



House of Representatives

File No. 672

General Assembly

February Session, 2022 **(Reprint of File No. 202)**

Substitute House Bill No. 5329
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
April 27, 2022

AN ACT CONCERNING CANNABIS.

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

1 Section 1. Section 21a-420 of the 2022 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective from passage*):

4 As used in RERACA, unless the context otherwise requires:

5 (1) "Responsible and Equitable Regulation of Adult-Use Cannabis
6 Act" or "RERACA" means this section, sections 2-56j, 7-294kk, 7-294ll,
7 12-330ll to 12-330nn, inclusive, 14-227p, 21a-278b, 21a-278c, 21a-279c,
8 21a-279d, 21a-420a to 21a-420i, inclusive, 21a-420l to 21a-421r, inclusive,
9 21a-421aa to 21a-421ff, inclusive, 21a-421aaa to 21a-421ggg, inclusive,
10 21a-422 to 21a-422c, inclusive, 21a-422e to 21a-422g, inclusive, 21a-422j
11 to 21a-422s, inclusive, 22-61n, 23-4b, 47a-9a, 53-247a, 53a-213a, 53a-213b,
12 54-33p, 54-56q, 54-56r, 54-125k and 54-142u, sections 23, 60, 63 to 65,
13 inclusive, 124, 144 and 165 of public act 21-1 of the June special session

14 and the amendments in public act 21-1 of the June special session to
15 sections 7-148, 10-221, 12-30a, 12-35b, 12-412, 12-650, 12-704d, 14-44k, 14-
16 111e, 14-227a to 14-227c, inclusive, 14-227j, 15-140q, 15-140r, 18-100h,
17 19a-342, 19a-342a, 21a-267, 21a-277, 21a-279, 21a-279a, 21a-408 to 21a-
18 408f, inclusive, as amended by this act, 21a-408h to 21a-408p, inclusive,
19 21a-408r to 21a-408v, inclusive, 30-89a, 31-40q, 32-39, 46b-120, 51-164n,
20 as amended by this act, 53-394, 53a-39c, 54-1m, 54-33g, 54-41b, 54-56e,
21 54-56g, 54-56i, 54-56k, 54-56n, 54-63d, 54-66a, [and] 54-142e, section 2 of
22 this act and section 5 of this act;

23 (2) "Backer" means any individual with a direct or indirect financial
24 interest in a cannabis establishment. "Backer" does not include an
25 individual with an investment interest in a cannabis establishment if (A)
26 the interest held by such individual and such individual's spouse,
27 parent or child, in the aggregate, does not exceed five per cent of the
28 total ownership or interest rights in such cannabis establishment, and
29 (B) such individual does not participate directly or indirectly in the
30 control, management or operation of the cannabis establishment;

31 (3) "Cannabis" means marijuana, as defined in section 21a-240;

32 (4) "Cannabis establishment" means a producer, dispensary facility,
33 cultivator, micro-cultivator, retailer, hybrid retailer, food and beverage
34 manufacturer, product manufacturer, product packager, delivery
35 service or transporter;

36 (5) "Cannabis flower" means the flower, including abnormal and
37 immature flowers, of a plant of the genus cannabis that has been
38 harvested, dried and cured, and prior to any processing whereby the
39 flower material is transformed into a cannabis product. "Cannabis
40 flower" does not include (A) the leaves or stem of such plant, or (B)
41 hemp, as defined in section 22-61l;

42 (6) "Cannabis trim" means all parts, including abnormal or immature
43 parts, of a plant of the genus cannabis, other than cannabis flower, that
44 have been harvested, dried and cured, and prior to any processing
45 whereby the plant material is transformed into a cannabis product.

46 "Cannabis trim" does not include hemp, as defined in section 22-61l;

47 (7) "Cannabis product" means cannabis that is in the form of a
48 cannabis concentrate or a product that contains cannabis, which may be
49 combined with other ingredients, and is intended for use or
50 consumption. "Cannabis product" does not include the raw cannabis
51 plant;

52 (8) "Cannabis concentrate" means any form of concentration,
53 including, but not limited to, extracts, oils, tinctures, shatter and waxes,
54 that is extracted from cannabis;

55 (9) "Cannabis-type substances" have the same meaning as
56 "marijuana", as defined in section 21a-240;

57 (10) "Commissioner" means the Commissioner of Consumer
58 Protection and includes any designee of the commissioner;

59 (11) "Consumer" means an individual who is twenty-one years of age
60 or older;

61 (12) "Cultivation" has the same meaning as provided in section 21a-
62 408, as amended by this act;

63 (13) "Cultivator" means a person that is licensed to engage in the
64 cultivation, growing and propagation of the cannabis plant at an
65 establishment with not less than fifteen thousand square feet of grow
66 space;

67 (14) "Delivery service" means a person that is licensed to deliver
68 cannabis from (A) micro-cultivators, retailers and hybrid retailers to
69 consumers and research program subjects, and (B) hybrid retailers and
70 dispensary facilities to qualifying patients, caregivers and research
71 program subjects, as defined in section 21a-408, as amended by this act,
72 or to hospices or other inpatient care facilities licensed by the
73 Department of Public Health pursuant to chapter 368v that have a
74 protocol for the handling and distribution of cannabis that has been
75 approved by the department, or a combination thereof;

76 (15) "Department" means the Department of Consumer Protection;

77 (16) "Dispensary facility" means a place of business where cannabis
78 may be dispensed, sold or distributed in accordance with chapter 420f
79 and any regulations adopted thereunder, to qualifying patients and
80 caregivers, and to which the department has issued a dispensary facility
81 license under chapter 420f and any regulations adopted thereunder;

82 (17) "Disproportionately impacted area" means a United States
83 census tract in the state that has, as determined by the Social Equity
84 Council under section 21a-420d, as amended by this act, (A) a historical
85 conviction rate for drug-related offenses greater than one-tenth, or (B)
86 an unemployment rate greater than ten per cent;

87 (18) "Disqualifying conviction" means a conviction within the last ten
88 years which has not been the subject of an absolute pardon under the
89 provisions of section 54-130a, or an equivalent pardon process under the
90 laws of another state or the federal government, for an offense under (A)
91 section 53a-276, 53a-277 or 53a-278; (B) section 53a-291, 53a-292 or 53a-
92 293; (C) section 53a-215; (D) section 53a-138 or 53a-139; (E) section 53a-
93 142a; (F) sections 53a-147 to 53a-162, inclusive; (G) sections 53a-125c to
94 53a-125f, inclusive; (H) section 53a-129b, 53a-129c or 53a-129d; (I)
95 subsection (b) of section 12-737; (J) section 53a-48 or 53a-49, if the offense
96 which is attempted or is an object of the conspiracy is an offense under
97 the statutes listed in subparagraphs (A) to (I), inclusive, of this
98 subdivision; or (K) the law of any other state or of the federal
99 government, if the offense on which such conviction is based is defined
100 by elements that substantially include the elements of an offense under
101 the statutes listed in subparagraphs (A) to (J), inclusive, of this
102 subdivision;

103 (19) "Dispensary technician" means an individual who has had an
104 active pharmacy technician or dispensary technician registration in this
105 state within the past five years, is affiliated with a dispensary facility or
106 hybrid retailer and is registered with the department in accordance with
107 chapter 420f and any regulations adopted thereunder;

108 (20) "Employee" means any person who is not a backer, but is a
109 member of the board of a company with an ownership interest in a
110 cannabis establishment, and any person employed by a cannabis
111 establishment or who otherwise has access to such establishment or the
112 vehicles used to transport cannabis, including, but not limited to, an
113 independent contractor who has routine access to the premises of such
114 establishment or to the cannabis handled by such establishment;

115 (21) "Equity" and "equitable" means efforts, regulations, policies,
116 programs, standards, processes and any other functions of government
117 or principles of law and governance intended to: (A) Identify and
118 remedy past and present patterns of discrimination and disparities of
119 race, ethnicity, gender and sexual orientation; (B) ensure that such
120 patterns of discrimination and disparities, whether intentional or
121 unintentional, are neither reinforced nor perpetuated; and (C) prevent
122 the emergence and persistence of foreseeable future patterns of
123 discrimination or disparities of race, ethnicity, gender, and sexual
124 orientation;

125 (22) "Equity joint venture" means a business entity that is at least fifty
126 per cent owned and controlled by an individual or individuals, or such
127 applicant is an individual, who meets the criteria of subparagraphs (A)
128 and (B) of subdivision (48) of this section;

129 (23) "Extract" means the preparation, compounding, conversion or
130 processing of cannabis, either directly or indirectly by extraction or
131 independently by means of chemical synthesis, or by a combination of
132 extraction and chemical synthesis to produce a cannabis concentrate;

133 (24) "Financial interest" means any right to, ownership, an investment
134 or a compensation arrangement with another person, directly, through
135 business, investment or family. "Financial interest" does not include
136 ownership of investment securities in a publicly-held corporation that
137 is traded on a national exchange or over-the-counter market, provided
138 the investment securities held by such person and such person's spouse,
139 parent or child, in the aggregate, do not exceed one-half of one per cent

140 of the total number of shares issued by the corporation;

141 (25) "Food and beverage manufacturer" means a person that is
142 licensed to own and operate a place of business that acquires cannabis
143 and creates food and beverages;

144 (26) "Grow space" means the portion of a premises owned and
145 controlled by a producer, cultivator or micro-cultivator that is utilized
146 for the cultivation, growing or propagation of the cannabis plant, and
147 contains cannabis plants in an active stage of growth, measured starting
148 from the outermost wall of the room containing cannabis plants and
149 continuing around the outside of the room. "Grow space" does not
150 include space used to cure, process, store harvested cannabis or
151 manufacture cannabis once the cannabis has been harvested;

152 (27) "Historical conviction count for drug-related offenses" means, for
153 a given area, the number of convictions of residents of such area (A) for
154 violations of sections 21a-267, 21a-277, 21a-278, 21a-279 and 21a-279a,
155 and (B) who were arrested for such violations between January 1, 1982,
156 and December 31, 2020, inclusive, where such arrest was recorded in
157 databases maintained by the Department of Emergency Services and
158 Public Protection;

159 (28) "Historical conviction rate for drug-related offenses" means, for
160 a given area, the historical conviction count for drug-related offenses
161 divided by the population of such area, as determined by the five-year
162 estimates of the most recent American Community Survey conducted
163 by the United States Census Bureau;

164 (29) "Hybrid retailer" means a person that is licensed to purchase
165 cannabis and sell cannabis and medical marijuana products;

166 (30) "Key employee" means an employee with the following
167 management position or an equivalent title within a cannabis
168 establishment: (A) President or chief officer, who is the top ranking
169 individual at the cannabis establishment and is responsible for all staff
170 and overall direction of business operations; (B) financial manager, who

171 is the individual who reports to the president or chief officer and who is
172 generally responsible for oversight of the financial operations of the
173 cannabis establishment, including, but not limited to, revenue
174 generation, distributions, tax compliance and budget implementation;
175 or (C) compliance manager, who is the individual who reports to the
176 president or chief officer and who is generally responsible for ensuring
177 the cannabis establishment complies with all laws, regulations and
178 requirements related to the operation of the cannabis establishment;

179 (31) "Laboratory" means a laboratory located in the state that is
180 licensed by the department to provide analysis of cannabis that meets
181 the licensure requirements set forth in section 21a-246, as amended by
182 this act;

183 (32) "Laboratory employee" means an individual who is registered as
184 a laboratory employee pursuant to section 21a-408r;

185 (33) "Labor peace agreement" means an agreement between a
186 cannabis establishment and a bona fide labor organization under section
187 21a-421d pursuant to which the owners and management of the
188 cannabis establishment agree not to lock out employees and that
189 prohibits the bona fide labor organization from engaging in picketing,
190 work stoppages or boycotts against the cannabis establishment;

191 (34) "Manufacture" means to add or incorporate cannabis into other
192 products or ingredients or create a cannabis product;

193 (35) "Medical marijuana product" means cannabis that may be
194 exclusively sold to qualifying patients and caregivers by dispensary
195 facilities and hybrid retailers and which are designated by the
196 commissioner as reserved for sale to qualifying patients and caregivers
197 and published on the department's Internet web site;

198 (36) "Micro-cultivator" means a person licensed to engage in the
199 cultivation, growing and propagation of the cannabis plant at an
200 establishment containing not less than two thousand square feet and not
201 more than ten thousand square feet of grow space, prior to any

202 expansion authorized by the commissioner;

203 (37) "Municipality" means any town, city or borough, consolidated
204 town and city or consolidated town and borough;

205 (38) "Paraphernalia" means drug paraphernalia, as defined in section
206 21a-240;

207 (39) "Person" means an individual, partnership, limited liability
208 company, society, association, joint stock company, corporation, estate,
209 receiver, trustee, assignee, referee or any other legal entity and any other
210 person acting in a fiduciary or representative capacity, whether
211 appointed by a court or otherwise, and any combination thereof;

212 (40) "Producer" means a person that is licensed as a producer
213 pursuant to section 21a-408i and any regulations adopted thereunder;

