest to include most cannabis establishments.

Home Cultivation, Possession Limit, and Source of Marijuana

Starting May 4, 2022, the bill allows qualifying medical marijuana patients to cultivate up to six cannabis plants in their homes, as long as they keep the plants secure from unauthorized access or access by anyone under age 21.

It allows each medical marijuana patient, along with his or her caregiver, to possess up to five ounces of marijuana. Current law instead allows them to possess a one-month supply as determined through regulations. The bill eliminates the current requirement for patients (or parents or guardians of minors) to select a dispensary from which they will purchase marijuana.

Patient Caregivers

The bill updates terminology by referring to a patient’s “caregiver” rather than “primary caregiver.” As under current law, this is someone at least age 18, other than the patient or the patient’s physician or
advanced practice registered nurse (APRN), who is responsible for managing the patient’s well-being with respect to medical marijuana use.

The bill eliminates the current requirement for caregivers to only obtain marijuana from a licensed dispensary, corresponding to the bill’s other changes adding to the types of businesses authorized to sell marijuana (e.g., hybrid retailers).

**Physician or APRN Prohibited Financial Interests**

Under current law, physicians or APRNs who certify patients for medical marijuana use are prohibited from having a financial interest in a dispensary or producer. The bill extends this prohibition to include other cannabis establishments licensed under the bill, except for retailers and delivery services.

EFFECTIVE DATE: July 1, 2021, except for the provisions changing certain definitions, authorizing home cultivation, and eliminating the requirement for a patient to select a dispensary, which are effective October 1, 2021.

§§ 66, 72, 73 & 82 — DISPENSARY FACILITIES

*Makes various minor, technical, and conforming changes transferring many of current law’s requirements for a licensed dispensary to a dispensary facility; expands the entities a dispensary facility may acquire marijuana from; requires a dispensary facility or hybrid retailer employee to transmit dispensing information in real-time or within one hour*

The bill codifies the “dispensary facility” definition currently in state regulations and allows a “licensed dispensary” or “dispensary” to be employed by a hybrid retailer (see § 42 above). As under existing law, a licensed dispensary or dispensary must be a licensed pharmacist.

Under the bill, a “dispensary facility” means a DCP-licensed place of business where marijuana may be dispensed, sold, or distributed to qualifying patients and caregivers in accordance with the medical marijuana laws and regulations.

The bill prohibits anyone (individual or entity) who is not licensed by DCP as a dispensary facility from acting as one or representing that
he or she is a dispensary facility.

**Facility Licensing Requirements**

The bill transfers many of current law’s requirements for a licensed dispensary to what the bill calls a dispensary facility.

In this transfer, the bill increases the renewal period of a facility license from one to two years (Conn. Agency Regs., § 21a-408-25(b)). But as under current law, the bill requires the DCP commissioner to establish, among other things, licensing and renewal fees for facilities that are at least the amount needed to cover the direct and indirect licensing and regulating costs.

Finally, the bill requires the facility, rather than the dispensary, to annually report to DCP, on a form the commissioner prescribes, data related to the types of mixtures and dosages of medical marijuana the facility dispenses.

The bill makes various other minor, technical, and conforming changes to transfer these requirements.

**Acquisition and Distribution**

The bill expands the types of entities a dispensary facility or its employee may acquire marijuana from by allowing it to receive marijuana from a cultivator, micro-cultivator, producer, product manufacturer, food and beverage manufacturer, product packager, or delivery service.

Current law prohibits dispensaries from distributing or dispensing marijuana to specified individuals who are not in the medical marijuana program. The bill instead prohibits facilities from transferring or transporting marijuana specifically to these individuals.

**Transmitting Dispensing Information**

The bill requires a licensed pharmacist working as a dispensary facility or hybrid retailer employee to transmit dispensing information, in a manner the commissioner prescribes, on any cannabis sold to a qualifying patient or caregiver. He or she must do this in real-time or
immediately upon completion of the transaction, unless it is not reasonably feasible for a specific transaction, but in no case longer than one hour after completing the transaction.

EFFECTIVE DATE: July 1, 2021, except for the provisions on acquisition and distribution and transmitting dispensing information, which are effective October 1, 2021.

§§ 66 & 76 — MEDICAL MARIJUANA QUALIFYING CONDITIONS AND BOARD OF PHYSICIANS

Allows the DCP commissioner to add to the list of qualifying medical marijuana conditions without adopting regulations; specifies that she has the discretion to accept or reject the physician board’s recommendations; eliminates the requirement for the board to hold hearings at least twice a year

Starting October 1, 2021, the bill allows the DCP commissioner, without adopting regulations, to add to the list of medical conditions that qualify for medical marijuana use. Under the bill, she must post new qualifying conditions on the department’s website. When she does so, her approval takes effect without further action.

As required by law, DCP has established a board of physicians knowledgeable about medical marijuana use. Among other duties, the board (1) holds hearings and evaluates petitions requesting additions to the list of conditions that qualify for medical marijuana use and (2) makes related recommendations to DCP.

By law, one of the board’s duties is to review and recommend to DCP for approval any debilitating medical conditions to be added to the list of qualifying conditions (not just those that are subject to a petition). The bill specifies that the commissioner has the discretion to accept or reject the board’s recommendations.

The bill also eliminates the requirement for the board to hold public hearings at least twice annually, instead requiring them to do so as necessary.

EFFECTIVE DATE: October 1, 2021

§§ 66, 79 & 81 — MEDICAL MARIJUANA RESEARCH PROGRAMS
Expands the list of entities that may oversee or administer medical marijuana research programs; expands the list of entities from whom these programs may acquire marijuana, or to whom they may deliver it; requires research program employees to be registered rather than licensed.

Existing law allows the DCP commissioner to approve medical marijuana research programs that meet certain requirements, including that the programs be overseen or administered by certain types of entities.

The bill adds the following to the list of entities that may serve this function: cannabis micro-cultivators, cultivators, food and beverage manufacturers, product packagers, product manufacturers, hybrid retailers, and retailers. It also specifies that dispensary facilities, rather than individual dispensaries (pharmacists), may serve this function (corresponding to the bill’s other changes on dispensary facilities described above). Under existing law, medical marijuana research programs may also be overseen or administered by DPH-licensed hospitals or health care facilities, higher education institutions, and medical marijuana producers.

Current law allows research programs and their employees to acquire marijuana from producers, dispensaries, and laboratories. The bill instead allows them to acquire it from any cannabis establishment or laboratories. In addition, current law allows research programs and their employees to deliver or distribute marijuana to producers and dispensaries and research program subjects. The bill broadens this to also include any cannabis establishment or laboratories. It makes corresponding changes to research program employees’ scope of legal protections.

Additionally, the bill requires research program employees to be registered with DCP, rather than licensed as under current law. It removes an obsolete provision on temporary registration before DCP’s regulations take effect.

EFFECTIVE DATE: July 1, 2021, except for provisions changing certain definitions, which are effective October 1, 2021.

§ 74 — PRODUCERS
Expands the entities to which a producer or its employee may sell, deliver, transport, or distribute marijuana to include all cannabis establishments, rather than just a licensed dispensary, laboratory, or research organization.

Additionally, the bill immunizes licensed producers and their employees, when acting within the scope of employment, from certain penalties, for selling, delivering, transporting, distributing or transferring marijuana to a cannabis establishment, laboratory, or research program. As under existing law, they are immunized from being arrested, prosecuted, or otherwise penalized, including being subject to civil penalties, or denied any right or privilege, including being disciplined by a professional licensing board.

EFFECTIVE DATE: July 1, 2021

§ 75 — DCP MEDICAL MARIJUANA REGULATIONS

Requires the DCP commissioner to amend regulations, as applicable, to implement the bill’s changes to the medical marijuana laws and requires her to adopt policies and procedures before the regulations are finalized.

The bill requires the DCP commissioner to amend regulations, as applicable, to implement the bill’s changes to the medical marijuana laws. Regardless of the UAPA’s requirements for giving notice before amending regulations, the commissioner must adopt policies and procedures to implement the bill’s changes to the medical marijuana laws and protect public health and safety.

Policies and Procedures

Before adopting or amending the regulations the commissioner must adopt policies and procedures that, under the bill, have the force and effect of law. She must post all policies and procedures on DCP’s website and submit the policies and procedures to SOTS to post on the eRegulations System at least 15 days before the policy or procedure’s effective date. A policy or procedure is no longer effective once SOTS codifies the final regulation or, if the regulations have not been submitted to the Regulations and Review Committee, starting October
1, 2025, whichever occurs earlier.

The bill requires DCP to adopt regulations to:

1. establish requirements for the growing of cannabis plants by a qualifying patient in his or her home, including requirements for securing the plants to limit unauthorized access, the plants' location, and any other public safety or public health-related requirements and

2. ensure an adequate supply and variety of marijuana to dispensary facilities and hybrid retailers to ensure uninterrupted availability for qualifying patients, based on historical marijuana purchase patterns by qualifying patients.

It also expands the regulation requirements for developing a distribution system to (1) provide for transferring marijuana between dispensary facilities and (2) allow distribution to qualifying patients or their caregivers by additional entities, including hybrid retailers and delivery services.

The bill eliminates the requirement that the regulations:

1. establish any additional information qualifying patient and caregiver registration certificates must contain;

2. define protocols for determining how much usable marijuana constitutes an adequate supply to ensure uninterrupted availability for one month, including amounts for topical treatments;

3. establish a process for public comment and public hearings before the physician board regarding the addition of medical conditions, treatments, or diseases to the list of debilitating conditions; and

4. specify additional medical conditions, treatments, or diseases that qualify as debilitating conditions, as the physician board recommends.
EFFECTIVE DATE: October 1, 2021

§§ 78 & 80 — LABORATORIES

Requires a laboratory to be licensed and (1) independent from all parties involved in the marijuana industry and (2) maintain all minimum security and safeguard requirements for storing and handling controlled substances

Laboratory Licensing

The bill prohibits anyone (individual or entity) who is not licensed by DCP as a laboratory from acting as one or representing that he or she is a laboratory, unless the person has a DCP license.

Beginning on October 1, 2021, existing laboratories may continue operations if they have (1) been granted DCP approval as of October 1, 2021, and (2) applied to the DCP commissioner for licensure in a form and manner the commissioner prescribes. These laboratories may continue to act as a laboratory until DCP approves or denies the licensure application.

Employee Registration

The bill also requires (1) a laboratory employee to be registered rather than licensed and (2) DCP to adopt regulations to implement this credentialing in the same manner it did for licensing. As under existing law, before the regulations are effective, the commissioner may issue a temporary certificate of registration to a laboratory employee.

Independence

Under the bill, a laboratory must be independent from all involved in the marijuana industry in Connecticut. This means that no person with a direct or indirect financial, managerial, or controlling interest in the laboratory may have a direct or indirect financial, managerial, or controlling interest in a cannabis establishment or any other entity that may benefit from the laboratory test results for a cannabis or marijuana sample or product.

Security and Safeguards

The bill requires a laboratory to maintain all minimum security and safeguard requirements for storing and handling controlled substances.
as a laboratory licensed to provide analyses of controlled substances.

**Acquisition and Distribution**

The bill expands the entities a laboratory or its employee may (1) acquire cannabis from to include all cannabis establishments and research programs, rather than just a licensed producers and dispensaries and research programs, and (2) deliver, transport, or distribute marijuana to, by including a cannabis establishment that was not the cannabis establishment where the marijuana was originally acquired from, rather than just from a licensed dispensary or producer or research program.

**Immunity**

Additionally, the bill immunizes licensed laboratories or their employees in the same manner as producer licenses (see above) for transferring marijuana to a cannabis establishment or research program.

EFFECTIVE DATE: July 1, 2021, except the provisions prohibiting laboratory operations without a license and requiring regulations to be adopted are effective October 1, 2021.

