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# HB 6099 — An Act Concerning Anti-Trust Issues and the Palliative Use of Marijuana

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Sen Maroney, Rep. D'Agostino, Sen. Witkos, Rep. Rutigliano, and members of the Committee:

Thank you for the opportunity to provide testimony regarding HB 6099. Fine Fettle is a locally owned and operated medical marijuana dispensary company. We operate three of Connecticut's eighteen dispensaries in Willimantic, Newington, and Mansfield. We have grown through winning a license, entering into a partnership, and acquisition (just completed within this month). Our team is comprised of a diverse group of Connecticut residents and Connecticut-educated team members.

While we support the review of merger and acquisition activity in the medical marijuana program and the support this would provide for the Department of Consumer Protection to ensure fairness and safe access for patients, we believe that HB 6099, as currently written, is overly intrusive and potentially limiting to the industry. We already operate in an incredibly regulated industry that is subject to intense oversight that includes both operational and financial scrutiny. Even still, medical marijuana in Connecticut is significantly less expensive for patients than in our neighboring states due to the competitiveness of our dispensary program. From the knowledge of operating in other states, we know that the markups within Connecticut are lower than most other states within this industry. That doesn't mean there is not room to provide a more competitive market by increasing the number of grows in the state.

The current system ensures that all "Backers" of medical marijuana operators are subject to review. A "backer" is defined as an owner of above 5% stake in any medical marijuana company, producer or dispensary. We believe that this review is fair and necessary to ensure good actors are operating within the industry and there is transparency for both DCP and patients to understand who owns and operates these businesses. Comparatively, in Massachusetts, ownership reviews are only necessary if there is a change in ownership that affects someone or some entity owning over 10%.



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By allowing this bill to review all transactions, no matter the size or scope, it will limit businesses access to capital, ability to raise financing, and have small changes on the cap table due to do personal financial reasons for owners.

In order to support this type of legislation, there needs to be more clarity around the definition of competitiveness and what standards would be used in reviewing medical marijuana businesses in the state. We are confident, that even with our current set up and with some of the more recent acquisitions, Connecticut has one of the most competitive and best medical marijuana programs in the country.

Without standards and definitions to assess, we believe HB 6099 will negatively affect businesses and patients, creating immense lag times in the industry and potentially hinder the success of our state's program.

Ben Zachs – Fine Fettle