214 (41) "Product manufacturer" means a person that is licensed to obtain
215 cannabis, extract and manufacture products exclusive to such license
216 type;

217 (42) "Product packager" means a person that is licensed to package
218 and label cannabis;

219 (43) "Qualifying patient" has the same meaning as provided in section
220 21a-408, as amended by this act;

221 (44) "Research program" has the same meaning as provided in section
222 21a-408, as amended by this act;

223 (45) "Retailer" means a person, excluding a dispensary facility and
224 hybrid retailer, that is licensed to purchase cannabis from producers,
225 cultivators, micro-cultivators, product manufacturers and food and
226 beverage manufacturers and to sell cannabis to consumers and research
227 programs;

228 (46) "Sale" or "sell" has the same meaning as provided in section 21a-
229 240;

230 (47) "Social Equity Council" or "council" means the council
231 established under section 21a-420d, as amended by this act;

232 (48) "Social equity applicant" means a person that has applied for a
233 license for a cannabis establishment, where such applicant is at least
234 sixty-five per cent owned and controlled by an individual or
235 individuals, or such applicant is an individual, who:

236 (A) Had an average household income of less than three hundred per
237 cent of the state median household income over the three tax years
238 immediately preceding such individual's application; and

239 (B) (i) Was a resident of a disproportionately impacted area for not
240 less than five of the ten years immediately preceding the date of such
241 application; or

242 (ii) Was a resident of a disproportionately impacted area for not less
243 than nine years prior to attaining the age of eighteen;

244 (49) "THC" has the same meaning as provided in section 21a-240;

245 (50) "Third-party lottery operator" means a person, or a constituent
246 unit of the state system of higher education, that conducts lotteries
247 pursuant to section 21a-420g, identifies the cannabis establishment
248 license applications for consideration without performing any review of
249 the applications that are identified for consideration, and that has no
250 direct or indirect oversight of or investment in a cannabis establishment
251 or a cannabis establishment applicant;

252 (51) "Transfer" means to transfer, change, give or otherwise dispose
253 of control over or interest in;

254 (52) "Transport" means to physically move from one place to another;

255 (53) "Transporter" means a person licensed to transport cannabis
256 between cannabis establishments, laboratories and research programs;
257 and

258 (54) "Unemployment rate" means, in a given area, the number of
259 people sixteen years of age or older who are in the civilian labor force
260 and unemployed divided by the number of people sixteen years of age
261 or older who are in the civilian labor force.

262 Sec. 2. (NEW) (*Effective from passage*) (a) Notwithstanding any
263 provision of the general statutes, no person shall gift, sell or transfer
264 cannabis to another person: (1) To induce, or in exchange for, any
265 donation for any purpose, including, but not limited to, any charitable
266 donation or any donation made to gain admission to any event; (2) at
267 any location, other than a dispensary facility, retailer or hybrid-retailer,
268 (A) where a consumer may purchase any item other than cannabis, a
269 cannabis product or services related to cannabis, or (B) that requires
270 consideration, including, but not limited to, membership in any club, in
271 order to gain admission to such location; or (3) as part of any giveaway
272 associated with attendance at any event, including, but not limited to,
273 any giveaway made by way of a door prize, goodie bag or swag bag.
274 The provisions of this subsection shall not be construed to prohibit any
275 gift of cannabis between individuals with a bona fide social relationship,
276 provided such gift is made without consideration and is not associated
277 with any commercial transaction.

278 (b) Any person who violates the provisions of subsection (a) of this
279 section shall, in addition to any other penalty provided by law: (1) Be
280 subject to a fine imposed by a municipality under section 3 of this act;
281 (2) be fined one thousand dollars per offense, in accordance with the
282 provisions of section 51-164n of the general statutes, as amended by this
283 act, by the Commissioner of Emergency Services and Public Protection;
284 and (3) be subject to an administrative hearing held by the
285 Commissioner of Revenue Services pursuant to chapter 54 of the general
286 statutes for failure to pay taxes, which may result in a civil penalty of
287 not more than one thousand dollars per violation. For the purposes of
288 this subsection, "per offense" and "per violation" mean either per
289 transaction or per day the violation continues, as determined by the
290 Commissioner of Emergency Services and Public Protection for the
291 purposes of subdivision (2) of this subsection or the Commissioner of

292 Revenue Services for the purposes of subdivision (3) of this subsection.

293 Sec. 3. (NEW) (*Effective from passage*) Any municipality may establish,
294 by ordinance, a fine for violations of section 2 of this act, provided the
295 amount of any such fine shall not be greater than one thousand dollars
296 per violation. Any police officer or other person authorized by the chief
297 executive officer of the municipality may issue a citation to any person
298 who commits such a violation. Any municipality that adopts an
299 ordinance pursuant to this section shall also adopt a citation hearing
300 procedure pursuant to section 7-152c of the general statutes. Any fine
301 collected by a municipality pursuant to this section shall be deposited
302 into the general fund of the municipality or in any special fund
303 designated by the municipality.

304 Sec. 4. Subsections (a) and (b) of section 51-164n of the 2022
305 supplement to the general statutes are repealed and the following is
306 substituted in lieu thereof (*Effective from passage*):

307 (a) There shall be a Centralized Infractions Bureau of the Superior
308 Court to handle payments or pleas of not guilty with respect to the
309 commission of an infraction under any provision of the general statutes
310 or a violation set forth in subsection (b) of this section. Except as
311 provided in section 51-164o, any person who is alleged to have
312 committed an infraction or a violation under subsection (b) of this
313 section may plead not guilty or pay the established fine and any
314 additional fee or cost for the infraction or such violation.

315 (b) Notwithstanding any provision of the general statutes, any person
316 who is alleged to have committed (1) a violation under the provisions of
317 section 1-9, 1-10, 1-11, 4b-13, 7-13, 7-14, 7-35, 7-41, 7-83, 7-283, 7-325, 7-
318 393, 8-12, 8-25, 8-27, 9-63, 9-322, 9-350, 10-193, 10-197, 10-198, 10-230, 10-
319 251, 10-254, 12-52, 12-170aa, 12-292, 12-314b or 12-326g, subdivision (4)
320 of section 12-408, subdivision (3), (5) or (6) of section 12-411, section 12-
321 435c, 12-476a, 12-476b, 12-487, 13a-71, 13a-107, 13a-113, 13a-114, 13a-115,
322 13a-117b, 13a-123, 13a-124, 13a-139, 13a-140, 13a-143b, 13a-247, 13a-253
323 or 13a-263, subsection (f) of section 13b-42, section 13b-90, 13b-221, 13b-

324 292, 13b-336, 13b-337, 13b-338, 13b-410a, 13b-410b or 13b-410c,
325 subsection (a), (b) or (c) of section 13b-412, section 13b-414, subsection
326 (d) of section 14-12, section 14-20a or 14-27a, subsection (f) of section 14-
327 34a, subsection (d) of section 14-35, section 14-43, 14-49, 14-50a or 14-58,
328 subsection (b) of section 14-66, section 14-66a or 14-67a, subsection (g)
329 of section 14-80, subsection (f) of section 14-80h, section 14-97a, 14-100b,
330 14-103a, 14-106a, 14-106c, 14-146, 14-152, 14-153 or 14-163b, a first
331 violation as specified in subsection (f) of section 14-164i, section 14-219
332 as specified in subsection (e) of said section, subdivision (1) of section
333 14-223a, section 14-240, 14-250 or 14-253a, subsection (a) of section 14-
334 261a, section 14-262, 14-264, 14-267a, 14-269, 14-270, 14-275a, 14-278 or
335 14-279, subsection (e) or (h) of section 14-283, section 14-291, 14-293b, 14-
336 296aa, 14-300, 14-300d, 14-319, 14-320, 14-321, 14-325a, 14-326, 14-330 or
337 14-332a, subdivision (1), (2) or (3) of section 14-386a, section 15-25 or 15-
338 33, subdivision (1) of section 15-97, subsection (a) of section 15-115,
339 section 16-44, 16-256e, 16a-15 or 16a-22, subsection (a) or (b) of section
340 16a-22h, section 17a-24, 17a-145, 17a-149, 17a-152, 17a-465, 17b-124, 17b-
341 131, 17b-137, 19a-30, 19a-33, 19a-39 or 19a-87, subsection (b) of section
342 19a-87a, section 19a-91, 19a-105, 19a-107, 19a-113, 19a-215, 19a-219, 19a-
343 222, 19a-224, 19a-286, 19a-287, 19a-297, 19a-301, 19a-309, 19a-335, 19a-
344 336, 19a-338, 19a-339, 19a-340, 19a-425, 19a-502, 20-7a, 20-14, 20-158, 20-
345 231, 20-249, 20-257, 20-265, 20-324e, subsection (b) of section 20-334,
346 section 20-341l, 20-366, 20-597, 20-608, 20-610, 21-1, 21-38, 21-39, 21-43,
347 21-47, 21-48, 21-63, subsection (d) of section 21-71 or section 21-76a,
348 subsection (c) of section 21a-2, subdivision (1) of section 21a-19, section
349 21a-21, subdivision (1) of subsection (b) of section 21a-25, section 21a-26
350 or 21a-30, subsection (a) of section 21a-37, section 21a-46, 21a-61, 21a-63
351 or 21a-77, subsection (b) of section 21a-79, section 21a-85 or 21a-154,
352 subdivision (1) of subsection (a) of section 21a-159, section 21a-278b,
353 subsection (c), (d) or (e) of section 21a-279a, section 21a-421eee, 21a-
354 421fff, 22-12b, 22-13, 22-14, 22-15, 22-16, 22-26g, 22-29, 22-30, 22-34, 22-
355 35, 22-36, 22-38, 22-39, 22-39f, 22-49, 22-54, 22-61j or 22-61l, subdivision
356 (1) of subsection (n) of section 22-61l, subsection (f) of section 22-61m,
357 subdivision (1) of subsection (f) of section 22-61m, subsection (d) of
358 section 22-84, section 22-89, 22-90, 22-96, 22-98, 22-99, 22-100, 22-111o,

359 22-167, subsection (c) of section 22-277, section 22-278, 22-279, 22-280a,
360 22-318a, 22-320h, 22-324a, 22-326, subsection (b), subdivision (1) or (2) of
361 subsection (e) or subsection (g) of section 22-344, subdivision (2) of
362 subsection (b) of section 22-344b, subsection (d) of section 22-344c,
363 subsection (d) of section 22-344d, section 22-344f, 22-350a, 22-354, 22-
364 359, 22-366, 22-391, 22-413, 22-414, 22-415, 22a-66a or 22a-246, subsection
365 (a) of section 22a-250, subsection (e) of section 22a-256h, section 22a-363
366 or 22a-381d, subsections (c) and (d) of section 22a-381e, section 22a-449,
367 22a-461, 23-4b, 23-38, 23-46 or 23-61b, subsection (a) or subdivision (1)
368 of subsection (c) of section 23-65, section 25-37 or 25-40, subsection (a) of
369 section 25-43, section 25-43d, 25-135, 26-18, 26-19, 26-21, 26-31, 26-40, 26-
370 40a, 26-42, 26-49, 26-54, 26-55, 26-56, 26-58 or 26-59, subdivision (1) of
371 subsection (d) of section 26-61, section 26-64, subdivision (1) of section
372 26-76, section 26-79, 26-87, 26-89, 26-91, 26-94, 26-97, 26-98, 26-104, 26-
373 105, 26-107, 26-117, 26-128, 26-131, 26-132, 26-138 or 26-141, subdivision
374 (1) of section 26-186, section 26-207, 26-215, 26-217 or 26-224a,
375 subdivision (1) of section 26-226, section 26-227, 26-230, 26-232, 26-244,
376 26-257a, 26-260, 26-276, 26-284, 26-285, 26-286, 26-288, 26-294, 28-13, 29-
377 6a, 29-25, 29-143o, 29-143z or 29-156a, subsection (b), (d), (e) or (g) of
378 section 29-161q, section 29-161y or 29-161z, subdivision (1) of section 29-
379 198, section 29-210, 29-243 or 29-277, subsection (c) of section 29-291c,
380 section 29-316, 29-318, 29-381, 30-48a, 30-86a, 31-3, 31-10, 31-11, 31-12,
381 31-13, 31-14, 31-15, 31-16, 31-18, 31-23, 31-24, 31-25, 31-32, 31-36, 31-38,
382 31-40, 31-44, 31-47, 31-48, 31-51, 31-52, 31-52a or 31-54, subsection (a) or
383 (c) of section 31-69, section 31-70, 31-74, 31-75, 31-76, 31-76a, 31-89b or
384 31-134, subsection (i) of section 31-273, section 31-288, subdivision (1) of
385 section 35-20, section 36a-787, 42-230, 45a-283, 45a-450, 45a-634 or 45a-
386 658, subdivision (13) or (14) of section 46a-54, section 46a-59, 46b-22,
387 46b-24, 46b-34, 47-34a, 47-47, 49-8a, 49-16, 53-133, 53-199, 53-212a, 53-
388 249a, 53-252, 53-264, 53-280, 53-302a, 53-303e, 53-311a, 53-321, 53-322, 53-
389 323, 53-331 or 53-344, subsection (c) of section 53-344b, [or] section 53-
390 450 or section 2 of this act, or (2) a violation under the provisions of
391 chapter 268, or (3) a violation of any regulation adopted in accordance
392 with the provisions of section 12-484, 12-487 or 13b-410, or (4) a violation
393 of any ordinance, regulation or bylaw of any town, city or borough,

394 except violations of building codes and the health code, for which the
395 penalty exceeds ninety dollars but does not exceed two hundred fifty
396 dollars, unless such town, city or borough has established a payment
397 and hearing procedure for such violation pursuant to section 7-152c,
398 shall follow the procedures set forth in this section.