§§ 83 & 84 — MUNICIPAL AUTHORITY

Addresses various issues on municipalities’ authority to regulate cannabis, such as (1) allowing them to enact certain zoning regulations or ordinances; (2) requiring them, upon petition of 10% of their voters, to hold a local referendum on whether to allow the recreational sale of marijuana; (3) barring them from prohibiting the delivery of cannabis by authorized persons; (4) allowing them to charge retailers for certain initial public safety expenses; and (5) allowing them to establish fines for cannabis smoking in outdoor sections of restaurants

**General Zoning Authority and Restrictions**

The bill allows municipalities to amend their zoning regulations or ordinances to take the following actions in regard to cannabis establishments:

1. prohibit them from opening;
2. reasonably restrict their hours and signage;
3. reasonably restrict their number or density, to a maximum of
one retailer per 5,000 residents, as determined by the most recent census; or

4. restrict their proximity to religious institutions, schools, charitable institutions, hospitals, veterans’ homes, or certain military establishments.

Under the bill, a municipality’s legislative body must approve these amendments before they take effect. The bill requires municipal chief zoning officials to report these zoning changes to the OPM secretary and DCP. They must report in writing within 14 days after adopting the change.

The bill generally prohibits any restrictions on cannabis establishment hours, zoning, or signage from applying to existing businesses until five years after the restriction is adopted. This delay does not apply if the business converts to a different license type.

If municipalities take no action through zoning regulations or ordinances, these establishments must be zoned as similar uses would be.

Local Referendum

Under the bill, a municipality must hold a referendum on whether to allow certain cannabis sales if at least 10% of its electors petition for such a vote at least 60 days before a regular election. Specifically, these votes may determine whether to allow (1) the recreational sale of marijuana in the municipality or (2) the sale of marijuana in one or more of the cannabis establishment license types. The ballot designations are as follows:

“Shall the sale of recreational marijuana be allowed in .... (Name of municipality)?” or “Shall the sale of cannabis under (Specified license or Licenses) be allowed in .... (Name of municipality)?” or “Shall the sale of recreational marijuana be prohibited (No Licenses) in .... (Name of municipality)?”

The bill requires the referendum and ballots’ form to conform to
existing procedures. The results take effect on the first Monday of the month after the election and remain in effect until another vote is taken. The bill allows a vote to occur at a special election, following existing procedures, as long as at least one year has passed since the previous vote.

Under the bill, existing laws on absentee voting at referenda apply to these votes. The bill also provides that these referenda do not affect any class of cannabis establishments already allowed in a municipality unless the petition specifies “No Licenses.”

Delivery and Transport

The bill bars municipalities from prohibiting the delivery of cannabis or cannabis products to (1) consumers or (2) qualifying medical marijuana patients or their caregivers, as long as the delivery is made by someone authorized to do so under the bill (e.g., retailers, dispensary facilities, or delivery services).

The bill also bars municipalities from prohibiting the transport of cannabis or cannabis products to, from, or through the municipality by anyone licensed or registered to do so.

Ban on Certain Actions and Local Host Agreements

The bill prohibits municipalities or local officials from conditioning any official action, or accepting any donations, from any cannabis establishment or from applicants for cannabis establishment licenses in the municipality. The bill also bars municipalities from negotiating or entering into a local host agreement with a cannabis establishment or license applicant.

Charge for Initial Public Safety Costs

The bill allows municipalities, for the first 30 days after cannabis retailers or hybrid retailers open, to charge them up to $50,000 for any necessary and reasonable municipal costs for public safety services related to the opening (such as for directing traffic).

Regulation of Smoking and Cannabis Use
Existing law allows municipalities to regulate activities deemed harmful to public health, including smoking, on municipally-owned property. The bill broadens this to include property that a municipality controls but does not own. It specifies that this regulatory authority applies to (1) smoking tobacco or cannabis, including cannabis e-cigarette use (i.e., electronic delivery systems and vapor products) and (2) other types of cannabis use or consumption.

It allows municipalities to ban cannabis smoking (including e-cigarette use) at outdoor sections of restaurants. Through regulations, municipalities may set fines for violations, up to (1) $50 for individuals or (2) $1,000 for businesses.

EFFECTIVE DATE: July 1, 2021, except for the smoking and related provisions, which are effective October 1, 2021.

§ 85 — SCHOOL HEALTH SURVEY
Requires DPH to administer the Connecticut School Health Survey every two years to high schools randomly selected by the CDC

The bill requires DPH, starting in the 2022-23 school year, to administer the Connecticut School Health Survey every two years to students in grades nine to 12. DPH must do so through (1) funding from the National Centers for Disease Control and Prevention (CDC) or (2) within existing appropriations. The survey must be based on the CDC’s Youth Risk Behavior Survey.

The bill requires DPH to provide guidelines to local or regional boards of education on administering the survey to high schools that the CDC randomly selects to participate. The boards must administer the survey to these schools following DPH’s guidelines, including the (1) CDC’s survey protocol, (2) requirement to use passive parental consent before administering the survey, (3) requirement for the survey to be anonymous and designed to protect student privacy, (4) timeframe for survey completion, and (5) process to submit the survey results to DPH.

The bill allows DPH to develop additional survey questions that are relevant to the health concerns of the state’s high school students. In
doing so, DPH must consult with DMHAS, the Office of Early Childhood, the Department of Children and Families (DCF), the Department of Education, and any other agency or public interest group the department deems necessary.

EFFECTIVE DATE: July 1, 2021

§§ 86 & 87 — CLEAN INDOOR AIR ACT

"Extends existing law's prohibition on smoking and e-cigarette use in certain establishments and public areas to include cannabis, hemp, and electronic cannabis delivery systems (ECDS); expands the locations where the prohibition applies; extends existing signage requirements and penalties for smoking and e-cigarette use to cannabis, hemp, and ECDS"

The bill makes various changes affecting the prohibition of smoking and e-cigarette use (i.e., electronic nicotine delivery systems and vapor products) in certain establishments and public areas. It generally expands the prohibition to include smoking cannabis and hemp and using electronic cannabis delivery systems (ECDS).

EFFECTIVE DATE: October 1, 2021

Definitions

Smoking. The bill expands the statutory definition of “smoking” to include using a lighted cigarette, cigar, pipe, or other similar device that contains, in whole or in part, cannabis or hemp, in addition to tobacco, as under current law. Under the bill, smoking means burning these devices, instead of lighting or carrying them.

Electronic Cannabis Delivery System. The bill defines an ECDS as an electronic device used to simulate smoking and deliver cannabis to a person who inhales from it. This includes (1) vaporizers, electronic pipes, and electronic hookahs and (2) related devices, cartridges, or other components. It makes related conforming changes to the statutory definitions of “electronic nicotine delivery systems” (ENDS) and “vapor products.”

The bill also exempts from the statutory definition of ENDS, ECDS, and e-cigarette liquid, a medical or therapeutic product that is (1) used by a licensed health care provider to treat a patient in a health care
setting; (2) used by a patient in any setting, as prescribed or directed by a licensed health care provider; or (3) biological products that are authorized for sale by the FDA and used to prevent, treat, or cure diseases or injuries. (Existing law already exempts vapor products that meet these requirements.)

**Prohibited Locations**

Current law prohibits smoking and e-cigarette use in various locations, such as restaurants, health care institutions, and state or municipal buildings. The bill additionally prohibits smoking cannabis and hemp and using ECDS in these locations.

The bill provides that, for purposes of the ban on smoking and using e-cigarettes or ECDS, “any area” of a facility, building, or establishment includes outside areas that are within 25 feet of a doorway, operable window, or air intake vent, in addition to the premise’s interior.

The bill expands the law’s prohibited locations by including:

1. any area of a state- or municipally- owned, operated, or leased building, instead of only inside the building;
2. any area of a school building, instead of only inside of it;
3. within or on the grounds of a family day care home, when a child enrolled in the home is present during customary business hours, instead of at any time the child is present;
4. any area of a retail establishment, rather than just a retail food store, accessed by the public;
5. any area of a higher education dormitory, instead of only inside it; and
6. any area of a halfway house.

The bill also eliminates current exemptions, thereby prohibiting smoking and using e-cigarettes and ECDS, in the following locations:
1. correctional facilities;

2. designated smoking areas in psychiatric facilities;

3. smoking rooms provided by employers for employees; and

4. up to 25% of guest rooms in hotels, motels, and similar lodging.

**Exemptions**

The bill extends the following existing exemptions from the smoking and e-cigarette ban to include smoking cannabis or hemp and ECDS use: (1) classrooms during smoking or e-cigarette demonstrations that are part of a medical or scientific experiment or lesson, (2) medical research sites where smoking or e-cigarette use is integral to the research being conducted, (3) certain outdoor areas of establishments serving alcohol, and (4) public housing projects.

The bill adds to current law’s exemptions from the ban on smoking in certain locations (1) any location licensed for on-site cannabis smoking or ECDS use and (2) “tobacco specialists.” It defines “tobacco specialists” as businesses that sell tobacco products and generate at least 75% of their annual gross income from on-site tobacco product sales (excluding cannabis) and renting on-site humidors (i.e., humidity-controlled boxes or rooms to store cigars, cigarettes, or pipe tobacco).

The bill provides that an area for smoking or e-cigarette use is not required outside or within the entryway of any building, in addition to inside any building, as under current law. The bill extends the provision to also include the use of ECDS.

**Posting Signs in Buildings**

Under existing law, the person in control of any building in which smoking and e-cigarette use are prohibited by state law must post or have a sign posted in conspicuous places stating the prohibition. The bill expands the requirement to include the prohibition against smoking cannabis or hemp and using ECDS.
Penalties

As under current law for smoking and e-cigarette use, a person commits an infraction if he or she is found guilty of (1) smoking cannabis or using an ECDS where doing so is prohibited by the bill, (2) failing to post required signs, or (3) removing the signs without authorization.

Additionally, the bill eliminates a provision in current law that prohibits a person from being arrested for smoking or e-cigarette use in a passenger elevator if there is a sign posted in the elevator indicating that the smoking or e-cigarette use is prohibited.

§ 88 — WORKPLACE SMOKING BAN

Generally bans smoking (whether tobacco, cannabis, or hemp) and e-cigarette use in workplaces, regardless of the number or employees

Subject to the exclusions below, the bill requires employers to ban smoking and e-cigarette use in any area of the workplace, regardless of the number of employees. It applies to both inside the workplace and outside within 25 feet of a doorway, operable window, or air intake vent. Under current law, an employer:

1. with five or more employees may designate employee smoking rooms, if the employer also designates a sufficient number of non-smoking break rooms, and

2. with fewer than five employees must establish non-smoking work areas upon request.

The bill’s workplace smoking ban applies to (1) smoking tobacco, cannabis, or hemp and (2) e-cigarette use (including cannabis). Current law only applies to smoking tobacco.

Additionally, the bill specifies that it does not prohibit an employer from designating as a non-smoking area the real property on which the business facility is located, in addition to the facility itself as allowed under existing law.

Exclusions

Current law’s provisions on workplace smoking do not apply to
certain business facilities. One example is certain areas of a business that tests or develops tobacco; the bill extends these to businesses that test or develop cannabis.

The bill also excludes all facilities that are exempted from the Clean Indoor Air Act, as amended under the bill (see §§ 86 & 87). Current law excludes some of these facilities (e.g., tobacco bars).

EFFECTIVE DATE: October 1, 2021

§ 89 — HOTELS AND CANNABIS

Requires hotels and motels to ban the smoking or vaping of cannabis, but otherwise prohibits them from banning its use or possession in non-public areas

The bill requires hotels, motels, and similar lodging places to prohibit the smoking or vaping of cannabis anywhere at the establishment. Otherwise, it prohibits them from banning cannabis use or possession in any nonpublic area of the establishment.

EFFECTIVE DATE: July 1, 2022

§ 90 — TENANTS AND CANNABIS

Restricts when landlords and property managers can refuse to rent to an individual due to convictions, or take certain other actions, related to cannabis

Subject to the exceptions below, the bill prohibits landlords and property managers from refusing to rent to, or otherwise discriminating against, an existing or prospective tenant based on a past conviction in Connecticut for possessing specified amounts of cannabis, or in another jurisdiction for possessing four or fewer ounces of cannabis (alone or in combination with an equivalent amount of products).

For residential properties, it generally prohibits landlords and property managers from banning cannabis possession or use, although they may prohibit smoking or vaping cannabis.

Additionally, the bill generally provides that a tenant’s drug test that solely yields a positive result for a specified metabolite of THC cannot form the sole basis for refusing to lease or continuing to lease, or otherwise penalizing the tenant, unless failing to do so would put
the landlord in violation of a federal contract or cause the landlord to lose federal funding.