399 Sec. 5. (NEW) (*Effective from passage*) (a) A cultivator licensed under
400 section 21a-420o of the general statutes may create not more than two
401 equity joint ventures to be approved by the Social Equity Council under
402 section 21a-420d of the general statutes, as amended by this act, and
403 licensed by the department under this section. The equity joint venture
404 shall be in any cannabis establishment licensed business, other than a
405 cultivator license.

406 (b) The equity joint venture applicant shall submit an application to
407 the Social Equity Council that may include, but need not be limited to,
408 evidence of business formation, ownership allocation, terms of
409 ownership and financing and proof of social equity status. The equity
410 joint venture applicant shall submit to the Social Equity Council
411 information including, but not limited to, the organizing documents of
412 the entity that outline the ownership stake of each backer, initial backer
413 investment and payout information to enable the council to determine
414 the terms of ownership.

415 (c) Upon obtaining the written approval of the Social Equity Council
416 for an equity joint venture, the equity joint venture applicant shall apply
417 for a license from the department in the same form as required by all
418 other licensees of the same license type, except that such application
419 shall not be subject to the lottery.

420 (d) A cultivator licensed under section 21a-420o of the general
421 statutes, including the backer of such cultivator, shall not increase its
422 ownership in an equity joint venture in excess of fifty per cent during
423 the seven-year period after a license is issued by the department under
424 this section.

425 (e) Equity joint ventures that share a common cultivator or cultivator

426 backer shall not be located within twenty miles of another commonly
427 owned equity joint venture.

428 (f) An equity joint venture applicant shall pay fifty per cent of the
429 amount of any applicable fee specified in subsection (c) of section 21a-
430 420e of the general statutes for the first three renewal cycles of the
431 applicable cannabis establishment license applied for, and shall pay the
432 full amount of such fee thereafter.

433 Sec. 6. Section 21a-420m of the 2022 supplement to the general
434 statutes is repealed and the following is substituted in lieu thereof
435 (*Effective from passage*):

436 (a) In order to pay a reduced license expansion authorization fee as
437 described in subsection (b) of section 21a-420l, a producer shall commit
438 to create two equity joint ventures to be approved by the Social Equity
439 Council under section 21a-420d, as amended by this act, and licensed by
440 the department under this section.

441 (b) The equity joint venture shall be in any cannabis establishment
442 licensed business, other than a cultivator license, provided [the social
443 equity applicant shall own at least fifty per cent of such business] such
444 equity joint venture is at least fifty per cent owned and controlled by an
445 individual or individuals who meet, or the equity joint venture
446 applicant is an individual who meets, the criteria established in
447 subparagraphs (A) and (B) of subdivision (48) of section 21a-420, as
448 amended by this act.

449 (c) The [producer or social equity applicant of an] equity joint venture
450 applicant shall submit an application to the Social Equity Council that
451 may include, but need not be limited to, evidence of business formation,
452 ownership allocation, terms of ownership and financing and proof of
453 social equity [applicant involvement] status. The [producer or social
454 equity applicant of an] equity joint venture applicant shall submit to the
455 Social Equity Council information including, but not limited to, the
456 organizing documents of the entity that outline the ownership stake of
457 each backer, initial backer investment and payout information to enable

458 the council to determine the terms of ownership.

459 (d) Upon obtaining the written approval of the Social Equity Council
460 for an equity joint venture, [the producer or social equity applicant of]
461 the equity joint venture applicant shall apply for a license from the
462 department in the same form as required by all other licensees of the
463 same license type, except that such application shall not be subject to the
464 lottery.

465 (e) A producer, including the backer of such producer, shall not
466 increase its ownership in an equity joint venture in excess of fifty per
467 cent during the seven-year period after a license is issued by the
468 department under this section.

469 (f) Equity joint ventures that share a common producer or producer
470 backer and that are retailers or hybrid retailers shall not be located
471 within twenty miles of another commonly owned equity joint venture.

472 (g) If a producer [had] has paid a reduced conversion fee, as
473 described in subsection (b) of section 21a-420l, and subsequently did not
474 create two equity joint ventures under this section that, not later than
475 fourteen months after the Department of Consumer Protection
476 approved the producer's license expansion application under section
477 21a-420l, each received a final license from the department, the producer
478 shall be liable for the full conversion fee of three million dollars
479 established in section 21a-420l minus such paid reduced conversion fee.

480 (h) No producer that receives license expansion authorization under
481 section 21a-420l shall create more than two equity joint ventures. No
482 such producer shall apply for, or create, any additional equity joint
483 venture if, on the effective date of this section, such producer has created
484 at least two equity joint ventures that have each received a provisional
485 license.

486 (i) An equity joint venture applicant shall pay fifty per cent of the
487 amount of any applicable fee specified in subsection (c) of section 21a-
488 420e for the first three renewal cycles of the applicable cannabis

489 establishment license applied for, and shall pay the full amount of such
490 fee thereafter.

491 Sec. 7. Section 21a-420u of the 2022 supplement to the general statutes
492 is repealed and the following is substituted in lieu thereof (*Effective from*
493 *passage*):

494 (a) In order for a dispensary facility to convert its license to a hybrid-
495 retailer license, a dispensary facility shall have a workforce
496 development plan that has been approved by the Social Equity Council
497 under section 21a-420d, as amended by this act, and shall either pay the
498 fee of one million dollars established in section 21a-420e or, if such
499 dispensary facility has committed to create one equity joint venture to
500 be approved by the Social Equity Council for ownership purposes under
501 section 21a-420d, as amended by this act, and subsequent to obtaining
502 such approval, approved by the department for licensure under this
503 section, pay a reduced fee of five hundred thousand dollars.

504 (b) Any equity joint venture created under this section shall be
505 created for the development of a cannabis establishment, [business with
506 a social equity applicant that owns at least fifty per cent of such business
507 and where the dispensary facility owns at most fifty per cent of such
508 business] other than a cultivator, provided such equity joint venture is
509 at least fifty per cent owned and controlled by an individual or
510 individuals who meet, or the equity joint venture applicant is an
511 individual who meets, the criteria established in subparagraphs (A) and
512 (B) of subdivision (48) of section 21a-420, as amended by this act.

513 (c) An equity joint venture applicant shall submit an application to
514 the Social Equity Council that may include, but need not be limited to,
515 evidence of business formation, ownership allocation, terms of
516 ownership and financing and proof of social equity [applicant
517 involvement. The dispensary facility or social equity applicant of an
518 equity joint venture shall submit an application to the Social Equity
519 Council that may include, but need not be limited to, evidence of
520 business formation, ownership allocation, terms of ownership and

521 financing and proof of social equity applicant involvement. The
522 dispensary facility or social equity applicant of an] status. The equity
523 joint venture applicant shall submit to the Social Equity Council
524 information including, but not limited to, the organizing documents of
525 the entity that outline the ownership stake of each backer, initial backer
526 investment and payout information to enable the council to determine
527 the terms of ownership.

528 (d) Upon receipt of written approval of the equity joint venture by
529 the Social Equity Council, [the dispensary facility or social equity
530 applicant of] the equity joint venture applicant shall apply for a license
531 from the department in the same form as required by all other licensees
532 of the same license type and subject to the same fees as required by all
533 other licensees of the same license type.

534 (e) A dispensary facility, including the backers of such dispensary
535 facility, shall not increase its ownership in an equity joint venture in
536 excess of fifty per cent during the seven-year period after a license is
537 issued by the department under this section.

538 (f) Equity joint ventures that are retailers or hybrid retailers that share
539 a common dispensary facility or dispensary facility backer owner shall
540 not be located within twenty miles of another commonly owned equity
541 joint venture.

542 (g) If a dispensary facility has paid the reduced conversion fee, in
543 accordance with subsection (a) of this section, and did not subsequently
544 create one equity joint venture under this section [, the] that, not later
545 than fourteen months after the Department of Consumer Protection
546 approved the dispensary facility's license conversion application under
547 section 21a-420t, receives a final license from the department, the
548 dispensary facility shall be liable for the full conversion fee of one
549 million dollars [,] established [under] in section 21a-420e minus such
550 paid reduced conversion fee.

551 (h) No dispensary facility that receives approval to convert the
552 dispensary facility's license to a hybrid-retailer license under section

553 21a-420t shall create more than two equity joint ventures. No such
554 dispensary facility shall apply for, or create, any additional equity joint
555 venture if, on the effective date of this section, such dispensary facility
556 has created at least two equity joint ventures that have each received a
557 provisional license.

558 (i) An equity joint venture applicant shall pay fifty per cent of the
559 amount of any applicable fee specified in subsection (c) of section 21a-
560 420e for the first three renewal cycles of the applicable cannabis
561 establishment license applied for, and shall pay the full amount of such
562 fee thereafter.

563 Sec. 8. Section 21a-421bb of the 2022 supplement to the general
564 statutes is repealed and the following is substituted in lieu thereof
565 (*Effective from passage*):

566 (a) No person other than the holder of a cannabis establishment
567 license issued by this state shall advertise any cannabis or services
568 related to cannabis in this state.

569 [(a) Cannabis] (b) Except as provided in subsection (d) of this section,
570 cannabis establishments [and any person advertising any cannabis or
571 services related to cannabis] shall not:

572 (1) Advertise, including, but not limited to, through a business name
573 or logo, cannabis, cannabis paraphernalia or goods or services related to
574 cannabis: [in]

575 (A) In ways that target or are designed to appeal to individuals under
576 twenty-one years of age, including, but not limited to, spokespersons or
577 celebrities who appeal to individuals under the legal age to purchase
578 cannabis or cannabis products, depictions of a person under twenty-five
579 years of age consuming cannabis, or, the inclusion of objects, such as
580 toys, characters or cartoon characters, suggesting the presence of a
581 person under twenty-one years of age, or any other depiction designed
582 in any manner to be appealing to a person under twenty-one years of
583 age; or

584 (B) By using any image, or any other visual representation, of the
585 cannabis plant or any part of the cannabis plant, including, but not
586 limited to, the leaf of the cannabis plant;

587 (2) Engage in any advertising by means of an electronic or
588 illuminated billboard between the hours of six o'clock a.m. and eleven
589 o'clock p.m.;

590 [(2)] (3) Engage in advertising by means of any television, radio,
591 Internet, mobile [applications] application, social media [,] or other
592 electronic communication, billboard or other outdoor signage, or print
593 publication unless the [advertiser] cannabis establishment has reliable
594 evidence that at least ninety per cent of the audience for the
595 advertisement is reasonably expected to be twenty-one years of age or
596 older;

597 [(3)] (4) Engage in advertising or marketing directed toward location-
598 based devices, including, but not limited to, cellular phones, unless the
599 marketing is a mobile device application installed on the device by the
600 owner of the device who is twenty-one years of age or older and
601 includes a permanent and easy opt-out feature and warnings that the
602 use of cannabis is restricted to persons twenty-one years of age or older;

603 [(4)] (5) Advertise cannabis or cannabis products in a manner
604 claiming or implying, or permit any employee of the cannabis
605 establishment to claim or imply, that such products have curative or
606 therapeutic effects, or that any other medical claim is true, or allow any
607 employee to promote cannabis for a wellness purpose unless such
608 claims are substantiated as set forth in regulations adopted under
609 chapter 420f or verbally conveyed by a licensed pharmacist or other
610 licensed medical practitioner in the course of business in, or while
611 representing, a hybrid retail or dispensary facility;

612 [(5)] (6) Sponsor charitable, sports, musical, artistic, cultural, social or
613 other similar events or advertising at, or in connection with, such an
614 event unless the [sponsor or advertiser] cannabis establishment has
615 reliable evidence that (A) not more than ten per cent of the in-person

616 audience at the event is reasonably expected to be under the legal age to
617 purchase cannabis or cannabis products, and (B) not more than ten per
618 cent of the audience that will watch, listen or participate in the event is
619 expected to be under the legal age to purchase cannabis products;

620 [(6)] (7) Advertise cannabis, cannabis products or cannabis
621 paraphernalia in any physical form visible to the public within one
622 thousand five hundred feet of an elementary or secondary school
623 ground or a house of worship, recreation center or facility, child care
624 center, playground, public park or library;

625 [(7)] (8) Cultivate cannabis or manufacture cannabis products for
626 distribution outside of this state in violation of federal law, advertise in
627 any way that encourages the transportation of cannabis across state lines
628 or otherwise encourages illegal activity;

629 [(8)] (9) Except for dispensary facilities and hybrid retailers, exhibit
630 within or upon the outside of the facility used in the operation of a
631 cannabis establishment, or include in any advertisement, the word
632 "dispensary" or any variation of such term or any other words, displays
633 or symbols indicating that such store, shop or place of business is a
634 dispensary;

635 [(9)] (10) Exhibit within or upon the outside of the premises subject to
636 the cannabis establishment license, or include in any advertisement the
637 words "drug store", "pharmacy", "apothecary", "drug", "drugs" or
638 "medicine shop" or any combination of such terms or any other words,
639 displays or symbols indicating that such store, shop or place of business
640 is a pharmacy;

641 [(10)] (11) Advertise on or in public or private vehicles or at bus stops,
642 taxi stands, transportation waiting areas, train stations, airports or other
643 similar transportation venues including, but not limited to, vinyl-
644 wrapped vehicles or signs or logos on transportation vehicles not
645 owned by a cannabis establishment;

646 [(11)] (12) Display cannabis, [or] cannabis products or any image, or

647 any other visual representation, of the cannabis plant or any part of the
648 cannabis plant, including, but not limited to, the leaf of the cannabis
649 plant, so as to be clearly visible to a person from the exterior of the
650 facility used in the operation of a cannabis establishment, or display
651 signs or other printed material advertising any brand or any kind of
652 cannabis or cannabis product, or including any image, or any other
653 visual representation, of the cannabis plant or any part of the cannabis
654 plant, including, but not limited to, the leaf of the cannabis plant, on the
655 exterior of any facility used in the operation of a cannabis establishment;

656 [(12)] (13) Utilize radio or loudspeaker, in a vehicle or in or outside of
657 a facility used in the operation of a cannabis establishment, for the
658 purposes of advertising the sale of cannabis or cannabis products; or

659 [(13)] (14) Operate any web site advertising or depicting cannabis,
660 cannabis products or cannabis paraphernalia unless such web site
661 verifies that the entrants or users are twenty-one years of age or older.

662 [(b) Any] (c) Except as provided in subsection (d) of this section, any
663 advertisements from a cannabis establishment shall contain the
664 following warning: "Do not use cannabis if you are under twenty-one
665 years of age. Keep cannabis out of the reach of children." In a print or
666 visual medium, such warning shall be conspicuous, easily legible and
667 shall take up not less than ten per cent of the advertisement space. In an
668 audio medium, such warning shall be at the same speed as the rest of
669 the advertisement and be easily intelligible.

670 (d) Any outdoor signage, including, but not limited to, any
671 monument sign, pylon sign or wayfinding sign, shall be deemed to
672 satisfy the audience requirement established in subdivision (3) of
673 subsection (b) of this section, and shall not be required to contain the
674 warning required under subsection (c) of this section, if such outdoor
675 signage:

676 (1) Contains only the name and logo of the cannabis establishment;

677 (2) Does not include any image, or any other visual representation, of

678 the cannabis plant or any part of the cannabis plant, including, but not
679 limited to, the leaf of the cannabis plant;

680 (3) Is comprised of not more than three colors; and

681 (4) Is located:

682 (A) On the cannabis establishment's premises, regardless of whether
683 such cannabis establishment leases or owns such premises; or

684 (B) On any commercial property occupied by multiple tenants
685 including such cannabis establishment.

686 ~~[(c)]~~ (e) The department shall not register, and may require revision
687 of, any submitted or registered cannabis brand name that:

688 (1) Is identical to, or confusingly similar to, the name of an existing
689 non-cannabis product;

690 (2) Is identical to, or confusingly similar to, the name of an unlawful
691 product or substance;

692 (3) Is confusingly similar to the name of a previously approved
693 cannabis brand name;

694 (4) Is obscene or indecent; and

695 (5) Is customarily associated with persons under the age of twenty-
696 one.

697 ~~[(d)]~~ (f) A violation of the provisions of [subsection (a) or (b)]
698 subsections (a) to (c), inclusive, of this section shall be deemed to be an
699 unfair or deceptive trade practice under subsection (a) of section 42-
700 110b.

701 Sec. 9. Section 21a-422f of the 2022 supplement to the general statutes
702 is repealed and the following is substituted in lieu thereof (*Effective from*
703 *passage*):

704 (a) As used in this section, "municipality" means any town, city or
705 borough, consolidated town and city or consolidated town and
706 borough, and a district establishing a zoning commission under section
707 7-326.

708 (b) Any municipality may, by amendment to such municipality's
709 zoning regulations or by local ordinance, (1) prohibit the establishment
710 of a cannabis establishment, (2) establish reasonable restrictions
711 regarding the hours and signage within the limits of such municipality,
712 or (3) establish restrictions on the proximity of cannabis establishments
713 to any of the establishments listed in subdivision (1) of subsection (a) of
714 section 30-46. The chief zoning official of a municipality shall report, in
715 writing, any zoning changes adopted by the municipality regarding
716 cannabis establishments pursuant to this subsection to the Secretary of
717 the Office of Policy and Management and to the department not later
718 than fourteen days after the adoption of such changes.

719 (c) Unless otherwise provided for by a municipality through its
720 zoning regulations or ordinances, a cannabis establishment shall be
721 zoned as if for any other similar use, other than a cannabis
722 establishment, would be zoned.

723 (d) Any restriction regarding hours, zoning and signage of a cannabis
724 establishment adopted by a municipality shall not apply to an existing
725 cannabis establishment located in such municipality if such cannabis
726 establishment does not convert to a different license type, for a period
727 of five years after the adoption of such prohibition or restriction.

728 [(e) Until June 30, 2024, no municipality shall grant zoning approval
729 for more retailers or micro-cultivators than a number that would allow
730 for one retailer and one micro-cultivator for every twenty-five thousand
731 residents of such municipality, as determined by the most recent
732 decennial census.

733 (f) On and after July 1, 2024, the Commissioner of Consumer
734 Protection may, in the discretion of the commissioner, post on the
735 Department of Consumer Protection's Internet web site a specific

736 number of residents such that no municipality shall grant zoning
737 approval for more retailers or micro-cultivators than would result in one
738 retailer and one micro-cultivator for every such specific number of
739 residents, as determined by the commissioner. Any such determination
740 shall be made to ensure reasonable access to cannabis by consumers.]

741 [(g)] (e) For purposes of ensuring compliance with this section, a
742 special permit or other affirmative approval shall be required for any
743 retailer or micro-cultivator seeking to be located within a municipality.
744 [A municipality shall not grant such special permit or approval for any
745 retailer or micro-cultivator applying for such special permit or approval
746 if that would result in an amount that (1) until June 30, 2024, exceeds the
747 density cap of one retailer and one micro-cultivator for every twenty-
748 five thousand residents, and (2) on and after July 1, 2024, exceeds any
749 density cap determined by the commissioner under subsection (f) of this
750 section.] When awarding final licenses for a retailer or micro-cultivator,
751 the Department of Consumer Protection may assume that, if an
752 applicant for such final license has obtained zoning approval, the
753 approval of a final license for such applicant shall not result in a
754 violation of this section or any [other] municipal restrictions on the
755 number or density of cannabis establishments.

756 Sec. 10. (*Effective from passage*) (a) The chairpersons of the joint
757 standing committee of the General Assembly having cognizance of
758 matters pertaining to general law shall convene a working group to
759 study hemp, hemp products and hemp producers. Such study shall
760 include, but need not be limited to, an examination of (1) the regulation
761 of hemp, hemp products and hemp producers licensed in this state and
762 neighboring states, (2) the manner in which neighboring states have
763 integrated hemp, hemp products and hemp producers into their
764 recreational cannabis programs, statutes and regulations, and (3)
765 possible legislation that would integrate hemp, hemp products and
766 hemp producers licensed in this state into this state's recreational
767 cannabis statutes by, among other things, allowing (A) such licensees to
768 convert their licenses to licenses issued under this state's recreational
769 cannabis statutes, and (B) hemp products, including, but not limited to,

770 cannabidiol, produced by such licensees to be sold in cannabis
771 dispensaries licensed in this state.

772 (b) The working group shall consist of the following members:

773 (1) One appointed by the speaker of the House of Representatives,
774 who shall be a representative of the Connecticut Farm Bureau;

775 (2) One appointed by the president pro tempore of the Senate, who
776 shall be a person who grows hemp in the state;

777 (3) One appointed by the majority leader of the House of
778 Representatives, who shall be a representative of the state's cannabis
779 industry;

780 (4) One appointed by the majority leader of the Senate, who shall be
781 a representative of the state's cannabis industry;

782 (5) One appointed by the minority leader of the House of
783 Representatives, who shall be a member of the General Assembly
784 representing a rural district in the state;

785 (6) One appointed by the minority leader of the Senate, who shall be
786 a member of the General Assembly representing a rural district in the
787 state;

788 (7) The chairpersons of the joint standing committee of the General
789 Assembly having cognizance of matters relating to general law;

790 (8) The Commissioner of Consumer Protection, or the commissioner's
791 designee; and

792 (9) The Commissioner of Agriculture, or the commissioner's
793 designee.

794 (c) All initial appointments to the working group shall be made not
795 later than thirty days after the effective date of this section. Any vacancy
796 shall be filled by the appointing authority.

797 (d) The chairpersons of the joint standing committee of the General
798 Assembly having cognizance of matters relating to general law shall
799 serve as the chairpersons of the working group. Such chairpersons shall
800 schedule the first meeting of the working group, which shall be held not
801 later than sixty days after the effective date of this section.

802 (e) The administrative staff of the joint standing committee of the
803 General Assembly having cognizance of matters relating to general law
804 shall serve as administrative staff of the working group.

805 (f) Not later than January 1, 2023, the working group shall submit a
806 report on its findings and recommendations to the joint standing
807 committee of the General Assembly having cognizance of matters
808 relating to general law, in accordance with the provisions of section 11-
809 4a of the general statutes. The working group shall terminate on the date
810 that it submits such report or January 1, 2023, whichever is later.

811 Sec. 11. Section 21a-408 of the 2022 supplement to the general statutes
812 is repealed and the following is substituted in lieu thereof (*Effective July*
813 *1, 2022*):

814 As used in this section, sections 21a-408a to 21a-408o, inclusive, as
815 amended by this act, and sections 21a-408r to 21a-408v, inclusive, unless
816 the context otherwise requires:

817 (1) "Advanced practice registered nurse" means an advanced practice
818 registered nurse licensed pursuant to chapter 378;

819 (2) "Cannabis establishment" has the same meaning as provided in
820 section 21a-420, as amended by this act;

821 (3) "Cultivation" includes planting, propagating, cultivating, growing
822 and harvesting;

823 (4) "Debilitating medical condition" means (A) cancer, glaucoma,
824 positive status for human immunodeficiency virus or acquired immune
825 deficiency syndrome, Parkinson's disease, multiple sclerosis, damage to
826 the nervous tissue of the spinal cord with objective neurological

827 indication of intractable spasticity, epilepsy or uncontrolled intractable
828 seizure disorder, cachexia, wasting syndrome, Crohn's disease,
829 posttraumatic stress disorder, irreversible spinal cord injury with
830 objective neurological indication of intractable spasticity, cerebral palsy,
831 cystic fibrosis or terminal illness requiring end-of-life care, except, if the
832 qualifying patient is under eighteen years of age, "debilitating medical
833 condition" means terminal illness requiring end-of-life care, irreversible
834 spinal cord injury with objective neurological indication of intractable
835 spasticity, cerebral palsy, cystic fibrosis, severe epilepsy or uncontrolled
836 intractable seizure disorder, or (B) any medical condition, medical
837 treatment or disease approved for qualifying patients by the
838 Department of Consumer Protection and posted online pursuant to
839 section 21a-408/;

840 (5) "Dispensary facility" means a place of business where marijuana
841 may be dispensed, sold or distributed in accordance with this chapter
842 and any regulations adopted thereunder to qualifying patients and
843 caregivers and for which the department has issued a dispensary facility
844 license pursuant to this chapter;

845 (6) "Employee" has the same meaning as provided in section 21a-420,
846 as amended by this act;

847 (7) "Institutional animal care and use committee" means a committee
848 that oversees an organization's animal program, facilities and
849 procedures to ensure compliance with federal policies, guidelines and
850 principles related to the care and use of animals in research;

851 (8) "Institutional review board" means a specifically constituted
852 review body established or designated by an organization to protect the
853 rights and welfare of persons recruited to participate in biomedical,
854 behavioral or social science research;

855 (9) "Laboratory" means a laboratory located in the state that is
856 licensed by the department to provide analysis of marijuana and that
857 meets the licensure requirements set forth in section 21a-246, as
858 amended by this act;

859 (10) "Laboratory employee" means a person who is registered as a
860 laboratory employee pursuant to section 21a-408r;