These provisions do not apply to:

1. people renting a room and not the full dwelling;
2. residences incidental to detention or medical, geriatric, educational, counseling, religious, or similar services;
3. transitional housing or sober living facilities; or
4. situations where failing to prohibit cannabis use or possession would violate federal law or cause the landlord to lose a federal financial or licensing-related benefit.

EFFECTIVE DATE: July 1, 2022

§ 91 — CANNABIS USE BANNED ON STATE LANDS OR WATERS
Establishes penalties for using cannabis on state lands or waters managed by DEEP

The bill prohibits the use of cannabis or cannabis products on state lands or waters managed by DEEP. It establishes a fine of up to $250 for these violations.

EFFECTIVE DATE: July 1, 2022

§ 92 — DEPARTMENT OF CORRECTION AUTHORITY TO BAN CANNABIS
Authorizes DOC to ban cannabis possession by people under DOC custody

The bill specifically authorizes the Department of Correction (DOC) to ban cannabis possession in any DOC facility or by anyone under their custody.

EFFECTIVE DATE: July 1, 2021

§ 93 — POSITIVE DRUG TEST
Prohibits a positive drug test result that solely indicates a specified metabolite of THC from being proof that an individual is impaired by cannabis without other additional evidence

Under the bill, an individual’s drug test that solely yields a positive
result for a specified metabolite of THC (i.e., 11-nor-9-carboxy-delta-9-tetrahydrocannabinol) must not be construed, without other evidence, as proof that the individual is under the influence of, or impaired by, cannabis. (It is not clear under what context this provision applies.)

EFFECTIVE DATE: July 1, 2022

§ 94 — MEDICAL PATIENTS, PARENTS, AND PREGNANT WOMEN

Provides certain protections for medical patients, parents, and pregnant women if traces of cannabinoid metabolites are detected in their bodily fluids.

The bill provides certain protections for medical patients, parents or guardians of a child, or pregnant women if traces of cannabinoid metabolites are detected in their bodily fluids. The presence of these cannabinoid metabolites in a patient cannot constitute the use of an illicit substance resulting in denial of medical care, including organ transplantation, and a patient’s use of cannabis products may only be considered with respect to evidence-based clinical criteria. For a parent or legal guardian of a child or newborn infant, or a pregnant woman, the presence of the cannabinoid metabolites cannot form the sole or primary basis for any DCF action or proceeding.

This provision does not preclude any DCF action or proceeding based on harm or risk of harm to a child, nor does it preclude the department from using information on the presence of cannabinoid metabolites in the bodily fluids of any person in any action or proceeding.

EFFECTIVE DATE: July 1, 2021

§ 95 — POSITIVE STUDENT THC TESTS

Prohibits, with some exceptions, a positive drug test result that solely indicates a specified metabolite of THC from being the sole basis for a school to penalize a student.

The bill prohibits a student’s drug test that solely yields a positive result for a specified metabolite of THC from being the sole basis for an educational institution to refuse to enroll or continue to enroll, or otherwise penalize, the student. The bill makes an exception in cases where (1) failing to do so would put the educational institution in violation of a federal contract or cause it to lose federal funding or (2)
the student is being drug tested as required by the National Collegiate Athletic Association (NCAA) and the penalization action taken is required by NCAA policies.

EFFECTIVE DATE: July 1, 2021

§ 96 — BAN ON REVOKING FINANCIAL AID OR EXPPELLING HIGHER EDUCATION STUDENTS

Generally bans institutions of higher education from (1) revoking financial aid or student loans or (2) expelling a student, solely for use or possession of small amounts of cannabis

The bill bans any institution of higher education from (1) revoking any financial aid or student loans or (2) expelling a student, solely for use or possession of less than:

1. four ounces of cannabis plant material;
2. an equivalent amount of cannabis product, defined as (a) 20 grams of cannabis concentrate or (b) any other cannabis product or products with up to 2,000 milligrams of THC; or
3. an equivalent amount of a combination of cannabis and cannabis product, as described above.

This ban does not apply if (1) federal law requires revoking aid or loans or expelling a student or (2) failing to take those actions would violate a federal contract the educational institution holds or cause it to lose federal funding. This applies to all public and private universities and colleges in the state.

EFFECTIVE DATE: July 1, 2021

§§ 97-101 — EMPLOYMENT RELATED PROVISIONS

Defines numerous terms including exempt employer and exempt employee; sets rules for what employers are (1) banned from doing and (2) authorized to do under certain conditions; specifies it does not limit an employer’s ability to require employees to submit to drug testing; creates a civil action for employees aggrieved by a violation of the bill’s employer limitations

Definitions (§ 97)

The bill establishes allowed and prohibited employer actions regarding employee cannabis use and exempts certain types of
employers and employees from these requirements. The bill includes the following definitions for the employment related provisions:

1. “employee” means any individual employed or permitted to work by an employer, or an independent contractor;

2. “employer” means any owner, person, partnership, corporation, limited liability company, or association acting directly as, on behalf of, or in the interest of an employer in relation to employees, including the state and its political subdivisions (e.g., municipalities);

3. “exempted employee” means an employee holding an exempted position or working for an exempted employer;

4. “exempted employer” means an employer whose primary activity (as indicated in the bill by specific North American Industry Classification System codes) is:
   a. mining, including natural gas extraction;
   b. utilities, including electric power generation and distribution; nuclear, solar, and wind power generation; and water and sewer systems;
   c. construction, including residential, industrial, and commercial;
   d. manufacturing, including production of various products, machinery, and instruments;
   e. transportation or delivery, including air, rail, trucking, couriers, and express delivery;
   f. educational services, including Kindergarten to grade 12, colleges, universities, and professional schools;
   g. health care or social services, including physicians and dentists offices, hospitals, community housing and emergency services, and child day care services;
h. justice and public safety activities, including, courts, police, fire, legal counsel, and corrections; and

i. national security and international affairs, including immigrations enforcement and State Department diplomats.

Under the bill, an “exempted employer” includes any subdivision of a business entity that is a standalone business unit that has its own executive leadership, some or significant autonomy, and its own financial statements and results.

Under the bill “exempted position” means a position:

1. as a firefighter or emergency medical technician;

2. as a police officer or peace officer, or in a position with a law enforcement or investigative function at a state or local agency;

3. that requires driving a motor vehicle, for which federal or state law requires an employee to submit to screening tests, including any position requiring a commercial driver's license or any position subject to drug testing under federal regulations related to the U.S. Department of Transportation, the Federal Aviation Administration, or the U.S. Coast Guard;

4. that requires a completion certification for a course in construction safety and health approved by the federal Occupational Safety and Health Administration;

5. that requires a federal Department of Defense or Department of Energy national security clearance;

6. for which the bill’s employment provisions are inconsistent or otherwise in conflict with (a) an employment contract or collective bargaining agreement or (b) any provision of federal law;

7. funded in whole or in part by a federal grant;
8. providing supervision or care of children, medical patients, or vulnerable persons;

9. with, in the employer’s determination, the potential to adversely impact the health or safety of employees or the public; or

10. at a nonprofit organization or corporation, the primary purpose of which is to discourage use of cannabis products or any other drug.

EFFECTIVE DATE: July 1, 2022

**Employer Policy Requirements, Right to Maintain a Drug-Free Workplace (§ 98)**

The bill sets rules for what employers are (1) banned from doing or (2) authorized to do.

The bill explicitly states that no employer will be required to make accommodations for an employee or be required to allow an employee to (1) perform his or her duties while under the influence of cannabis or (2) possess, use, or otherwise consume cannabis while performing work duties, except for possession of medical marijuana by a qualifying patient under state law.

The bill defines “workplace” as the (1) employer’s premises, including any building, real property, and parking area under the employer’s control; (2) area used by an employee while performing job duties; and (3) employer's vehicles, whether leased, rented, or owned.

**Employer Policy Prohibiting Possession or Use by Employees.**

The bill permits an employer to implement a policy prohibiting cannabis possession, use, or other consumption by an employee, except for possession of medical marijuana by a qualifying patient under the same law. (Presumably, the policy can apply to cannabis possession or use either at work or outside the workplace.) Under the bill, as under existing law, an employer cannot refuse to hire a person or discharge, penalize, or threaten an employee due to the individual’s
status as a qualifying patient or caregiver under the medical marijuana law.

But the bill requires that the policy be (1) in writing in either physical or electronic form and (2) made available to each employee before the policy’s enactment. The employer must also provide the policy to each prospective employee when making an offer or conditional offer of employment.

**Employer Action Against an Employee.** The bill generally bans an employer from holding against an employee the use of cannabis products prior to employment except in limited situations. It prohibits employers from taking certain actions against an employee or prospective employee because he or she had or had not smoked, vaped, aerosolized or otherwise used cannabis products outside of the workplace before he or she was employed by the employer, unless failing to do so would put the employer in violation of a federal contract or cause it to lose federal funding. The prohibited actions are discharging or taking any adverse action with respect to compensation, terms, conditions, refusal to hire, or other privileges of employment.

However, the bill permits an employer to prohibit cannabis use outside the workplace if the employer has adopted a policy under the bill’s conditions that includes the prohibition. It prohibits an employer from discharging or taking an adverse action against any employee with respect to compensation, terms, conditions or other privileges of employment because the employee does or does not smoke, vape, aerosolize or otherwise use cannabis products outside of the workplace, unless the employer’s action is under a policy the employer adopted as described above. Thus, the bill allows an employer’s policy to prohibit cannabis use outside of the workplace.

**Drug and Alcohol-Free Workplace and Reasonable Suspicion.** Under the bill, nothing in its employment related provisions (§§ 97 to 101) requires an employer to amend, repeal, affect, restrict, or preempt the rights and obligations of employers to maintain a drug-
alcohol-free workplace.

Furthermore, the bill does not limit an employer from taking appropriate employment action upon (1) reasonable suspicion of an employee’s use of cannabis while engaged in the employee’s work responsibilities at the workplace or on call or (2) determining that an employee shows specific, articulable symptoms of drug impairment while working at the workplace or on call. These signs of impairment must decrease or lessen the employee’s performance of the duties or tasks of the employee’s job position. They include:

1. symptoms of the employee’s speech, physical dexterity, agility, coordination, demeanor, irrational or unusual behavior;
2. negligence or carelessness in operating equipment or machinery;
3. disregard for the safety of the employee or others, or involvement in an accident that results in serious damage to equipment or property;
4. disruption of a production or manufacturing process; or
5. carelessness that results in an injury to the employee or others.

Under the bill, “on call” means a period of time for which an employee is (1) scheduled by his or her employer or supervisor, with at least 24-hours’ notice, to be on standby for performing tasks related to his or her employment, either at the employer’s premises or other designated location to perform a work-related task, and (2) being compensated for the scheduled time.

**Exempted Employers and Employees.** The bill’s provisions regarding employer policies and limits on when an employer can take adverse action against an employee do not apply to an exempted employer or to any employee who holds or is applying for an exempted position.

**Employer Drug Testing (§§ 98(d)(2) & 99)**
The bill further provides that nothing in its employment related provisions (§§ 97 to 101) limits or prevents an employer from subjecting an employee or applicant (1) to drug testing or a fitness for duty evaluation or (2) from taking adverse action under an employer policy established under the bill’s criteria, including disciplining an employee, terminating employment, or rescinding a conditional job offer to a prospective employee.

A drug test of a prospective or existing employee, other than a prospective or existing exempted employee, that solely yields a positive result for a specified metabolite of THC, cannot be the sole basis for a refusal to employ or continue to employ or to otherwise penalize the prospective or current employee, unless:

1. failing to do so would put the employer in violation of a federal contract or cause it to lose federal funding;

2. the employer reasonably suspects an employee uses cannabis while performing work responsibilities;

3. the employee manifests specific, articulable symptoms of drug impairment while working that decrease or lessen the employee’s work performance, including the same signs of impairment included above for reasonable suspicion; or

4. (a) the drug test is under a random drug testing policy established by the employer that meets the bill’s policy standards or was for a prospective employee with a conditional job offer, and (b) the employer has established in the policy that a positive drug test for the specified metabolite of THC may result in an adverse employment action (this does not apply to a qualifying patient or caregiver under the medical marijuana law).