861 (11) "Licensed dispensary" or "dispensary" means an individual who
862 is a licensed pharmacist employed by a dispensary facility or hybrid
863 retailer;

864 (12) "Producer" means a person who is licensed as a producer
865 pursuant to section 21a-408i;

866 (13) "Marijuana" means marijuana, as defined in section 21a-240;

867 (14) "Nurse" means a person who is licensed as a nurse under chapter
868 378;

869 (15) "Palliative use" means the acquisition, distribution, transfer,
870 possession, use or transportation of marijuana or paraphernalia relating
871 to marijuana, including the transfer of marijuana and paraphernalia
872 relating to marijuana from the patient's caregiver to the qualifying
873 patient, to alleviate a qualifying patient's symptoms of a debilitating
874 medical condition or the effects of such symptoms, but does not include
875 any such use of marijuana by any person other than the qualifying
876 patient;

877 (16) "Paraphernalia" means drug paraphernalia, as defined in section
878 21a-240;

879 (17) "Physician" means a person who is licensed as a physician under
880 chapter 370; [but does not include a physician assistant, as defined in
881 section 20-12a;]

882 (18) "Physician assistant" means a person who is licensed as a
883 physician assistant under chapter 370;

884 [(18)] (19) "Caregiver" means a person, other than the qualifying
885 patient and the qualifying patient's physician, physician assistant or
886 advanced practice registered nurse, who is eighteen years of age or older
887 and has agreed to undertake responsibility for managing the well-being

888 of the qualifying patient with respect to the palliative use of marijuana,
889 provided (A) in the case of a qualifying patient (i) under eighteen years
890 of age and not an emancipated minor, or (ii) otherwise lacking legal
891 capacity, such person shall be a parent, guardian or person having legal
892 custody of such qualifying patient, and (B) in the case of a qualifying
893 patient eighteen years of age or older or an emancipated minor, the need
894 for such person shall be evaluated by the qualifying patient's physician,
895 physician assistant or advanced practice registered nurse and such need
896 shall be documented in the written certification;

897 [(19)] (20) "Qualifying patient" means a person who: (A) Is a resident
898 of Connecticut, (B) has been diagnosed by a physician, physician
899 assistant or [an] advanced practice registered nurse as having a
900 debilitating medical condition, and (C) (i) is eighteen years of age or
901 older, (ii) is an emancipated minor, or (iii) has written consent from a
902 custodial parent, guardian or other person having legal custody of such
903 person that indicates that such person has permission from such parent,
904 guardian or other person for the palliative use of marijuana for a
905 debilitating medical condition and that such parent, guardian or other
906 person will (I) serve as a caregiver for the qualifying patient, and (II)
907 control the acquisition and possession of marijuana and any related
908 paraphernalia for palliative use on behalf of such person. "Qualifying
909 patient" does not include an inmate confined in a correctional institution
910 or facility under the supervision of the Department of Correction;

911 [(20)] (21) "Research program" means a study approved by the
912 Department of Consumer Protection in accordance with this chapter
913 and undertaken to increase information or knowledge regarding the
914 growth or processing of marijuana, or the medical attributes, dosage
915 forms, administration or use of marijuana to treat or alleviate symptoms
916 of any medical conditions or the effects of such symptoms;

917 [(21)] (22) "Research program employee" means a person who (A) is
918 registered as a research program employee under section 21a-408t, or
919 (B) holds a temporary certificate of registration issued pursuant to
920 section 21a-408t;

921 [(22)] (23) "Research program subject" means a person registered as a
922 research program subject pursuant to section 21a-408v;

923 [(23)] (24) "Usable marijuana" means the dried leaves and flowers of
924 the marijuana plant, and any mixtures or preparations of such leaves
925 and flowers, that are appropriate for the palliative use of marijuana, but
926 does not include the seeds, stalks and roots of the marijuana plant; and

927 [(24)] (25) "Written certification" means a written certification issued
928 by a physician, physician assistant or [an] advanced practice registered
929 nurse pursuant to section 21a-408c, as amended by this act.

930 Sec. 12. Section 21a-408a of the 2022 supplement to the general
931 statutes is repealed and the following is substituted in lieu thereof
932 (*Effective July 1, 2022*):

933 (a) A qualifying patient shall register with the Department of
934 Consumer Protection pursuant to section 21a-408d, as amended by this
935 act, prior to engaging in the palliative use of marijuana. A qualifying
936 patient who has a valid registration certificate from the Department of
937 Consumer Protection pursuant to subsection (a) of section 21a-408d, as
938 amended by this act, and complies with the requirements of sections
939 21a-408 to 21a-408m, as amended by this act, inclusive, shall not be
940 subject to arrest or prosecution, penalized in any manner, including, but
941 not limited to, being subject to any civil penalty, or denied any right or
942 privilege, including, but not limited to, being subject to any disciplinary
943 action by a professional licensing board, for the palliative use of
944 marijuana if:

945 (1) The qualifying patient's physician, physician assistant or
946 advanced practice registered nurse has issued a written certification to
947 the qualifying patient for the palliative use of marijuana after the
948 physician, physician assistant or advanced practice registered nurse has
949 prescribed, or determined it is not in the best interest of the patient to
950 prescribe, prescription drugs to address the symptoms or effects for
951 which the certification is being issued;

952 (2) The combined amount of marijuana possessed by the qualifying
953 patient and the caregiver for palliative use does not exceed five ounces;

954 (3) The qualifying patient has not more than one caregiver at any
955 time; and

956 (4) Any cannabis plants grown by the qualifying patient in his or
957 home is in compliance with subsection (b) of section 21a-408d, as
958 amended by this act, and any applicable regulations.

959 (b) The provisions of subsection (a) of this section do not apply to:

960 (1) Any palliative use of marijuana that endangers the health or well-
961 being of a person other than the qualifying patient or the caregiver; or

962 (2) The ingestion of marijuana (A) in a motor bus or a school bus or
963 in any other moving vehicle, (B) in the workplace, (C) on any school
964 grounds or any public or private school, dormitory, college or university
965 property, unless such college or university is participating in a research
966 program and such use is pursuant to the terms of the research program,
967 (D) in any public place, or (E) in the presence of a person under the age
968 of eighteen, unless such person is a qualifying patient or research
969 program subject. For the purposes of this subdivision, (i) "presence"
970 means within the direct line of sight of the palliative use of marijuana or
971 exposure to second-hand marijuana smoke, or both; (ii) "public place"
972 means any area that is used or held out for use by the public whether
973 owned or operated by public or private interests; (iii) "vehicle" means a
974 vehicle, as defined in section 14-1; (iv) "motor bus" means a motor bus,
975 as defined in section 14-1; and (v) "school bus" means a school bus, as
976 defined in section 14-1.

977 Sec. 13. Section 21a-408c of the 2022 supplement to the general
978 statutes is repealed and the following is substituted in lieu thereof
979 (*Effective July 1, 2022*):

980 (a) A physician, physician assistant or [an] advanced practice
981 registered nurse may issue a written certification to a qualifying patient

982 that authorizes the palliative use of marijuana by the qualifying patient.
983 Such written certification shall be in the form prescribed by the
984 Department of Consumer Protection and shall include a statement
985 signed and dated by the qualifying patient's physician, physician
986 assistant or advanced practice registered nurse stating that, in such
987 physician's, physician assistant's or advanced practice registered nurse's
988 professional opinion, the qualifying patient has a debilitating medical
989 condition and the potential benefits of the palliative use of marijuana
990 would likely outweigh the health risks of such use to the qualifying
991 patient.

992 (b) Any written certification for the palliative use of marijuana issued
993 by a physician, physician assistant or [an] advanced practice registered
994 nurse under subsection (a) of this section shall be valid for a period not
995 to exceed one year from the date such written certification is signed and
996 dated by the physician, physician assistant or advanced practice
997 registered nurse. Not later than ten calendar days after the expiration of
998 such period, or at any time before the expiration of such period should
999 the qualifying patient no longer wish to possess marijuana for palliative
1000 use, the qualifying patient or the caregiver shall destroy all usable
1001 marijuana possessed by the qualifying patient and the caregiver for
1002 palliative use.

1003 (c) A physician, physician assistant or [an] advanced practice
1004 registered nurse shall not be subject to arrest or prosecution, penalized
1005 in any manner, including, but not limited to, being subject to any civil
1006 penalty, or denied any right or privilege, including, but not limited to,
1007 being subject to any disciplinary action by the Connecticut Medical
1008 Examining Board, the Connecticut State Board of Examiners for Nursing
1009 or other professional licensing board, for providing a written
1010 certification for the palliative use of marijuana under subdivision (1) of
1011 subsection (a) of section 21a-408a, as amended by this act, if:

1012 (1) The physician, physician assistant or advanced practice registered
1013 nurse has diagnosed the qualifying patient as having a debilitating
1014 medical condition;

1015 (2) The physician, physician assistant or advanced practice registered
1016 nurse has explained the potential risks and benefits of the palliative use
1017 of marijuana to the qualifying patient and, if the qualifying patient lacks
1018 legal capacity, to a parent, guardian or person having legal custody of
1019 the qualifying patient;

1020 (3) The written certification issued by the physician, physician
1021 assistant or advanced practice registered nurse is based upon the
1022 physician's, physician assistant's or advanced practice registered nurse's
1023 professional opinion after having completed a medically reasonable
1024 assessment of the qualifying patient's medical history and current
1025 medical condition made in the course of a bona fide health care
1026 professional-patient relationship; and

1027 (4) The physician, physician assistant or advanced practice registered
1028 nurse has no financial interest in a cannabis establishment, except for
1029 retailers and delivery services, as such terms are defined in section 21a-
1030 420, as amended by this act.

1031 (d) A physician assistant or nurse shall not be subject to arrest or
1032 prosecution, penalized in any manner, including, but not limited to,
1033 being subject to any civil penalty, or denied any right or privilege,
1034 including, but not limited to, being subject to any disciplinary action by
1035 the Connecticut Medical Examining Board, Board of Examiners for
1036 Nursing [J] or other professional licensing board, for administering
1037 marijuana to a qualifying patient or research program subject in a
1038 hospital or health care facility licensed by the Department of Public
1039 Health.

1040 (e) Notwithstanding the provisions of this section, sections 21a-408 to
1041 21a-408b, inclusive, as amended by this act, and sections 21a-408d to
1042 21a-408o, inclusive, as amended by this act, a physician assistant or an
1043 advanced practice registered nurse shall not issue a written certification
1044 to a qualifying patient when the qualifying patient's debilitating medical
1045 condition is glaucoma.

1046 Sec. 14. Section 21a-408d of the 2022 supplement to the general

1047 statutes is repealed and the following is substituted in lieu thereof
1048 (*Effective July 1, 2022*):

1049 (a) Each qualifying patient who is issued a written certification for the
1050 palliative use of marijuana under subdivision (1) of subsection (a) of
1051 section 21a-408a, as amended by this act, and the caregiver of such
1052 qualifying patient, shall register with the Department of Consumer
1053 Protection. Such registration shall be effective from the date the
1054 Department of Consumer Protection issues a certificate of registration
1055 until the expiration of the written certification issued by the physician,
1056 physician assistant or advanced practice registered nurse. The
1057 qualifying patient and the caregiver shall provide sufficient identifying
1058 information, as determined by the department, to establish the personal
1059 identity of the qualifying patient and the caregiver. If the qualifying
1060 patient is under eighteen years of age and not an emancipated minor,
1061 the custodial parent, guardian or other person having legal custody of
1062 the qualifying patient shall also provide a letter from both the qualifying
1063 patient's care provider and a physician who is board certified in an area
1064 of medicine involved in the treatment of the debilitating condition for
1065 which the qualifying patient was certified that confirms that the
1066 palliative use of marijuana is in the best interest of the qualifying
1067 patient. A physician may issue a written certification for the palliative
1068 use of marijuana by a qualifying patient who is under eighteen years of
1069 age, provided such written certification shall not be for marijuana in a
1070 dosage form that requires that the marijuana be smoked, inhaled or
1071 vaporized. The qualifying patient or the caregiver shall report any
1072 change in the identifying information to the department not later than
1073 five business days after such change. The department shall issue a
1074 registration certificate to the qualifying patient and to the caregiver and
1075 may charge a reasonable fee, not to exceed twenty-five dollars, for each
1076 registration certificate issued under this subsection. Any registration
1077 fees collected by the department under this subsection shall be paid to
1078 the State Treasurer and credited to the General Fund.

1079 (b) Any qualifying patient who is eighteen years of age or older may
1080 cultivate up to three mature cannabis plants and three immature

1081 cannabis plants in the patient's primary residence at any given time,
1082 provided such plants are secure from access by any individual other
1083 than the patient or patient's caregiver and no more than twelve cannabis
1084 plants may be grown per household.

1085 (c) A dispensary shall not dispense any marijuana products in a
1086 smokable, inhalable or vaporizable form to a qualifying patient who is
1087 under eighteen years of age or such qualifying patient's caregiver.

1088 (d) Information obtained under this section shall be confidential and
1089 shall not be subject to disclosure under the Freedom of Information Act,
1090 as defined in section 1-200, except that reasonable access to registry
1091 information obtained under this section shall be provided to: (1) State
1092 agencies, federal agencies and local law enforcement agencies for the
1093 purpose of investigating or prosecuting a violation of law; (2)
1094 physicians, physician assistants, advanced practice registered nurses
1095 and pharmacists for the purpose of providing patient care and drug
1096 therapy management and monitoring controlled substances obtained by
1097 the qualifying patient; (3) public or private entities for research or
1098 educational purposes, provided no individually identifiable health
1099 information may be disclosed; (4) a licensed dispensary for the purpose
1100 of complying with sections 21a-408 to 21a-408m, inclusive, as amended
1101 by this act; (5) a qualifying patient, but only with respect to information
1102 related to such qualifying patient or such qualifying patient's caregiver;
1103 or (6) a caregiver, but only with respect to information related to such
1104 caregiver's qualifying patient.

1105 Sec. 15. Subsection (a) of section 21a-408d of the 2022 supplement to
1106 the general statutes, as amended by section 14 of this act, is repealed and
1107 the following is substituted in lieu thereof (*Effective July 1, 2023*):

1108 (a) Each qualifying patient who is issued a written certification for the
1109 palliative use of marijuana under subdivision (1) of subsection (a) of
1110 section 21a-408a, as amended by this act, and the caregiver of such
1111 qualifying patient, shall register with the Department of Consumer
1112 Protection. Such registration shall be effective from the date the

1113 Department of Consumer Protection issues a certificate of registration
1114 until the expiration of the written certification issued by the physician,
1115 physician assistant or advanced practice registered nurse. The
1116 qualifying patient and the caregiver shall provide sufficient identifying
1117 information, as determined by the department, to establish the personal
1118 identity of the qualifying patient and the caregiver. If the qualifying
1119 patient is under eighteen years of age and not an emancipated minor,
1120 the custodial parent, guardian or other person having legal custody of
1121 the qualifying patient shall also provide a letter from both the qualifying
1122 patient's care provider and a physician who is board certified in an area
1123 of medicine involved in the treatment of the debilitating condition for
1124 which the qualifying patient was certified that confirms that the
1125 palliative use of marijuana is in the best interest of the qualifying
1126 patient. A physician may issue a written certification for the palliative
1127 use of marijuana by a qualifying patient who is under eighteen years of
1128 age, provided such written certification shall not be for marijuana in a
1129 dosage form that requires that the marijuana be smoked, inhaled or
1130 vaporized. The qualifying patient or the caregiver shall report any
1131 change in the identifying information to the department not later than
1132 five business days after such change. The department shall issue a
1133 registration certificate to the qualifying patient and to the caregiver,
1134 [and may charge a reasonable fee, not to exceed twenty-five dollars, for
1135 each registration certificate issued under this subsection. Any
1136 registration fees collected by the department under this subsection shall
1137 be paid to the State Treasurer and credited to the General Fund.]

1138 Sec. 16. Section 21a-408m of the 2022 supplement to the general
1139 statutes is repealed and the following is substituted in lieu thereof
1140 (*Effective July 1, 2022*):

1141 (a) The Commissioner of Consumer Protection may adopt
1142 regulations, in accordance with chapter 54, to establish (1) a standard
1143 form for written certifications for the palliative use of marijuana issued
1144 by physicians, physician assistants and advanced practice registered
1145 nurses under subdivision (1) of subsection (a) of section 21a-408a, as
1146 amended by this act, and (2) procedures for registrations under section

1147 21a-408d, as amended by this act. Such regulations, if any, shall be
1148 adopted after consultation with the Board of Physicians established in
1149 section 21a-408l.

1150 (b) The Commissioner of Consumer Protection shall adopt
1151 regulations, in accordance with chapter 54, to establish a reasonable fee
1152 to be collected from each qualifying patient to whom a written
1153 certification for the palliative use of marijuana is issued under
1154 subdivision (1) of subsection (a) of section 21a-408a, as amended by this
1155 act, for the purpose of offsetting the direct and indirect costs of
1156 administering the provisions of sections 21a-408 to 21a-408m, inclusive,
1157 as amended by this act. The commissioner shall collect such fee at the
1158 time the qualifying patient registers with the Department of Consumer
1159 Protection under subsection (a) of section 21a-408d, as amended by this
1160 act. Such fee shall be in addition to any registration fee that may be
1161 charged under said subsection. The fees required to be collected by the
1162 commissioner from qualifying patients under this subsection shall be
1163 paid to the State Treasurer and credited to the General Fund.

1164 (c) The Commissioner of Consumer Protection shall adopt or amend
1165 regulations, as applicable, in accordance with chapter 54, to implement
1166 the provisions of sections 21a-408 to 21a-408g, inclusive, as amended by
1167 this act, and section 21a-408l. Notwithstanding the requirements of
1168 sections 4-168 to 4-172, inclusive, in order to effectuate the purposes of
1169 sections 21a-408 to 21a-408g, inclusive, as amended by this act, and
1170 section 21a-408l, and protect public health and safety, prior to adopting
1171 or amending such regulations the commissioner shall adopt policies and
1172 procedures to implement the provisions of sections 21a-408 to 21a-408g,
1173 inclusive, as amended by this act, and section 21a-408, as amended by
1174 this act, that shall have the force and effect of law. The commissioner
1175 shall post all policies and procedures on the department's Internet web
1176 site, and submit such policies and procedures to the Secretary of the
1177 State for posting on the eRegulations System, at least fifteen days prior
1178 to the effective date of any policy or procedure. Any such policy or
1179 procedure shall no longer be effective upon the earlier of either adoption
1180 of such policies or procedures as a final regulation pursuant to section

1181 4-172 or forty-eight months from October 1, 2021, if such policies or
1182 procedures have not been submitted to the legislative regulation review
1183 committee for consideration under section 4-170. Such policies and
1184 procedures and regulations shall include, but not be limited to, how the
1185 department shall:

1186 (1) Accept applications for the issuance and renewal of registration
1187 certificates for qualifying patients and caregivers;

1188 (2) Establish criteria for adding medical conditions, medical
1189 treatments or diseases to the list of debilitating medical conditions that
1190 qualify for the palliative use of marijuana;

1191 (3) Establish a petition process under which members of the public
1192 may submit petitions, regarding the addition of medical conditions,
1193 medical treatments or diseases to the list of debilitating medical
1194 conditions;

1195 (4) Establish requirements for the growing of cannabis plants by a
1196 qualifying patient in his or her primary residence as authorized under
1197 section 21a-408d, as amended by this act, including requirements for
1198 securing such plants to prevent access by any individual other than the
1199 patient or the patient's caregiver, the location of such plants and any
1200 other requirements necessary to protect public health or safety;

1201 (5) Develop a distribution system for marijuana for palliative use that
1202 provides for:

1203 (A) Marijuana production facilities within this state that are housed
1204 on secured grounds and operated by producers;

1205 (B) The transfer of marijuana between dispensary facilities; and

1206 (C) Distribution of marijuana for palliative use to qualifying patients
1207 or their caregivers by dispensary facilities, hybrid retailers and delivery
1208 services, as such terms are defined in section 21a-420, as amended by
1209 this act; and

1210 (6) Ensure an adequate supply and variety of marijuana to dispensary
1211 facilities and hybrid retailers to ensure uninterrupted availability for
1212 qualifying patients, based on historical marijuana purchase patterns by
1213 qualifying patients.

1214 Sec. 17. Section 21a-408m of the 2022 supplement to the general
1215 statutes, as amended by section 16 of this act, is repealed and the
1216 following is substituted in lieu thereof (*Effective July 1, 2023*):

1217 (a) The Commissioner of Consumer Protection may adopt
1218 regulations, in accordance with chapter 54, to establish (1) a standard
1219 form for written certifications for the palliative use of marijuana issued
1220 by physicians, physician assistants and advanced practice registered
1221 nurses under subdivision (1) of subsection (a) of section 21a-408a, as
1222 amended by this act, and (2) procedures for registrations under section
1223 21a-408d, as amended by this act. Such regulations, if any, shall be
1224 adopted after consultation with the Board of Physicians established in
1225 section 21a-408l.

1226 [(b) The Commissioner of Consumer Protection shall adopt
1227 regulations, in accordance with chapter 54, to establish a reasonable fee
1228 to be collected from each qualifying patient to whom a written
1229 certification for the palliative use of marijuana is issued under
1230 subdivision (1) of subsection (a) of section 21a-408a, for the purpose of
1231 offsetting the direct and indirect costs of administering the provisions
1232 of sections 21a-408 to 21a-408m, inclusive. The commissioner shall
1233 collect such fee at the time the qualifying patient registers with the
1234 Department of Consumer Protection under subsection (a) of section 21a-
1235 408d. Such fee shall be in addition to any registration fee that may be
1236 charged under said subsection. The fees required to be collected by the
1237 commissioner from qualifying patients under this subsection shall be
1238 paid to the State Treasurer and credited to the General Fund.]

1239 [(c)] (b) The Commissioner of Consumer Protection shall adopt or
1240 amend regulations, as applicable, in accordance with chapter 54, to
1241 implement the provisions of sections 21a-408 to 21a-408g, inclusive, as

1242 amended by this act, and section 21a-408*l*. Notwithstanding the
1243 requirements of sections 4-168 to 4-172, inclusive, in order to effectuate
1244 the purposes of sections 21a-408 to 21a-408g, inclusive, as amended by
1245 this act, and section 21a-408*l*, and protect public health and safety, prior
1246 to adopting or amending such regulations the commissioner shall adopt
1247 policies and procedures to implement the provisions of sections 21a-408
1248 to 21a-408g, inclusive, as amended by this act, and section 21a-408, as
1249 amended by this act, that shall have the force and effect of law. The
1250 commissioner shall post all policies and procedures on the department's
1251 Internet web site, and submit such policies and procedures to the
1252 Secretary of the State for posting on the eRegulations System, at least
1253 fifteen days prior to the effective date of any policy or procedure. Any
1254 such policy or procedure shall no longer be effective upon the earlier of
1255 either adoption of such policies or procedures as a final regulation
1256 pursuant to section 4-172 or forty-eight months from October 1, 2021, if
1257 such policies or procedures have not been submitted to the legislative
1258 regulation review committee for consideration under section 4-170.
1259 Such policies and procedures and regulations shall include, but not be
1260 limited to, how the department shall:

1261 (1) Accept applications for the issuance and renewal of registration
1262 certificates for qualifying patients and caregivers;

1263 (2) Establish criteria for adding medical conditions, medical
1264 treatments or diseases to the list of debilitating medical conditions that
1265 qualify for the palliative use of marijuana;

1266 (3) Establish a petition process under which members of the public
1267 may submit petitions, regarding the addition of medical conditions,
1268 medical treatments or diseases to the list of debilitating medical
1269 conditions;

1270 (4) Establish requirements for the growing of cannabis plants by a
1271 qualifying patient in his or her primary residence as authorized under
1272 section 21a-408d, as amended by this act, including requirements for
1273 securing such plants to prevent access by any individual other than the

1274 patient or the patient's caregiver, the location of such plants and any
1275 other requirements necessary to protect public health or safety;

1276 (5) Develop a distribution system for marijuana for palliative use that
1277 provides for:

1278 (A) Marijuana production facilities within this state that are housed
1279 on secured grounds and operated by producers;

1280 (B) The transfer of marijuana between dispensary facilities; and

1281 (C) Distribution of marijuana for palliative use to qualifying patients
1282 or their caregivers by dispensary facilities, hybrid retailers and delivery
1283 services, as such terms are defined in section 21a-420, as amended by
1284 this act; and

1285 (6) Ensure an adequate supply and variety of marijuana to dispensary
1286 facilities and hybrid retailers to ensure uninterrupted availability for
1287 qualifying patients, based on historical marijuana purchase patterns by
1288 qualifying patients.

1289 Sec. 18. Subsection (a) of section 21a-246 of the general statutes is
1290 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1291 *2022*):

1292 (a) No person within this state shall manufacture, wholesale,
1293 repackage, supply, compound, mix, cultivate or grow, or by other
1294 process produce or prepare, controlled substances without first
1295 obtaining a license to do so from the Commissioner of Consumer
1296 Protection and no person within this state shall operate a laboratory for
1297 the purpose of research or analysis using controlled substances without
1298 first obtaining a license to do so from the Commissioner of Consumer
1299 Protection, except that such activities by pharmacists or pharmacies in
1300 the filling and dispensing of prescriptions or activities incident thereto,
1301 or the dispensing or administering of controlled substances by dentists,
1302 podiatrists, physicians, physician assistants, advanced practice
1303 registered nurses or veterinarians, or other persons acting under their

1304 supervision, in the treatment of patients shall not be subject to the
1305 provisions of this section, and provided laboratories for instruction in
1306 dentistry, medicine, nursing, pharmacy, pharmacology and
1307 pharmacognosy in institutions duly licensed for such purposes in this
1308 state shall not be subject to the provisions of this section except with
1309 respect to narcotic drugs and schedule I and II controlled substances.
1310 Upon application of any physician or physician assistant licensed
1311 pursuant to chapter 370, or an advanced practice registered nurse
1312 licensed pursuant to chapter 378, the Commissioner of Consumer
1313 Protection shall without unnecessary delay, (1) license such physician to
1314 possess and supply marijuana for the treatment of glaucoma or the side
1315 effects of chemotherapy, or (2) license such physician assistant or
1316 advanced practice registered nurse to possess and supply marijuana for
1317 the treatment of the side effects of chemotherapy. No person outside this
1318 state shall sell or supply controlled substances within this state without
1319 first obtaining a license to do so from the Commissioner of Consumer
1320 Protection, provided no such license shall be required of a manufacturer
1321 whose principal place of business is located outside this state and who
1322 is registered with the federal Drug Enforcement Administration or other
1323 federal agency, and who files a copy of such registration with the
1324 appropriate licensing authority under this chapter.