Existing law, unchanged by the bill, sets additional specific criteria that must be met before an employer can require randomized drug tests ((CGS § 31-51x), see Background).
EFFECTIVE DATE: July 1, 2022

**Employee Recourse (§ 100)**

With certain exceptions detailed in the bill, an employee or perspective employee aggrieved by a violation of the bill’s employer limitations may bring a civil action in the Superior Court for the district where the violation is alleged to have occurred, or where the employer has its principal office, within 90 days after the alleged violation. Actions alleging violations involving a state agency may be brought in the Superior Court for the judicial district of Hartford.

Under the bill, individuals who prevail in a civil action may be awarded reinstatement to their previous employment or job offer, and the court must award payment of back wages and reasonable attorney’s fees and costs.

The bill also establishes situations where a cause of action cannot be made. It cannot be construed to create or imply a cause of action for any person against an employer:

1. for an employer’s actions based on good faith belief that an employee used or possessed cannabis (except a qualifying patient possessing palliative cannabis under the state medical marijuana law) in the employer’s workplace, while performing the employee’s job duties, during work hours, or while on call in violation of the employer’s employment policies;

2. for actions taken, including discipline or termination of employment, based on the employer’s good faith belief that, due to cannabis use, an employee was unfit for duty or impaired or under the influence of cannabis while at the employer's workplace, while performing the employee’s job duties, during work hours or while on call in violation of the employer's workplace drug policy;

3. for injury, loss, or liability to a third party if the employer neither knew nor had reason to know that the employee was impaired by cannabis;
4. for subjecting an employee to drug testing or a fitness for duty evaluation, pursuant to an employer’s policy established under the bill’s criteria; or

5. if the employer is an exempted employer or the claims are regarding an exempted position.

The bill also specifies that it does not create or imply a cause of action against an employer for subjecting a prospective employee to drug testing or taking adverse action against a prospective employee, including rescinding a conditional job offer, based on the results of a drug test. However, an employer cannot take adverse action against a prospective employee over a drug test that is solely positive for a specified metabolite of THC unless (1) the employer is an exempted employer, (2) the prospective employee is applying for an exempted position, or (3) the employer has an employment policy, established under the bill’s conditions, that a positive drug test for specified metabolite of THC may result in adverse employment action.

Under the bill, “work hours” are, for a nonexempt employee under the federal Fair Labor Standards Act, any period of time for which the employee is compensated by an employer.

The bill supersedes certain labor statutes (CGS Chapter 557, Labor Regulation) and provides that no employer, officer, agent or other person who violates any employment provision of the bill (§§ 98-101) is liable to the Labor Department (DOL) for a civil penalty. Also, DOL cannot investigate an employer, officer, agent or other person based solely on an allegation that they violated the bill’s enforcement provisions.

**EFFECTIVE DATE: July 1, 2022**

**Exempted Employment Situations (§ 101)**

The bill explicitly does not apply to drug testing, conditions of continued employment, or conditions for hiring employees required under:
1. federal Department of Transportation regulations that require testing a prospective employee under the department’s administrative procedures (49 C.F.R. 40);

2. any state agency regulations that adopt a federal regulation for purposes of enforcement with respect to intrastate commerce;

3. any contract entered into between the federal government and an employer or any grant of financial assistance from the federal government to an employer that requires drug testing prospective employees as a condition of the contract or grant;

4. any federal law or state statute, regulation, or order that requires drug testing prospective employees for safety or security purposes; or

5. any applicant whose prospective employer is a party to a collective bargaining agreement that specifically addresses drug testing, conditions of hiring, or conditions of continued employment of the applicant.

Also, the bill explicitly excludes contracts between a hospital or other medical organization and medical staff (as defined in federal regulations) or a hospital’s or other medical organization’s standards for credentialing its medical staff.

EFFECTIVE DATE: July 1, 2021

**Background — Employee Drug Testing Law**

By law, an employer can only require random urinalysis drug testing if (1) the test is authorized under federal law; (2) the employee (a) serves in an occupation that has been designated as a high-risk or safety-sensitive occupation under state DOL regulations or (b) is employed to operate a school bus or a student transportation vehicle, as defined in state law; or (3) the urinalysis is part of an employer-sponsored or authorized employee assistance program in which the employee voluntarily participates (CGS § 31-51x).
State law requires an employer to obtain a second, confirming urinalysis test result of an employee before the results can be used in employment decisions. The second test must be separate and independent from the initial test, using a gas chromatography and mass spectrometry methodology or a methodology that the public health commissioner has determined to be as reliable or more reliable than the gas chromatography and mass spectrometry methodology (CGS § 31-51u).

§§ 102-104 — CANNABIS CONTROL COMMISSION POWERS, DUTIES, AND PROCEDURES

Places the Cannabis Control Commission within the DCP’s boards and commissions and extends specified powers and duties to the commission

Powers and Duties

The bill places the Cannabis Control Commission within DCP and generally extends to the commission the powers and duties granted under existing law to other DCP boards and commissions. These powers and duties include the following:

1. exercising its statutory functions;

2. issuing (a) appropriate orders to any person found to be violating an applicable statute or regulation providing for the immediate discontinuance of the violation, (b) an order requiring the violator to make restitution for any damage caused by the violation, or (c) both;

3. petitioning the Superior Court for the judicial district where the violation occurred, or where the person committing the violation resides or transacts business, to enforce a commission order and for appropriate temporary relief or a restraining order;

4. conducting hearings on any matter within its statutory jurisdiction in accordance with the UAPA and DCP’s Uniform Rules of Procedure Concerning Boards and Commissions (Conn. Agency Regs., § 21a-9-1 et seq.);
5. requesting the DCP commissioner to investigate and make findings and recommendations regarding any matter within the commission’s statutory jurisdiction;

6. recommending rules and regulations for the DCP commissioner to adopt and reviewing and commenting on proposed rules and regulations before their adoption by the commissioner;

7. meeting at least once in each calendar quarter and at other times as the chairperson or the DCP commissioner deems necessary; and

8. taking certain disciplinary actions, based on specified grounds, including (a) revoking or suspending a license, registration, or certificate, (b) issuing letters of reprimand, and (c) placing a person on probationary status.

Existing law generally requires DCP boards and commissions that make a proposed final decision that is adverse to a party to submit the actions to the DCP commissioner who subsequently issues the final decision. The bill exempts the Cannabis Control Commission from this requirement, thus allowing it to make final decisions. The law provides the same exemption for the Liquor Control Commission.

**Procedures**

As under existing law for other DCP boards and commissions, the bill requires a majority of the Cannabis Commission members to constitute a quorum. Members who fail to attend three consecutive meetings or half of the meetings in any calendar year are deemed to have resigned. Members may not serve more than two consecutive full terms, but they may continue to serve until a successor is appointed or approved. They are not compensated for their services but may be reimbursed for any necessary expenses they incur in performing their duties.

**DCP Powers and Duties Related to the Commission**

The bill exempts the Cannabis Control Commission from the requirement that DCP provide certain functions to its board and
commissions, including budgeting, hiring, management, and investigatory functions. Existing law also exempts the Liquor Control Commission from this requirement.

EFFECTIVE DATE: July 1, 2021

§ 105 — PENALTIES FOR SALES TO UNDERAGE PERSONS

Establishes misdemeanor penalties for cannabis establishments and employees who sell to people under age 21

Under the bill, cannabis establishment licensees, or their servants or agents, who sell or deliver cannabis or cannabis products to people under age 21 are guilty of a class A misdemeanor, punishable by up to one year in prison, a fine of up to $2,000, or both.

EFFECTIVE DATE: July 1, 2022

§ 106 — PHOTO IDENTIFICATION

Allows cannabis establishments and their employees to require customers to have their photos taken or show IDs to prove their age and provides an affirmative defense for relying on these documents; otherwise limits the use of these photos or information; allows DCP to require cannabis establishments to use an online age verification system

Under the bill, licensed cannabis establishments, or their agents or employees, may require identification as a condition of sale for people whose age is in question. Specifically, (1) they may require these people to have their photographs taken or (2) make a copy of their driver’s license or non-driver identification (ID) card.

They are prohibited from using these photographs or photocopies (or information derived from them) for any other purpose. This includes selling or otherwise distributing these items to third parties for any purpose, including marketing, advertising, or promotional activities. But they may release these items pursuant to a court order.

Affirmative Defense

The bill provides an affirmative defense for cannabis establishment licensees, or their agents or employees, if they are prosecuted for selling to underage individuals.

This defense applies if (1) they sold or delivered cannabis or
cannabis products to the person in good faith and in reasonable reliance on the identification presented and (2) photographed the person and made a copy of the identification. To support their defense, they may introduce evidence of the photograph and ID copy.

**Online System**

The bill also allows the DCP commissioner to require cannabis establishments to use an online age verification system.

**EFFECTIVE DATE:** January 1, 2022

### § 107 — PENALTIES FOR INDUCING UNDERAGE PERSONS TO BUY CANNABIS

_Establishes misdemeanor penalties for inducing someone under age 21 to buy cannabis_

Under the bill, anyone who induces someone under age 21 to procure cannabis or cannabis products from a licensed seller is guilty of a class A misdemeanor.

This penalty does not apply to (1) 18- to 20-year-old registered employees of cannabis establishments when acting in the course of their employment or business or (2) inducement that furthers a law enforcement agency’s official investigation or enforcement activity.

These provisions do not prevent actions against cannabis sellers who sold to underage individuals who were participating in such an investigation or enforcement activity.

**EFFECTIVE DATE:** January 1, 2022

### § 108 — IDENTIFICATION USE AND PENALTIES FOR ATTEMPTED PURCHASES BY UNDERAGE PERSONS

_Allows driver’s licenses and non-driver ID cards to be used to prove age for buying cannabis; establishes penalties for underage persons who misrepresent their age or use someone else’s license in an attempt to buy cannabis_

The bill authorizes (1) anyone who is at least age 21 and has a driver’s license or non-driver ID card with a full-face photograph to use it to prove age when buying cannabis or cannabis products and (2) cannabis businesses to accept it as legal proof of age.
The bill subjects anyone who misrepresents his or her age, or uses another person’s license, to obtain cannabis or cannabis products to a fine of up to $250 for a first offense. A subsequent offense is a class D misdemeanor, punishable by up to 30 days in prison, a fine of up to $250, or both.

These penalties do not apply to someone who works for or on behalf of a state agency testing retailers’ age verification and product controls, while performing these duties.

EFFECTIVE DATE: January 1, 2022

§ 109 — PENALTIES FOR ALLOWING UNDERAGE PERSONS TO POSSESS CANNABIS AT A PERSON’S PROPERTY

Makes it a class A misdemeanor for someone in control of a home or private property to allow someone under age 21 to possess cannabis there.

The bill makes it a class A misdemeanor for someone who possesses or controls a dwelling unit or private property to:

1. knowingly or recklessly allow someone under age 21 to illegally possess cannabis or cannabis products on the property or

2. fail to make reasonable efforts to stop this possession on the property when he or she knows an underage person possesses these items illegally.

EFFECTIVE DATE: January 1, 2022

§ 110 — PROHIBITION ON ALLOWING UNDERAGE PERSONS TO LOITER AT CANNABIS RETAILERS

Establishes penalties for cannabis retailers or hybrid retailers who allow underage individuals to loiter or enter certain parts of the establishment.

The bill generally prohibits cannabis retailers or hybrid retailers, and their employees or agents, from allowing people under age 21 to (1) loiter on the premises where cannabis is kept for sale or (2) be in any room where cannabis is consumed.

These provisions do not apply if the underage person is (1) an employee of the business, (2) a medical marijuana patient at a hybrid
retailer’s establishment, or (3) accompanied by a parent or guardian.

Under the bill, a first violation is punishable by a fine of up to $1,000. A subsequent violation is a class B misdemeanor, punishable by up to six months in prison, a fine of up to $1,000, or both.

EFFECTIVE DATE: January 1, 2022

§ 111 — UNDERAGE PERSONS POSSESSING ALCOHOL AT A PERSON’S PROPERTY

Narrows the existing crime of allowing underage persons to possess alcohol at a property, by eliminating criminal negligence as a sufficient mental state for this crime

Under existing law, it is generally a class A misdemeanor for someone who possesses or controls a dwelling unit or private property to allow someone under age 21 to illegally possess alcohol on the property.