1325 Sec. 19. Section 21a-253 of the general statutes is repealed and the
1326 following is substituted in lieu thereof (*Effective July 1, 2022*):

1327 Any person may possess or have under his control a quantity of
1328 marijuana less than or equal to that quantity supplied to him pursuant
1329 to a prescription made in accordance with the provisions of section 21a-
1330 249 by (1) a physician licensed under the provisions of chapter 370 and
1331 further authorized by subsection (a) of section 21a-246, as amended by
1332 this act, by the Commissioner of Consumer Protection to possess and
1333 supply marijuana for the treatment of glaucoma or the side effects of
1334 chemotherapy, or (2) a physician assistant licensed under the provisions
1335 of chapter 370, or an advanced practice registered nurse licensed under
1336 the provisions of chapter 378, and further authorized by subsection (a)
1337 of section 21a-246, as amended by this act, by said commissioner to

1338 possess and supply marijuana for the treatment of the side effects of
1339 chemotherapy.

1340 Sec. 20. Section 7 of public act 21-9 is repealed and the following is
1341 substituted in lieu thereof (*Effective July 1, 2022*):

1342 (a) As used in this section:

1343 (1) "Advanced practice registered nurse" means an advanced practice
1344 registered nurse licensed pursuant to chapter 378 of the general statutes;

1345 (2) "Physician" has the same meaning as provided in section 21a-408
1346 of the general statutes, as amended by this act;

1347 (3) "Physician assistant" has the same meaning as provided in section
1348 21a-408 of the general statutes, as amended by this act;

1349 [(3)] (4) "Qualifying patient" has the same meaning as provided in
1350 section 21a-408 of the general statutes, as amended by this act; and

1351 [(4)] (5) "Written certification" has the same meaning as provided in
1352 section 21a-408 of the general statutes, as amended by this act.

1353 (b) Notwithstanding the provisions of sections 21a-408 to 21a-408n,
1354 inclusive, of the general statutes, as amended by this act, or any other
1355 section, regulation, rule, policy or procedure concerning the certification
1356 of medical marijuana patients, a physician, physician assistant or
1357 advanced practice registered nurse may issue a written certification to a
1358 qualifying patient and provide any follow-up care using telehealth
1359 services during the period beginning on the effective date of this section
1360 and ending on June 30, 2023, provided all other requirements for issuing
1361 the written certification to the qualifying patient and all recordkeeping
1362 requirements are satisfied.

1363 Sec. 21. Section 21a-420d of the 2022 supplement to the general
1364 statutes is repealed and the following is substituted in lieu thereof
1365 (*Effective from passage*):

1366 (a) There is established a Social Equity Council, which shall be within
1367 the Department of Economic and Community Development for
1368 administrative purposes only.

1369 (b) The council shall consist of fifteen members as follows:

1370 (1) One appointed by the speaker of the House of Representatives,
1371 who has a professional background of not less than five years working
1372 in the field of either social justice or civil rights;

1373 (2) One appointed by the president pro tempore of the Senate, who
1374 has a professional background of not less than five years working in the
1375 field of either social justice or civil rights;

1376 (3) One appointed by the majority leader of the House of
1377 Representatives, who has a professional background of not less than five
1378 years working in the field of economic development to help minority-
1379 owned businesses;

1380 (4) One appointed by the majority leader of the Senate, who has a
1381 professional background of not less than five years in providing access
1382 to capital to minorities, as defined in section 32-9n;

1383 (5) One appointed by the minority leader of the House of
1384 Representatives, who is from a community that has been
1385 disproportionately harmed by cannabis prohibition and enforcement;

1386 (6) One appointed by the minority leader of the Senate, who has a
1387 professional background of not less than five years in providing access
1388 to capital to minorities, as defined in section 32-9n;

1389 (7) One appointed by the chairperson of the Black and Puerto Rican
1390 Caucus of the General Assembly;

1391 (8) Four appointed by the Governor, one who is from a community
1392 that has been disproportionately harmed by cannabis prohibition and
1393 enforcement, one who has a professional background of not less than
1394 five years working in the field of economic development and one who

1395 is an executive branch official focused on workforce development;

1396 (9) The Commissioner of Consumer Protection, or the commissioner's
1397 designee;

1398 (10) The Commissioner of Economic and Community Development,
1399 or the commissioner's designee;

1400 (11) The State Treasurer, or the State Treasurer's designee; and

1401 (12) The Secretary of the Office of Policy and Management, or the
1402 secretary's designee.

1403 (c) In making the appointments in subsection (b) of this section, the
1404 appointing authority shall use best efforts to make appointments that
1405 reflect the racial, gender and geographic diversity of the population of
1406 the state. All appointments shall be made not later than [thirty days after
1407 the effective date of this section] July 30, 2021, and the Governor shall
1408 appoint the chairperson of the council from among the members of the
1409 council. Members appointed by the Governor shall serve a term of four
1410 years from the time of appointment and members appointed by any
1411 other appointing authority shall serve a term of three years from the
1412 time of appointment. The appointing authority shall fill any vacancy for
1413 the unexpired term. The Governor shall appoint an interim executive
1414 director to operationalize and support the council until,
1415 notwithstanding the provisions of section 4-9a, the council appoints an
1416 executive director. Subject to the provisions of chapter 67, and within
1417 available appropriations, the council may thereafter appoint an
1418 executive director and such other employees as may be necessary for the
1419 discharge of the duties of the council.

1420 (d) A majority of the members of the council shall constitute a
1421 quorum for the transaction of any business. The members of the council
1422 shall serve without compensation, but shall, within available
1423 appropriations, be reimbursed for expenses necessarily incurred in the
1424 performance of their duties. Any member who fails to attend three
1425 consecutive meetings held after the effective date of this section, or who

1426 fails to attend fifty per cent of all meetings held during any calendar
1427 year beginning on or after January 1, 2023, shall be deemed to have
1428 resigned from office. The appointing authority shall fill the vacancy for
1429 the unexpired term of any member who is deemed to have resigned
1430 from office under this subsection, and shall use best efforts to ensure
1431 such appointment reflects the racial, gender and geographic diversity of
1432 the population of the state.

1433 (e) The council may (1) request, and shall receive, from any state
1434 agency such information and assistance as the council may require; (2)
1435 use such funds as may be available from federal, state or other sources
1436 and may enter into contracts to carry out the purposes of the council,
1437 including, but not limited to, contracts or agreements with Connecticut
1438 Innovations, Incorporated, constituent units of the state system of
1439 higher education, regional workforce development boards and
1440 community development financial institutions; (3) utilize voluntary and
1441 uncompensated services of private individuals, state or federal agencies
1442 and organizations as may, from time to time, be offered and needed; (4)
1443 accept any gift, donation or bequest for the purpose of performing the
1444 duties of the council; (5) hold public hearings; (6) establish such
1445 standing committees, as necessary, to perform the duties of the council;
1446 and (7) adopt regulations, in accordance with chapter 54, as it may deem
1447 necessary to carry out the duties of the council.

1448 (f) The council shall promote and encourage full participation in the
1449 cannabis industry by persons from communities that have been
1450 disproportionately harmed by cannabis prohibition and enforcement.

1451 (g) Not later than forty-five days after June 22, 2021, or at a later date
1452 determined by the council, the council shall establish criteria for
1453 proposals to conduct a study under this section and the Secretary of the
1454 Office of Policy and Management shall post on the State Contracting
1455 Portal a request for proposals to conduct a study, and shall select an
1456 independent third party to conduct such study and provide detailed
1457 findings of fact regarding the following matters in the state or other
1458 matters determined by the council:

1459 (1) Historical and present-day social, economic and familial
1460 consequences of cannabis prohibition, the criminalization and
1461 stigmatization of cannabis use and related public policies;

1462 (2) Historical and present-day structures, patterns, causes and
1463 consequences of intentional and unintentional racial discrimination and
1464 racial disparities in the development, application and enforcement of
1465 cannabis prohibition and related public policies;

1466 (3) Foreseeable long-term social, economic and familial consequences
1467 of unremedied past racial discrimination and disparities arising from
1468 past and continued cannabis prohibition, stigmatization and
1469 criminalization;

1470 (4) Existing patterns of racial discrimination and racial disparities in
1471 access to entrepreneurship, employment and other economic benefits
1472 arising in the lawful palliative use cannabis sector as established
1473 pursuant to chapter 420f; and

1474 (5) Any other matters that the council deems relevant and feasible for
1475 study for the purpose of making reasonable and practical
1476 recommendations for the establishment of an equitable and lawful
1477 adult-use cannabis business sector in this state.

1478 (h) Not later than January 1, 2022, the council shall, taking into
1479 account the results of the study conducted in accordance with
1480 subsection (g) of this section, make written recommendations, in
1481 accordance with the provisions of section 11-4a, to the Governor and the
1482 joint standing committees of the General Assembly having cognizance
1483 of matters relating to finance, revenue and bonding, consumer
1484 protection and the judiciary regarding legislation to implement the
1485 provisions of this section. The council shall make recommendations
1486 regarding:

1487 (1) Creating programs to ensure that individuals from communities
1488 that have been disproportionately harmed by cannabis prohibition and
1489 enforcement are provided equal access to licenses for cannabis

- 1490 establishments;
- 1491 (2) Specifying additional qualifications for social equity applicants;
- 1492 (3) Providing for expedited or priority license processing for each
1493 license as a retailer, hybrid retailer, cultivator, micro-cultivator, product
1494 manufacturer, food and beverage manufacturer, product packager,
1495 transporter and delivery service license for social equity applicants;
- 1496 (4) Establishing minimum criteria for any cannabis establishment
1497 licensed on or after January 1, 2022, that is not owned by a social equity
1498 applicant, to comply with an approved workforce development plan to
1499 reinvest or provide employment and training opportunities for
1500 individuals in disproportionately impacted areas;
- 1501 (5) Establishing criteria for a social equity plan for any cannabis
1502 establishment licensed on or after January 1, 2022, to further the
1503 principles of equity, as defined in section 21a-420, as amended by this
1504 act;
- 1505 (6) Recruiting individuals from communities that have been
1506 disproportionately harmed by cannabis prohibition and enforcement to
1507 enroll in the workforce training program established pursuant to section
1508 21a-421g;
- 1509 (7) Potential uses for revenue generated under RERACA to further
1510 equity;
- 1511 (8) Encouraging participation of investors, cannabis establishments,
1512 and entrepreneurs in the cannabis business accelerator program
1513 established pursuant to section 21a-421f;
- 1514 (9) Establishing a process to best ensure that social equity applicants
1515 have access to the capital and training needed to own and operate a
1516 cannabis establishment; and
- 1517 (10) Developing a vendor list of women-owned and minority-owned
1518 businesses that cannabis establishments may contract with for necessary

1519 services, including, but not limited to, office supplies, information
1520 technology infrastructure and cleaning services.

1521 (i) Not later than August 1, 2021, and annually thereafter, the council
1522 shall use the most recent five-year United States Census Bureau
1523 American Community Survey estimates or any successor data to
1524 determine one or more United States census tracts in the state that are a
1525 disproportionately impacted area and shall publish a list of such tracts
1526 on the council's Internet web site.

1527 (j) After developing criteria for workforce development plans as
1528 described in subdivision (4) of subsection (h) of this section, the council
1529 shall review and approve or deny in writing any such plan submitted
1530 by a producer under section 21a-420l or a hybrid-retailer under section
1531 21a-420u, as amended by this act.

1532 (k) The council shall develop criteria for evaluating the ownership
1533 and control of any equity joint venture created under section 21a-420m,
1534 as amended by this act, [or] 21a-420u, as amended by this act, or section
1535 5 of this act and shall review and approve or deny in writing such equity
1536 joint venture prior to such equity joint venture being licensed under
1537 section 21a-420m, as amended by this act, [or] 21a-420u, as amended by
1538 this act, or section 5 of this act. After developing criteria for social equity
1539 plans as described in subdivision (5) of subsection (h) of this section, the
1540 council shall review and approve or deny in writing any such plan
1541 submitted by a cannabis establishment as part of its final license
1542 application. The council shall not approve any equity joint venture
1543 applicant which shares with an equity joint venture any individual
1544 owner who meets the criteria established in subparagraphs (A) and (B)
1545 of subdivision (48) of section 21a-420, as amended by this act.