Currently, this applies if the person knowingly, recklessly, or with criminal negligence allowed this to occur. The bill eliminates criminal negligence as one of the mental states that could lead to criminal liability under this law. Generally, a person acts recklessly when he or she is aware of a substantial risk but disregards it, while a person acts with criminal negligence when he or she fails to perceive such a risk; in either case, ignoring or failing to perceive the risk must be clearly unreasonable.

EFFECTIVE DATE: January 1, 2022

§§ 112 & 113 — CANNABIS USE IN MOTOR VEHICLES

Makes it a (1) class C misdemeanor to smoke, otherwise inhale, or ingest cannabis while driving a motor vehicle and (2) class D misdemeanor to smoke cannabis in a motor vehicle

The bill makes it a class C misdemeanor to smoke, otherwise inhale, or ingest cannabis products while driving a motor vehicle. It makes it a class D misdemeanor to smoke cannabis as a passenger in a motor vehicle. (It is unclear whether the prohibition on driving while smoking or ingesting cannabis products also applies to cannabis.) A class C misdemeanor is punishable by up to three months in prison, a fine of up to $500, or both, and a class D misdemeanor is punishable by up to 30 days in prison, a fine of up to $250, or both.
In either case, the bill applies to doing these things in a vehicle operated (1) on a public highway, (2) on a road of a specially chartered municipal association or roadway district, (3) in a parking area for 10 or more cars, (4) on school property, or (5) on a private road with a speed limit set pursuant to state law.

Under the bill, someone cannot be convicted of both possession of a controlled substance and smoking, otherwise inhaling, or ingesting cannabis products while driving for the same incident. But someone may be charged and prosecuted for either or both offenses, driving under the influence, and any other applicable offense upon the same information. Relatedly, someone cannot be convicted of both possessing a controlled substance and smoking cannabis in a motor vehicle for the same incident, but he or she may be charge and prosecuted for both offenses upon the same information.

EFFECTIVE DATE: October 1, 2021

§ 114 — DRUG RECOGNITION EXPERTS AND ADVANCED ROADSIDE IMPAIRED DRIVING ENFORCEMENT

Requires POST and DOT to determine the number of drug recognition experts needed; requires certain officers to be trained in advanced roadside impaired driving enforcement; and requires related training plans.

The bill requires the Police Officer Standards and Training Council (POST), in conjunction with the Department of Transportation’s (DOT) Highway Safety Office, to determine how many accredited drug recognition experts (DREs) are needed to respond to impaired driving. It also requires (1) certain officers to be trained in advanced roadside impaired driving enforcement (ARIDE) and (2) training plans for both DREs and ARIDE.

Under the bill, a DRE is someone certified by the International Association of Chiefs of Police as having met all requirements of the International Drug Evaluation and Classification Program. ARIDE is a program developed by the National Highway Traffic Safety Administration (NHTSA) with the International Association of Chiefs of Police (IACP) and the Technical Advisory Panel, or a successor program, that focuses on impaired driving enforcement education for
police officers.

**Determining Minimum Number of DREs**

By January 1, 2022, the bill requires each law enforcement unit to report to POST, in a manner it specifies, a recommendation for the minimum number of officers that it should have accredited as DREs to respond to impaired driving. In making the recommendations, units may consider that they may call on other units’ DREs, as needed and available. A recommendation must be based on (1) DOT impaired driving data and (2) and POST-issued guidance.

The bill requires POST, in conjunction with DOT’s Highway Safety Office, to determine the minimum number of police officers to be accredited as DREs for each law enforcement unit, considering recommendations from law enforcement units. POST and the office must (1) submit their first determination to the governor and OPM secretary by July 1, 2022, and (2) update and submit the determination at least every three years.

By April 1, 2022, POST must develop and promulgate a model DRE policy to ensure that enough police officers in each unit become trained DREs to meet the minimum requirement POST determines. And by October 1, 2022, each law enforcement unit must adopt and maintain a written policy that at least meets the standards in POST’s policy.

**DRE and ARIDE Training**

POST and DOT’s Highway Safety Office must jointly (1) issue a plan, by January 1, 2022, to increase access to ARIDE training and DRE training for police officers and law enforcement units and (2) update the plan triennially. Beginning on that same date, the bill requires each police officer who has not been recertified for the second time after his or her initial certification to be trained and certified in ARIDE before being recertified.

**EFFECTIVE DATE:** July 1, 2021

**§ 116 — DRIVING UNDER THE INFLUENCE (DUI)**
Modifies the state’s DUI law, including allowing drug influence evaluations to be admitted as evidence, allowing courts to take judicial notice of THC’s effects, and providing immunity to people who draw blood at a police officer’s direction.

The bill makes changes to the state’s DUI law, including allowing DREs to testify in court, allowing courts to take judicial notice of THC’s effects, and providing civil immunity to people who draw blood at a police officer’s direction.

The DUI law prohibits driving a motor vehicle (1) while under the influence of alcohol or drugs (or both) or (2) with an elevated blood alcohol content (BAC) (i.e., at least .08% for non-commercial vehicle drivers, .04% for commercial vehicle drivers, or .02% for drivers under age 21). It applies to drivers operating motor vehicles anywhere, including their own property, and to people operating snowmobiles and all-terrain vehicles. The law imposes various penalties for DUI, including prison terms, fines, and license suspensions (see Background).

EFFECTIVE DATE: April 1, 2022

Drug Influence Evaluations and DRE Testimony

Under the bill, a DRE, at the court’s discretion, may testify about his or her opinion or otherwise on the significance of the symptoms of impairment or intoxication (1) for which evidence was admitted or (2) on the condition that the evidence be introduced.

The bill also allows evidence that a defendant refused to submit to the nontestimonial portion of a drug influence evaluation to be admissible as evidence under the same conditions. As under current law with test refusal, in cases tried by jury, the court must instruct the jury as to the inferences that may or may not be drawn from the defendant’s refusal to submit to the evaluation.

A “drug influence evaluation” is a twelve-part evaluation developed by NHTSA and IACP that a DRE conducts to determine (1) a person’s impairment level from using drugs and (2) the drug category causing the impairment (see Background). The “nontestimonial portion of a drug influence evaluation” is a drug influence evaluation that does not include a verbal interview with the
subject.

**Judicial Notice of Effects of THC**

In a DUI prosecution alleging that a defendant’s driving was impaired wholly or partially by consuming cannabis, cannabis products, or THC, the bill allows a court to take judicial notice that ingesting THC (1) can impair a person’s driving ability, motor function, reaction time, tracking ability, cognitive attention, decision-making, judgment, perception, peripheral vision, impulse control, and memory and (2) does not enhance a person’s ability to drive a motor vehicle safely.

**Immunity for People Drawing Blood**

The bill generally gives immunity from civil liability to a (1) qualified person who draws someone’s blood at the request of a police officer acting according to DUI law or laws on blood samples after accidents resulting in death or serious injury and (2) hospital, lab, or clinic that employs the person or uses his or her services. This immunity does not apply if the person’s actions while drawing blood constitute gross negligence.

**Background — Penalties for DUI**

A person convicted of DUI is subject to the criminal penalties listed in the table below. The law considers a subsequent conviction one that occurs within 10 years after a prior conviction for the same offense (CGS § 14-227a(g)). Higher penalties apply for DUI (1) with a child passenger (CGS § 14-227m) or (2) while operating a school bus, student transportation vehicle, or other vehicle specifically designed to carry children (CGS § 14-227n).

<table>
<thead>
<tr>
<th>Conviction</th>
<th>Prison Sentence</th>
<th>Fine</th>
<th>License Suspension</th>
</tr>
</thead>
<tbody>
<tr>
<td>First</td>
<td>Either (1) up to six months with a mandatory minimum of two days or (2) up to six months suspended with probation requiring 100 hours of</td>
<td>$500- $1,000</td>
<td>45 days, followed by one year driving only a vehicle equipped with an ignition interlock</td>
</tr>
<tr>
<td></td>
<td>community service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td>-----------------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Second</td>
<td>Up to two years, with a mandatory minimum of 120 consecutive days and probation with 100 hours community service</td>
<td>$1,000-$4,000</td>
<td>45 days, followed by three years of driving only a vehicle equipped with an ignition interlock, with operation for the first year limited to travel to or from work, school, a treatment program, an ignition interlock service center, or a probation appointment</td>
</tr>
<tr>
<td>Third and Subsequent</td>
<td>Up to three years, with a mandatory minimum of one year and probation with 100 hours community service</td>
<td>$2,000-$8,000</td>
<td>License revoked, but the offender is eligible for reinstatement after two years (if reinstated, he or she must drive only interlock-equipped vehicles, except that the DMV commissioner may lift this requirement after 15 years)</td>
</tr>
</tbody>
</table>

License suspension for conviction of a criminal DUI charge is in addition to any previously imposed administrative license suspension under the implied consent law. In addition to these penalties, the court can order a driver to participate in an alcohol education and treatment program (CGS § 14-227a (j)).

**Background — DRE 12-Step Drug Influence Evaluation**

The 12 steps of a drug influence evaluation conducted by a DRE are:

1. breath alcohol test, to determine BAC;
2. interview of the arresting officer, to determine what he or she saw or heard that could indicate drug use;
3. preliminary examination, to determine whether to continue the evaluation;
4. eye examination for evidence of involuntary eye jerking and other effects;
5. divided attention tests, such as finger-to-nose tests and one leg stands;

6. vital sign examinations;

7. dark room examinations, for changes in the pupils with changes in light;

8. muscle tone examination, to see if muscles are markedly tense or flaccid;

9. examination for injection sites;

10. interview of the subject and logging other observations;

11. recording the evaluator’s opinion, based on the above tests; and

12. toxicological examination.

§ 117 — ALCOHOL EDUCATION AND TREATMENT PROGRAM

Specifies that the court can require people convicted of DUI to attend an alcohol education and treatment program if they drove under the influence of alcohol or both alcohol and drugs.

The law allows the court to require someone convicted of DUI to participate in an alcohol education and treatment program. The bill specifies that the court can require this for people who drove under the influence of alcohol or both alcohol and drugs.

EFFECTIVE DATE: April 1, 2022

§ 118 — ADMINISTRATIVE PER SE LICENSE SUSPENSION PROCESS

Makes changes to the administrative per se process, including (1) expanding it to include procedures for imposing penalties on drivers without an elevated BAC but found to be driving under the influence based on behavioral impairment evidence and (2) applying the existing per se process to operators who refuse the nontestimonial portion of a drug influence evaluation.

By law, someone arrested for DUI is subject to administrative licensing sanctions through DMV, in addition to criminal prosecution. This process is referred to as “administrative per se,” and the sanctions may occur when (1) a driver refuses to submit to a blood, breath, or
urine test or (2) a test indicates an elevated BAC. However, under current law, DMV is unable to suspend drug-impaired drivers that do not have an elevated BAC.

Principally, the bill expands the administrative per se process to include procedures for imposing licensing sanctions and other penalties on drivers that do not have an elevated BAC but are found to be driving under the influence based on evidence of behavioral impairment, among other things. Existing law allows evidence of behavioral impairment to support a DUI conviction.

The bill also applies the existing per se process to drivers who refuse to consent to the bill’s nontestimonial portion of a drug influence evaluation and makes various other changes to the process.

EFFECTIVE DATE: April 1, 2022

Implied Consent for Drug Influence Evaluations (§ 118(a))

Under existing law, motor vehicle drivers consent to chemical tests of their blood, breath, or urine when they drive, and if a driver is a minor, the law deems his or her parents to have consented. Under the bill, drivers (or their parents) also consent to a nontestimonial portion of a DRE-conducted drug influence evaluation.

Requests for Drug Influence Evaluations (§ 118(b))

Existing law allows a police officer who arrests a person for DUI to request that he or she submit to a blood, breath, or urine test under certain conditions. The bill allows the officer to also ask the person to submit to (1) a drug influence evaluation conducted by a DRE or (2) both a drug influence evaluation and a blood, breath, or urine test.

The bill generally applies the conditions in existing law for requesting blood, breath, or urine tests to requests for drug influence evaluations. Thus, under the bill, a police officer may ask someone to submit to a blood, breath, or urine test, or a drug influence evaluation only after he or she is:

1. informed of his or her constitutional rights;
2. given reasonable opportunity to contact an attorney before the test or evaluation occurs;

3. informed that evidence of refusal to submit to a test or evaluation is admissible as evidence in the prosecution of DUI cases, except that refusing to submit to the testimonial portions of drug influence evaluations is not refusal evidence; and

4. informed that his or her license or operating privilege may be suspended under administrative per se procedures if (a) he or she refuses a test or the nontestimonial portion of a drug influence evaluation or submits to a test and the results indicate an elevated BAC or (b) the officer, through his or her investigation, concludes that the person was driving under the influence of intoxicating liquor, a drug, or both.

Existing law prohibits giving a test if the subject refuses it. It requires police officers, when someone refuses or is unable to submit to a blood test, to designate a different type of test to be taken. If a test is refused, the officer must officially note that he or she informed the person of the conditions under which the license or driving privilege could be suspended by the refusal.

The bill extends this refusal procedure to requests for drug influence evaluations. It also specifies that if someone submits to a breath test and the results indicate that the person does not have an elevated BAC, the police officer may ask him or her to take a different type of test. But if he or she refuses to submit to a blood test, the officer must designate that a urine test be taken.

**Arrest Reports and 24-Hour Suspension (§ 118(c) & (d))**

The bill (1) adds refusing the nontestimonial portion of a drug influence evaluation to the existing arrest reporting and 24-hour suspension procedures and (2) establishes a similar procedure for people who are arrested for DUI but not asked to take a test or whose results do not indicate an elevated BAC.

The bill also specifies that an officer’s failure to transmit these
reports within three business days, as the law requires, does not affect a license or operating privilege suspension decision or the report’s admissibility in a hearing (see below).

**Refusing Test or Elevated BAC.** Under existing law, if a person refuses to submit to a blood, breath, or urine test, or submits to a test within two hours after driving and the results indicate the person has an elevated BAC, the police officer, acting on behalf of DMV, must immediately, and for a 24-hour period, (1) revoke and take possession of the person’s driver’s license and (2) suspend his or her operating privilege, if he or she is a nonresident. Under the bill, an officer must do the same if a person refuses a drug influence evaluation.

**No Test Requested or No Elevated BAC.** Under the bill, if an officer arrests someone for DUI but does not ask the person to submit to a blood, breath, or urine test, or gets results indicating that the person does not have an elevated BAC, the officer must (1) advise the person that his or her license or operating privilege may be suspended through the administrative per se process if he or she concludes, through his or her investigation, that the person was driving under the influence of alcohol, drugs, or both and (2) submit a report on the arrest and evidence.

The bill requires the report to be submitted under existing law’s procedures, and if the report includes test results that indicate no elevated BAC, it must conform to the requirements for reports on test results that do indicate elevated BAC. In these reports, the officer must document (1) the basis for believing that there was probable cause to arrest the person for DUI and (2) if he or she concluded, through his or her investigation, that the person was driving under the influence of alcohol, drugs, or both.

Under the bill, if the officer believes substantial evidence of DUI exists, he or she must immediately, and for a 24-hour period, (1) revoke and take possession of the person’s driver’s license or (2) if the person is unlicensed or a nonresident, suspend their operating privilege.
Laboratory Analysis of Blood or Urine. The bill eliminates provisions in current law that:

1. prohibit an officer, if a blood or urine test specimen requires laboratory analysis, from (a) taking possession of a person’s license or suspending his or her operating privilege or (b) sending an arrest report to the commissioner and

2. require, if the lab results show an elevated BAC, the officer to immediately notify and send the report to DMV.

DMV License Suspension (§ 118(e))

Under current law, after receiving a report, the DMV commissioner may suspend a person’s license, which must start on a date no later than 30 days after the person received notice of their arrest by the police officer. The bill instead requires that the date be within 30 days before the later of the date the person received the (1) notice of the person’s arrest or (2) results of a blood or urine test or a drug influence evaluation.

The suspension lasts for 45 days and is followed by a mandatory period of ignition interlock device use (see below).

Hearing. By law, people subject to this license suspension are entitled to a hearing before the suspension takes effect. They may do so by contacting DMV within seven days after the suspension notice’s mailing date.

Under the bill, the hearing for someone who was not asked to take a blood, urine, or breath test or whose test results did not indicate an elevated BAC, is limited to determining the following issues, which are substantially similar to those under existing law’s per se process:

1. if police officer had probable cause to arrest the person for DUI;

2. was the person arrested;

3. is there substantial evidence to conclude that the person was driving a vehicle under the influence of alcohol, drugs, or both;
4. was the person driving the vehicle.

In these hearings, the following evidence of DUI is admissible:

1. police officer observations of intoxication, as documented in the report;

2. results of a chemical test administered in accordance with the DUI law or a toxicology report certified by the Department of Emergency Services and Public Protection’s (DESPP) Division of Scientific Services;

3. hospital or medical records obtained in accordance with established procedures or by the driver’s consent;

4. results of tests conducted by, or a report of, an officer trained in ARIDE; or

5. DRE reports.

**Ignition Interlock Devices (§ 118(i))**

The bill extends current ignition interlock device (IID) penalties to people who drive a vehicle under the influence of alcohol, drugs, or both, but who did not have an elevated BAC or were not asked to take a blood, breath, or urine test, as shown in the table below (see Background).

<table>
<thead>
<tr>
<th>IID Penalties for Per Se Offense Under the Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Per Se Offense</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Age 21 or older; (1) BAC of 0.08% or more or 0.04% or more if operating a commercial vehicle or (2) found to have been driving under the influence of alcohol,</td>
</tr>
</tbody>
</table>
drugs, or both

<table>
<thead>
<tr>
<th>Drugs</th>
<th>Under Age 21: (1) BAC of 0.02% or more or (2) found to have been driving under the influence of alcohol, drugs, or both</th>
<th>1 year</th>
<th>2 years</th>
<th>3 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refusal of test or nontestimonial portion of drug influence evaluation, regardless of age</td>
<td>1 year</td>
<td>2 years</td>
<td>3 years</td>
<td></td>
</tr>
</tbody>
</table>

Existing law requires IIDs for criminal DUI convictions, even for those involving drugs and not alcohol (CGS § 14-227a(i)).

**Process if Driver Suffered Injury or Required Medical Treatment (§ 118(j))**

Under existing law, if a police officer obtains a blood or urine sample from a driver who was arrested for DUI and physically injured in an accident or needed hospital treatment or observation, the officer must notify the DMV commissioner if the sample’s results indicate that the operator had an elevated BAC. The bill extends this requirement to blood sample results that show the presence of alcohol, a drug, or both.

The commissioner may then use this information when deciding to suspend the driver’s license, in accordance with the procedures described above.

**Background — IID Penalties**

IIDs are installed in motor vehicles to prevent people from driving under the influence of alcohol. They require the driver to breathe into them to operate the vehicle. If the device detects a BAC above a certain threshold, it prevents the vehicle from starting. IIDs also require the driver to submit periodic breath samples while driving. Offenders must pay DMV a $100 fee before the device is installed; DMV uses this money to administer the interlock program. Offenders also must pay the costs of installing and maintaining the devices (CGS § 14-227a(i)).

**§ 119 — PROCEDURES FOR ACCIDENTS RESULTING IN DEATH OR SERIOUS INJURY**

*Modifies intoxication testing procedures for accidents resulting in death or serious injury, including by requiring drug influence evaluations of surviving operators*
Surviving Drivers

Existing law requires a blood or breath sample to be obtained from a surviving driver whose vehicle was involved in an accident resulting in the death of or serious physical injury to another person if (1) a police officer has probable cause to believe that the driver operated the vehicle while under the influence of alcohol, drugs, or both, or (2) the driver has been charged in connection with the accident and the officer has a reasonable suspicion that he or she was under the influence of alcohol, drugs, or both. The sample must be tested according to DESPP-approved methods and equipment.

The bill additionally (1) requires that a DRE conduct a drug influence evaluation of a surviving operator if the operator is not seriously injured or otherwise unable to take the evaluation because of the accident and (2) allows a urine sample to be taken instead of a blood or breath sample.

The bill requires police officers who obtain a blood, breath, or urine sample from the surviving driver or a drug influence evaluation conducted on the surviving driver to submit a written report to the DMV commissioner with the respective results. It allows the commissioner, after notice and opportunity for a hearing held according to the administrative per se procedures, to impose the associated license suspension and IID penalties. The hearing must be limited to determining the following:

1. if the person was operating the vehicle;
2. if the person’s sample or the drug influence evaluation was properly obtained or conducted, as applicable, according to the law’s requirements; and
3. if the examined sample had an elevated BAC or if there was substantial evidence that the person drove the vehicle under the influence of alcohol, drugs, or both.

ARIDE-Trained Officers at Fatal Accidents

The bill requires law enforcement units, when responding to a fatal
motor vehicle accident, to assign an ARIDE-trained officer to respond, if one is available.

**Examination of Samples**

By law, the chief medical examiner and other specified officials must include in a fatal motor vehicle accident investigation a blood sample from any driver or pedestrian who dies in the accident.

Under current law, DESPP’s Division of Scientific Services or the chief medical examiner examines the samples. The bill also allows a forensic toxicology laboratory, under an agreement with the Office of the Chief Medical Examiner, to examine them.

**EFFECTIVE DATE:** April 1, 2022

**§ 120 — COMMERCIAL VEHICLE DRIVING DISQUALIFICATION**

*Extends existing commercial motor vehicle driving disqualification penalties to drivers who refused a drug influence evaluation or drove under the influence of alcohol, drugs, or both*

Under existing law, if a commercial driver’s license holder either refuses a test to determine BAC while driving any vehicle or fails the test, he or she is disqualified from driving a commercial motor vehicle for (1) one year for a first offense and (2) life upon a second or subsequent offense.

The bill imposes these disqualification penalties on someone who (1) refuses to submit to a drug influence evaluation by a DRE or (2) was found to have driven a vehicle under the influence of alcohol, drugs, or both, through the administrative per se procedure.

**EFFECTIVE DATE:** April 1, 2022

**§ 121 — EDUCATIONAL MATERIALS ON DRE PROGRAM AND DRUG INFLUENCE EVALUATIONS**

*Requires the Traffic Safety Resource Prosecutor to develop educational materials and programs about the DRE program and drug influence evaluations*

The bill requires the Traffic Safety Resource Prosecutor, in consultation with other entities and seeking guidance from NHTSA, to develop educational materials and programs about the DRE program.
and drug influence evaluations and make them available to the judicial branch and the Connecticut Judges Association. The prosecutor must develop the materials in consultation with DOT, DMV, the Connecticut Police Chiefs Association, and the statewide DRE coordinator. (But the bill does not establish such a coordinator and one does not exist under current law.)

EFFECTIVE DATE: July 1, 2021

§ 122 — ADMINISTRATIVE PENALTIES FOR BOATING UNDER THE INFLUENCE

Makes changes to DEEP's administrative sanctions process for boating under the influence that are substantially similar to the bill's changes to DMV's administrative per se process

The law establishes a process for DEEP to impose administrative sanctions on boaters who operate boats with an elevated BAC or who refuse to submit to a blood, breath, or urine test. These procedures largely parallel the administrative per se process for driving with an elevated BAC or refusing to submit to a test (see above). Like DMV, under current law DEEP cannot suspend a drug-impaired boater's safe boating certificate or certificate of personal watercraft operation ("certificate") if they do not have an elevated BAC.

The bill's changes to this process are substantially similar to the changes it makes to DMV's administrative per se process. It (1) expands the process to include procedures for imposing certification sanctions on boaters who do not have an elevated BAC but are found to be boating under the influence based on evidence of behavioral impairment, among other things, and (2) applies the existing process to boaters who refuse the nontestimonial portion of a drug influence evaluation. Its other changes include the following, among other things:

1. deeming that boaters consent to a nontestimonial portion of a drug influence evaluation conducted by a DRE;

2. allowing peace officers to request drug influence evaluations in addition to or instead of a blood, breath, or urine test under the
same conditions as police officers under the administrative per se statute for DUI;

3. requiring a peace officer to revoke certificates, following procedures substantially similar to the DUI per se process, if the (a) boater refuses a drug influence evaluation or (b) officer concludes, through his or her investigation, that the boater operated a boat under the influence of alcohol, drugs, or both;

4. establishing review standards for hearings for boaters who did not refuse a test or whose results did not indicate an elevated BAC that align with those under the DUI administrative per se process; and

5. imposing existing suspension periods (which are different than those under the DUI administrative per se process) on people found to be operating a boat under the influence of alcohol, drugs, or both (see the table below).

### Administrative Certificate Suspensions

<table>
<thead>
<tr>
<th>Violation</th>
<th>First Offense</th>
<th>Second Offense</th>
<th>Third or Subsequent Offense</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) BAC of 0.08% or more (or 0.02% if under age 21) or (2) found to have been boating under the influence of alcohol, drugs, or both</td>
<td>90 days</td>
<td>9 months</td>
<td>2 years</td>
</tr>
<tr>
<td>Refusal of test</td>
<td>6 months</td>
<td>1 year</td>
<td>3 years</td>
</tr>
<tr>
<td>BAC of 0.16% or more</td>
<td>120 days</td>
<td>10 months</td>
<td>2 years, 6 months</td>
</tr>
</tbody>
</table>

Unlike its DMV administrative per se changes, the bill does not similarly extend the penalties for refusing a test to refusing the nontestimonial portion of a drug influence evaluation.

EFFECTIVE DATE: April 1, 2022

§ 123 — BOATING UNDER THE INFLUENCE
Makes substantially similar changes to the boating under the influence law as those the bill makes to the DUI law, such as allowing DREs to testify in boating under the influence cases.

State law prohibits boating (1) while under the influence of alcohol or drugs or (2) with an elevated BAC (i.e., at least 0.08%, or 0.02% in the case of boaters under age 21) (CGS § 15-133(d)). It imposes penalties for boating under the influence convictions, including prison time, fines, and certificate suspension (see Background).

The bill makes substantially similar changes to the boating under the influence law that it makes to the DUI law. These changes include allowing:

1. a DRE, at the court’s discretion, to testify about his or her opinion or otherwise on the significance of impairment or intoxication symptoms for which evidence was admitted or on the condition that it be introduced;

2. evidence that a defendant refused to submit to the nontestimonial portion of a drug influence evaluation to be admissible as evidence under conditions substantially similar to those that apply to DUI (see above); and

3. the court to take judicial notice that ingesting THC (a) can impair a person’s boating ability, motor function, reaction time, tracking ability, cognitive attention, decision-making, judgment, perception, peripheral vision, impulse control, and memory and (b) does not enhance a person’s ability to boat safely.

Unlike its DUI changes, the bill does not explicitly extend immunity from civil liability to people who draw blood samples at an officer’s request.

EFFECTIVE DATE: April 1, 2022

Background — Boating Under the Influence Penalties

The table below shows the law’s penalties for boating under the influence. A subsequent conviction is one that occurs within 10 years after a prior conviction for the same offense (CGS § 15-133(h)).
Boating Under the Influence Penalties

<table>
<thead>
<tr>
<th>Offense</th>
<th>Fine</th>
<th>Prison/Community Service</th>
<th>Suspension</th>
</tr>
</thead>
<tbody>
<tr>
<td>First</td>
<td>$500-$1,000</td>
<td>(1) Up to six months, with a mandatory minimum of 48 consecutive hours and (2) probation and 100 hours community service</td>
<td>One year</td>
</tr>
<tr>
<td>Second</td>
<td>$1,000-$4,000</td>
<td>(1) Up to two years, with a mandatory minimum of 120 consecutive days and (2) probation and 100 hours community service</td>
<td>Three years, or until age 21, whichever is longer</td>
</tr>
<tr>
<td>Third</td>
<td>$2,000-$8,000</td>
<td>(1) Up to three years, with a mandatory minimum of one year and (2) probation and 100 hours community service</td>
<td>Permanent revocation</td>
</tr>
</tbody>
</table>

§ 124 — DOT RECOMMENDATIONS ON IMPAIRED DRIVING DATA COLLECTION AND PILOT PROGRAMS

Requires DOT to make recommendations regarding impaired driving data collection and pilot programs on electronic warrants and oral fluid testing in impaired driving investigations.

By January 1, 2022, the bill requires the DOT commissioner, in consultation with the DMV commissioner and the Statewide Impaired Driving Task Force (see Background), to make recommendations to the governor and the Judiciary and Transportation committees about:

1. enhancing impaired driving data collection, including the possibility of reorganizing the state’s impaired driving statutes into separate offenses for driving under the influence of alcohol, driving under the influence of a drug, and driving under the influence of both alcohol and a drug;

2. implementing an electronic warrant pilot program in impaired driving investigations; and
3. the merits and feasibility of a pilot program for oral fluid testing in these investigations.

EFFECTIVE DATE: July 1, 2021

**Background — Statewide Impaired Driving Task Force**

The Connecticut Impaired Driving Task Force was established administratively in 2013 to coordinate state and local efforts on reducing impaired driving crashes and fatalities. It includes members from DOT’s Highway Safety Office, DMV, the Office of the Chief State’s Attorney, POST, the Division of Scientific Services, state and local law enforcement, universities, hospitals, researchers, and private traffic safety organizations (e.g., AAA and Mothers Against Drunk Driving (MADD)).

§ 125 — STATE EXCISE TAX ON CANNABIS

*Establishes a state excise tax on the first sale or use of cannabis flowers, cannabis trim, or wet cannabis by a producer, cultivator, or micro-cultivator in the state; for FYs 22-23, directs the revenue to the General Fund; beginning in FY 24, directs a portion of the revenue to a new cannabis equity and innovation account and prevention and recovery services account for specified purposes.*

**Rate and Base**

The bill imposes an excise tax on the first sale or use of cannabis flowers, cannabis trim, or wet cannabis by a producer, cultivator, or micro-cultivator in the state. The tax applies beginning on the first day of the month in which legal cannabis operations or sales, other than sales of cannabis for palliative use, are allowed. The tax rate is:

1. $1.25 per dry-weight gram of cannabis flowers,
2. $0.50 per dry-weight gram of cannabis trim, and
3. $0.28 per gram of wet cannabis.

Under the bill, “wet cannabis” is the whole plant of the genus cannabis, including abnormal and immature plants, that has been harvested and weighed within two hours of harvesting and has not undergone any processing, including drying, curing, trimming, or increasing the ambient temperature in the room where the plant is held.
**Tax Remittance**

For each month in which they may legally operate in the state, cultivators, micro-cultivators, and producers must (1) file a tax return with DRS for the immediately preceding calendar month and (2) remit the tax due with the return. The returns must be in the form and contain such information as the commissioner prescribes.

**Delinquent Taxes**

Under the bill, late excise tax payments are subject to a penalty of 25% of the amount due and unpaid or $250, whichever is greater, plus interest at 1% per month or fraction of a month from the due date to the payment date.

Subject to the existing Penalty Review Committee requirements, the DRS commissioner may waive all or part of these penalties when it is proven to the commissioner’s satisfaction that failing to pay the tax within the timeframe was due to reasonable cause and was not intentional or due to neglect.

**Liability for Willful Nonpayment of Taxes**

The bill makes those who are responsible for collecting, truthfully accounting for, and paying the tax on behalf of a cultivator, micro-cultivator, or producer personally liable if they willfully fail to collect, truthfully account for, or pay the tax and it cannot be collected from the business.

Under the bill, an individual or business (and any officer, partner, or employee of a business) that is responsible for filing the return and paying the tax on the cultivator’s, micro-cultivator’s, or producer’s behalf is personally liable for the full unpaid tax, plus interest and penalties, if (1) it willfully fails to collect, truthfully account for and pay it, or willfully attempts to evade or defeat the tax and (2) the tax, penalty, and interest cannot otherwise be collected from the cultivator, micro-cultivator, or producer. The dissolution of the cultivator, micro-cultivator, or producer does not free the person from liability.

DRS must (1) collect the penalty using the same methods for
collecting unpaid admissions and dues taxes (i.e., tax warrants, liens against real property, and foreclosure against that property) and (2) credit any amount collected from the individual or business against the taxes owed by the cultivator, micro-cultivator, or producer.

**Tax Enforcement**

The bill applies the same collection, enforcement, and appeal process requirements established in statute for the admissions and dues taxes to the excise tax, except those provisions that are inconsistent with the bill. Under these provisions, the DRS commissioner can (1) impose a deficiency assessment and penalty; (2) impose record retention requirements on taxpayers and examine all of their records; and (3) administer oaths, subpoena witnesses, and receive testimony. The facilities and retailers can request a hearing on the amount of taxes they must pay and appeal the hearing decision if aggrieved. Lastly, an additional penalty may be imposed on facilities and retailers for willful violations or filing fraudulent returns.

**Refunds**

The bill bars the DRS commissioner from refunding any excise tax paid by a cultivator, micro-cultivator, or producer.

**Regulations**

The bill authorizes the DRS commissioner to adopt implementing regulations for the tax.

**Revenue Distribution**

For FYs 22-23, the bill directs the excise tax revenue to the General Fund. Beginning in FY 24, it directs the revenue as follows:

1. 55% to the cannabis equity and innovation account described below,

2. 15% to the prevention and recovery services account described below, and

3. 30% to the General Fund.
Cannabis Equity and Innovation Account. The bill establishes this account as a separate, nonlapsing General Fund account and requires it to contain any money the law requires. It requires the account’s funds to be appropriated for the following purposes:

1. investing in programs that are located in or primarily serve residents of disproportionately affected communities, including adult education programs (including programs offered by Unified School District #1) and programs to assist individuals released from DOC custody, probation, or parole;

2. providing grants to youth service bureaus and municipal juvenile review boards;

3. funding workforce development and business incubator and accelerator programs that support social equity applicants and prospective applicants; and

4. funding programs and services that promote and encourage economic opportunity and advancement of individuals from disproportionately affected communities.

Prevention and Recovery Services Account. The bill establishes this account as a separate, nonlapsing General Fund account and requires the mental health and addiction services commissioner to use it to provide community-based grants for substance abuse prevention, treatment, and recovery services.

Recording Revenue

The bill authorizes the comptroller to record the revenue the tax generates each fiscal year no later than five business days after the end of July following the end of the fiscal year.

EFFECTIVE DATE: July 1, 2021

§§ 126 & 127 — MUNICIPAL SALES TAX

Imposes a 3% municipal sales tax on the sale of cannabis and cannabis products that applies in addition to the state’s 6.35% sales tax

Rate and Base
The bill imposes a 3% municipal sales tax on the sale of cannabis and cannabis products by a cannabis retailer, hybrid retailer, or micro-cultivator. The tax is in addition to the 6.35% state sales tax on such products. The bill exempts from the municipal sales tax:

1. cannabis for palliative use;

2. the transfer of cannabis or cannabis products to a delivery service for transport to any other cultivator, micro-cultivator, food and beverage manufacturer, product manufacturer, product packager, dispensary facility, cannabis retailer, hybrid retailer, or producer; and

3. sales of cannabis or cannabis products by a delivery service to a consumer.

The tax must be collected from purchasers at the time of sale and be held in trust until remitted to the municipality

**Tax Remittance and Revenue**

Each cannabis or hybrid retailer or micro-cultivator must (1) file a return with the tax collector of the municipality in which they are located (or the individual the municipality designated to receive the returns) on or before the last day of each month in which they may legally sell cannabis (other than for palliative use) and (2) remit the tax due with the return. The return must report their gross receipts from cannabis and cannabis product sales for the immediately preceding calendar month and the amount of tax due on those sales. The returns must be in the form and contain such information as the tax collector or municipally designated individual prescribes (in consultation with DRS and OPM).

Any tax revenue remitted is a part of the municipality’s general revenue and must be used for the following purposes:

1. streetscape improvements and other neighborhood developments in communities where cannabis or hybrid retailers or micro-cultivators are located;
2. youth employment and training programs in these municipalities;

3. services for individuals living in these municipalities who were released from DOC custody, probation, or parole;

4. mental health or addiction services; or

5. community civic engagement efforts.

**Delinquent Taxes**

Under the bill, late sales tax payments are subject to a penalty of 25% of the amount due and unpaid or $250, whichever is greater, plus interest at 1% per month or fraction of a month from the due date to the payment date. Municipalities may, by vote of their legislative bodies, waive all or part of this penalty if they find that failing to pay the tax within the timeframe was due to reasonable cause and was not intentional or due to neglect.

**Liens for Unpaid Taxes**

The bill authorizes municipalities to impose a lien on the real property of a cannabis retailer, hybrid retailer, or micro-cultivator for nonpayment of the sales tax, up to the amount of unpaid taxes, penalties, and interest. These liens have the same priority as municipal real property tax liens.

**Audits**

The bill authorizes tax collectors and municipally designated individuals to require an audit if they have good cause to believe that a cannabis retailer, hybrid retailer, or micro-cultivator has underpaid the tax or otherwise made a material misrepresentation in a tax return they filed. The audit must be conducted in the same way and timeframes as the audits required under state law for municipalities and other nonstate entities that receive substantial amounts of state funding.

Under this law, nonstate entities must designate an independent auditor to perform these audits and pay for them. They must file copies of the audit reports with the administering agency within 30
days after their completion, if possible, but no later than six months after the audit period ends. The agency may grant an extension of up to 30 days.

Under the bill, cannabis and hybrid retailers and micro-cultivators must file copies of the audit reports with the municipality’s tax collector or designated individual. Those that fail to do so within six months after the end of the fiscal year or within the time granted by the municipality may be assessed a civil penalty of between $1,000 and $10,000 by the tax collector or designated individual.

If an audit report shows that the tax was underpaid, the bill assesses a penalty of 25% of the tax due and unpaid or $250, whichever is greater, plus interest of 1% per month from the due date until the payment date. Municipalities may waive all or part of these penalties by vote of their legislative bodies, if they find that the failure to pay was due to reasonable cause and was not intentional or due to neglect.

**Refunds and Overpayments (§§ 126(f) & 127(d))**

The bill prohibits (1) cannabis and hybrid retailers, micro-cultivators, and municipalities from issuing refunds to purchasers for any municipal cannabis sales tax paid and (2) municipalities from issuing refunds to cannabis or hybrid retailers or micro-cultivators. It also prohibits tax overpayments made by purchasers, cannabis or hybrid retailers, or micro-cultivators from being applied to any other liability due to the municipality.

Under the bill, these provisions must not be construed as a waiver of sovereign immunity or as authorizing suit against the state or any political subdivision by anyone (1) against whom any tax, penalty, or interest was erroneously or illegally assessed or (2) from whom any tax, penalty, or interest has been erroneously or illegally collected.

**EFFECTIVE DATE:** July 1, 2021

**§§ 127-129 — STATE SALES TAX ON CANNABIS AND CANNABIS PRODUCTS**
With certain exceptions, prohibits exemptions under the state’s sales and use tax law from applying to cannabis or cannabis product sales; extends the sales and use tax to cannabis-related advertising and public relations services, including services related to media and cooperative direct mail advertising; prohibits refunds to purchasers and businesses for sales and use taxes paid on cannabis and cannabis products.

**Exemptions Generally Disallowed (§ 127)**

The bill generally prohibits any exemptions under the state’s sales and use tax law from applying to cannabis or cannabis product sales. The exception is for (1) sales of cannabis for palliative use and (2) the transfer of cannabis and cannabis products to a delivery service, as described below.

The bill also prohibits anyone from purchasing cannabis or cannabis products on a resale basis. (By law, sales for resale are generally exempt from state sales and use tax.)

**Exemption for Cannabis or Cannabis Product Deliveries (§ 127)**

The bill exempts from sales and use tax the transfer of cannabis or cannabis products to a delivery service by specified entities for transport to other entities. The exemption applies to transfers by cultivators, micro-cultivators, food or beverage manufacturers, product manufacturers or packagers, dispensary facilities, cannabis retailers, and hybrid retailers or producers to a delivery service.

**Exemption for Nonprescription Drugs and Medicines (§ 128)**

The bill adds palliative marijuana to the list of nonprescription drugs and services that are statutorily exempt from state sales and use tax. Under current DRS practice, marijuana sold for palliative use by licensed dispensaries is considered a natural or herbal drug or medicine and is thus currently exempt as a nonprescription drug and medicine.

The bill also explicitly excludes any products containing cannabis or cannabinoids from the nonprescription drug or medicine exemption.

**Cannabis-Related Advertising and Public Relations Services (§ 129)**

The bill extends the sales and use tax to advertising and public relations services related to cannabis or cannabis products, including
those services related to developing media or cooperative direct mail advertising.

Under current law, advertising and public relations services other than those related to media or cooperative direct mail advertising are subject to sales and use tax. Taxable services include layout, art direction, graphic design, and mechanical preparation or production supervision.

Refunds (§ 127)

The bill prohibits DRS, cannabis or hybrid retailers, micro-cultivators, or delivery services from issuing refunds to purchasers for any sales and use tax paid on cannabis or cannabis products. It also prohibits DRS from issuing sales and use tax refunds to cannabis or hybrid retailers or micro-cultivators.

As with the municipal sales tax provisions described above, the bill specifies that these provisions must not be construed as a waiver of sovereign immunity or as authorizing suit against the state or any political subdivisions by anyone (1) against whom any tax, penalty, or interest was erroneously or illegally assessed or (2) from whom any tax, penalty, or interest has been erroneously or illegally collected.

EFFECTIVE DATE: July 1, 2021

§§ 130-132 & 140 — MARIJUANA AND CONTROLLED SUBSTANCES TAX

Repeals the marijuana and controlled substances tax

The bill repeals the tax on marijuana and controlled substances that are illegally purchased, acquired, transported, or imported into the state. In doing so, it cancels any outstanding liabilities or assessments for the tax and authorizes the DRS commissioner to take any action necessary to effectuate this cancellation. Under the bill, any such cancellation does not entitle anyone affected to a refund or credit for any amount previously paid or collected in connection with the liability or assessment.

EFFECTIVE DATE: July 1, 2021
§ 133 — ANGEL INVESTOR TAX CREDITS FOR SOCIAL EQUITY APPLICANTS

Extends the angel investor tax credit program to eligible cannabis businesses for which social equity applicants have been granted a license or provisional license; allows investors to claim a 40% income tax credit for credit-eligible investments in these businesses; imposes a $15 million per fiscal year cap on these credits, and increases the total credits allowed under the program to $20 million per fiscal year.

The angel investor tax credit program provides personal income tax credits to angel investors (i.e., investors who the Securities and Exchange Commission considers “accredited investors”) who make qualifying cash investments in eligible Connecticut businesses. The bill extends this program to include eligible cannabis establishments for which social equity applicants have been granted a license or provisional license (i.e., “cannabis businesses”), thus allowing eligible investors to receive income tax credits for investing in these businesses. The bill makes numerous conforming changes to the program’s statutes. As under existing law, no new angel investor tax credits may be reserved after June 30, 2024.

Cannabis Businesses Eligible for Angel Investments

By law, a business must apply for and receive approval from Connecticut Innovations, Inc. (CI) in order to receive credit-eligible investments. Under the bill, a cannabis business must generally meet the same criteria that existing law specifies for other eligible businesses. Specifically, the cannabis business must be primarily owned by the business management and their families and have:

1. gross revenues of less than $1 million in the most recent income year;

2. fewer than 25 employees, more than 75% of whom are Connecticut residents; and

3. received less than $2 million in investments from credit-eligible angel investors.

Businesses eligible under current law must meet these same criteria, as well as having (1) their principal place of business in Connecticut and (2) operated in Connecticut for less than seven consecutive years.
**Credit Amount**

Under the bill, angel investors who invest at least $25,000 in approved cannabis businesses are eligible for a personal income tax credit equal to 40% of their investment, up to $500,000. As under current law, investments in other approved businesses continue to qualify for a 25% credit, subject to the same minimum investment and maximum credit requirements.

**Credit Cap**

The bill establishes a $15 million per fiscal year cap on the amount of tax credits CI may reserve for cash investments made in qualified cannabis businesses. As under existing law, CI may reserve up to $5 million in credits each fiscal year for investments in other qualified businesses. Thus, the bill increases, from $5 million to $20 million, the aggregate amount of angel investor credits CI may reserve each fiscal year, beginning with FY 22.

**Unreserved Credits**

Under current law, the amount of credits that CI may reserve each year for investments in emerging technology businesses is generally capped at 75% of the total amount of credits available that year. The bill specifies that this limitation applies only to credits available for investments under the current program (i.e., not to cannabis businesses).

By law, CI may exceed this 75% cap if any unreserved credits remain after April 1 in each year and it may prioritize the unreserved credits for veteran-owned, women-owned, or minority-owned businesses and businesses owned by individuals with disabilities. The bill additionally allows CI to reserve these unreserved credits for investments in qualified cannabis businesses. (It is unclear whether these credits would apply against the $15 million cap for cannabis businesses or $5 million cap for other businesses.)

**EFFECTIVE DATE:** July 1, 2021
§§ 134 & 135 — CANNABIS-RELATED FINANCIAL ASSISTANCE AND WORKFORCE TRAINING PROGRAMS

Authorizes up to $50 million in state general obligation bonds for DECD and the Cannabis Control Commission to use for specified financial assistance and workforce training programs

Bond Authorization (§ 134)

The bill authorizes up to $50 million in general obligation bonds for DECD and the Cannabis Control Commission to use for the following purposes:

1. low-interest loans to social equity applicants, municipalities, or nonprofits to rehabilitate, renovate, or develop unused or underused real property for use as a cannabis establishment (see § 135);
2. capital to social equity applicants seeking to start or maintain a cannabis establishment;
3. development funds or ongoing expenses for the cannabis business accelerator program (see § 38); and
4. development funds or ongoing expenses for the workforce training programs developed by the Cannabis Control Commission (see § 39).

Program Implementation (§ 135)

The bill specifically requires DECD and the commission to establish a revolving loan program to provide the low-interest loans described above. They must establish the program’s parameters, including (1) the loan eligibility requirements, (2) the application form and required information and documentation, (3) the loan terms (e.g., interest rates and duration), and (4) any other requirements needed to implement the program. They must also post on the DECD and DCP websites information about the loan program and other funding available under these provisions.

The bill also requires DECD and the Cannabis Control Commission to jointly develop and establish the application forms, applicant
requirements, and any other provisions needed to implement the other financial assistance and training programs described above.

EFFECTIVE DATE: July 1, 2021

§§ 136-140 — REPEAL OF OBSOLETE PROVISIONS

Repeals obsolete provisions on medical marijuana patient temporary registration certificates

The bill repeals obsolete provisions on temporary registration certificates for qualifying medical marijuana patients. These provisions became obsolete when DCP adopted implementing regulations in 2013. The bill also makes related conforming changes.

EFFECTIVE DATE: July 1, 2021

BACKGROUND

Federal Controlled Substance Classification

Federal law classifies marijuana as a Schedule I controlled substance. The law generally prohibits anyone from knowingly or intentionally possessing, manufacturing, distributing, dispensing, or possessing with intent to manufacture, distribute, or dispense Schedule I drugs. Licensed practitioners, including pharmacies, can use Schedule I substances in government-approved research projects. The penalty for violations varies depending on the amount of drugs involved (21 U.S.C. §§ 812, 823 & 841 et seq.).

Related Bills

sHB 6377 (File 462), favorably reported by the Labor and Public Employees Committee, addresses many of the same areas such as legalizing adult use and possession of cannabis, creating licensure and oversight for commercial cannabis businesses, and creating a process to erase records of certain cannabis convictions.

sHB 5313 (File 101), favorably reported by the General Law Committee, allows patients and primary caregivers to purchase medical marijuana at dispensaries other than their pre-selected location and requires dispensaries to integrate their records with the PDMP and transmit the dispensing information immediately or within
one hour after the transaction.

sHB 6099 (File 102), favorably reported by the General Law Committee, among other things, requires anyone involved in a transaction that results in a material change to a medical marijuana business to file written notice with the attorney general. It also establishes a waiting period for these transactions.

sSB 1019, favorably reported by the Judiciary Committee, provides for the erasure of certain criminal records and makes similar changes to this bill regarding purchasers of public criminal records.

COMMITTEE ACTION
Judiciary Committee

Joint Favorable Substitute
Yea  22   Nay  16   (04/06/2021)