1546 (l) The Social Equity Council shall, upon receipt of funds from
1547 producers in accordance with subdivision (5) of subsection (b) of section
1548 21a-420l, develop a program to assist social equity applicants to open
1549 not more than two micro-cultivator establishment businesses in total.
1550 Producers shall provide mentorship to such social equity applicants.

1551 The Social Equity Council shall, with the department, determine a
 1552 system to select social equity applicants to participate in such program
 1553 without participating in a lottery or request for proposals.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	21a-420
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	51-164n(a) and (b)
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	21a-420m
Sec. 7	<i>from passage</i>	21a-420u
Sec. 8	<i>from passage</i>	21a-421bb
Sec. 9	<i>from passage</i>	21a-422f
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>July 1, 2022</i>	21a-408
Sec. 12	<i>July 1, 2022</i>	21a-408a
Sec. 13	<i>July 1, 2022</i>	21a-408c
Sec. 14	<i>July 1, 2022</i>	21a-408d
Sec. 15	<i>July 1, 2023</i>	21a-408d(a)
Sec. 16	<i>July 1, 2022</i>	21a-408m
Sec. 17	<i>July 1, 2023</i>	21a-408m
Sec. 18	<i>July 1, 2022</i>	21a-246(a)
Sec. 19	<i>July 1, 2022</i>	21a-253
Sec. 20	<i>July 1, 2022</i>	PA 21-9, Sec. 7
Sec. 21	<i>from passage</i>	21a-420d

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22\$	FY 23\$	FY 24\$
Resources of the General Fund	GF - Revenue Loss	None	None	5.3 million
Resources of the General Fund	GF - Revenue Impact	See Below	See Below	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 22\$	FY 23\$	FY 24\$
Various Municipalities	Potential Revenue Gain	See Below	See Below	See Below

Explanation

The bill makes various changes regarding the regulation and licensing of adult use cannabis resulting in various revenue impacts to the state and a potential revenue gain to municipalities.

Sections 2-4 prohibit the gifting of cannabis in certain situations resulting in the potential revenue gain to the General Fund and municipalities to the extent violations occur, described below:

- Section 2 allows the Commissioner of Emergency Services and Public Protection to administer a fine of \$1,000 per offense resulting in a potential revenue gain to the General Fund to the extent violations occur.
- Section 2 also results in a potential minimal revenue gain to

the General Fund beginning in FY 23 to the extent the Department of Revenue Services hold administrative hearings regarding potential violations and levies associated penalties (which are up to \$1,000 per violation under the bill).

- Section 3 of the bill allows municipalities to levy fines of up to \$1,000 per violation against anyone that violates the bill's prohibition on marijuana donations or giveaways. This results in a revenue gain to municipalities that will vary based on the number of fines issued, but is anticipated to be minimal.

Sections 5-8 result in a potential revenue gain by establishing a deadline for certain producers or dispensaries to create equity joint ventures necessary to maintain eligibility for a reduced conversion fee. If a producer or dispensary misses the 14-month deadline outlined under the bill, then the entity would be required to pay the difference between the full fee and the reduced rate.

The full fee amount is \$3 million for producers and \$1 million for dispensary facilities. The reduced fee amount is \$1.5 million for producers and \$500,000 for dispensaries.

The bill also results in a potential revenue loss in fee revenue by limiting the various applicable licensing fees of equity joint ventures to 50% of any applicable fee for the first three renewal cycles.

Section 10 removes the cap on cannabis retailers or micro cultivators in each municipality. To the extent that this increases the volume of sales of cannabis in a given municipality, there is a revenue gain via the Municipal Cannabis Tax that would vary based on the amount sold.

Section 11 creates a hemp working group resulting in no fiscal impact to the state. This section has no fiscal impact as PA 17-236 prohibits transportation allowances for working group members.

Section 505 and 507 remove the fees for a medical marijuana license beginning July 1, 2023 resulting in an annual revenue loss to the state of

approximately \$5.3 million beginning in FY 24.

House "A" made various changes to cannabis related statutes resulting in the revenue impacts described below.

- Reduced the fine for gifting cannabis from \$2,500 to \$1,000 resulting in a reduction in the potential revenue gain to the state and municipalities described above.
- Changed the effective date to effective from passage in section 2 and 3 resulting in a potential revenue gain to the state and municipalities in FY 22 to the extent fines are administered.
- Removed the fees for a medical marijuana license beginning July 1, 2023 resulting in an annual revenue loss to the state of approximately \$5.3 million beginning in FY 24.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of violations and the number of cannabis licenses impacted by the provisions of the bill.

OLR Bill Analysis**sHB 5329 (as amended by House "A")******AN ACT CONCERNING CANNABIS.*****SUMMARY**

This bill makes several changes to the regulation and licensing of adult use (recreational) cannabis. It:

1. imposes additional (a) limitations on when cannabis may be gifted, sold, or transferred and (b) penalties for violating these restrictions;
2. allows a cultivator to create up to two equity joint ventures, which must be approved by the Social Equity Council and licensed by the Department of Consumer Protection (DCP);
3. sets a deadline of 14 months from when DCP granted the license for certain producers or dispensary facilities to create the needed equity joint ventures (two for producers and one for dispensary facilities) before being liable for the full conversion fee;
4. prohibits the Social Equity Council from approving any equity joint venture applicant that shares any individual owner with another equity joint venture that meets the social equity applicant criteria;
5. makes several changes affecting cannabis advertising, including (a) prohibiting out-of-state entities and individuals from advertising any cannabis or services, (b) limiting cannabis billboard advertisements to between 11:00 p.m. and 6:00 a.m., and (c) exempting certain outdoor business signs posted at a cannabis establishment from certain signage requirements;

6. eliminates the density cap that prohibits a municipality from granting zoning approval for more retailers or micro-cultivators based on the number of municipal residents;
7. establishes a working group to study regulating hemp and the possibility of including it in the state's cannabis program; and
8. deems Social Equity Council members as having resigned if they miss three consecutive meetings or 50% of the meetings in a calendar year.

Separately, the bill extends to physician assistants (PAs) the ability to certify a patient for medical marijuana use (except for glaucoma). Beginning July 1, 2023, it also eliminates the fees for (1) renewing a patient or caregiver registration (currently \$25) and (2) administrative costs associated with issuing or renewing registrations (currently \$75 for qualifying patients) or any other fee in addition to the registration fee (§§ 15 & 17).

*House Amendment "A" (1) moves up the effective date for the gifting limitations from July 1, 2022, to upon passage; (2) lowers the per gifting offense fine amounts, from \$2,500 in the original bill to \$1,000; (3) modifies the original bill's advertising provisions, including limiting the time rather than prohibiting billboard advertisements, prohibiting cannabis plant depictions in advertising, and increasing the minimum distance for advertising from certain buildings; (4) expands the working group's scope to include additional hemp-related topics; (5) adds the provisions on certification by PAs; (6) eliminates certain medical marijuana fees, beginning July 1, 2023; and (7) deems Social Equity Council members as having resigned when they miss a specified number of meetings.

EFFECTIVE DATE: July 1, 2022, except the provisions on (1) gifting limitations, equity joint ventures, the municipal density cap, the working group, and Social Equity Council are effective upon passage, and (2) eliminating the medical marijuana fees are effective July 1, 2023.

§§ 2-4 — PROHIBITION ON CERTAIN GIFTS, SALES, AND TRANSFERS

Current law allows consumers (i.e., people age 21 or older) to give cannabis to other consumers for free (i.e., without compensation or consideration) if the giver reasonably believes that the other person may possess the cannabis without exceeding the Responsible and Equitable Regulation of Adult-Use Cannabis Act's possession limit.

The bill limits this allowance by prohibiting individuals from gifting, selling, or transferring cannabis to another person:

1. to induce, or in exchange for, any donation for any purpose, including any charitable donation or any donation made to gain admission to any event;
2. at any location, other than a dispensary facility, retailer, or hybrid-retailer, (a) where a consumer may purchase any item other than cannabis, a cannabis product, or services related to cannabis, or (b) that requires consideration, including membership in any club, to gain admission to the location; or
3. as part of any giveaway associated with attendance at any event, including a door prize, goodie bag, or swag bag.

The bill allows people with a bona fide social relationship to give cannabis to one another if the gift is made without consideration and is not associated with a commercial transaction.

Fines

In addition to any existing penalty, the bill subjects anyone who violates this provision to:

1. a municipal fine the bill allows to be locally adopted, which may be up to \$ 1,000 per violation (see below);
2. a Department of Emergency Services and Public Protection (DESPP) fine of \$1,000 per offense, which is payable by mail without appearing in court; and

3. an administrative hearing held by the Department of Revenue Services (DRS) commissioner for failing to pay taxes, which may result in a civil penalty of up to \$1,000 per violation.

Under the bill, “per offense” and “per violation” mean either per transaction or per day the violation continues, as the DESPP or DRS commissioner determines for the respective violation.

The bill allows any municipality to establish, by ordinance, a fine for violating the bill’s gift, sale, and transfer provisions (§ 3). Any police officer or other person the municipal chief executive officer authorizes may issue a citation to anyone who commits a violation. Municipalities that adopt this type of ordinance must also adopt a citation hearing procedure. Revenue from municipal fines must be deposited into the municipality’s general fund or in a designated special fund.

§§ 5-7 & 21 — EQUITY JOINT VENTURES

Cultivators (§ 5)

The bill allows a licensed cultivator to create up to two equity joint ventures, subject to Social Equity Council approval and DCP licensing requirements. The equity joint venture must be in any cannabis establishment business other than a cultivator license. By law, 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 or packager, delivery service, or transporter.

Application Procedure and Contents. Similar to existing law for equity joint ventures for producers and dispensary facilities, the bill requires a licensed cultivator applying for an equity joint venture to submit to the council information that allows the council to determine the venture’s ownership terms. These include the organizing documents outlining each backer’s ownership stake, initial investment, and payout information. They may also include evidence of business formation, ownership allocation, ownership and financing terms, and proof of

social equity applicant involvement.

Upon receiving the council's written approval, the equity joint venture applicant must apply for a DCP license in the same form as required by other cultivators, except the application is not subject to the lottery.

Ownership and Location Limits. The bill prohibits a cultivator, including its backer, from increasing its ownership in an equity joint venture to more than 50% in the seven years after DCP issues a license. It also prohibits equity joint ventures that share a common cultivator or backer from being located within 20 miles of another commonly owned equity joint venture.

Financial Ratio. The bill requires an equity joint venture applicant to pay 50% of any applicable fee (the full fee is \$25,000 for a provisional license and \$75,000 for a license or renewal) for the first three renewal cycles and then the full amount after that.

Producers and Dispensary Facilities (§§ 6 & 7)

Ownership. By law, producers seeking a license expansion and dispensary facilities seeking to convert to a hybrid retailer may pay reduced fees in exchange for creating a certain number of equity joint ventures (i.e., two for producers and one for dispensaries). Under current law, these equity joint ventures require that the social equity applicant own at least 50% of the business. The bill instead requires that (1) the equity joint venture be at least 50% owned and controlled by an individual or individuals who meet the social equity applicant criteria or (2) the equity joint venture applicant is an individual who meets the social equity applicant criteria.

By law, a social equity applicant is an individual who (1) had average household income of less than 300% of the state median over the three tax years immediately before the application and (2) was a resident of a disproportionately impacted area for at least (a) five of the 10 immediately preceding years or (b) nine years before he or she turned

age 18. It may also be a person (e.g., business entity) that is at least 65% owned and controlled by an individual or individuals who meet these criteria.

Fee Deadline. Under current law, if a producer or dispensary pays the reduced conversion fee but does not subsequently create the required equity joint ventures, it is liable for the full fee amount (i.e., \$3 million for producers and \$1 million for dispensary facilities). The bill specifies that (1) this must be done within 14 months after DCP approves the license expansion or conversion and gives a final license and (2) the amount due is minus the paid reduced conversion fee.

Limitations. The bill limits producers and dispensary facilities that receive approval to expand or convert to creating two equity joint ventures. They may not apply for, or create, any additional equity joint ventures if, upon the bill's passage, the producer or facility has created at least two equity joint ventures that have received a provisional license.

Financial Ratio. The bill requires an equity joint venture applicant to pay 50% of any applicable fee for the first three renewal cycles and then the full amount thereafter. By law, the reduced conversion fee is \$1.5 million for producers and \$500,000 for dispensary facilities, with an annual renewal fee of \$75,000 for the former and \$25,000 for the latter (CGS § 21a-420e(d) and Conn. Agencies Regs., § 21a-408-29).

Sharing Ownership (§ 21)

The bill prohibits the Social Equity Council from approving any equity joint venture applicant that shares any individual owner with another equity joint venture that meets the social equity applicant criteria (see above).

§ 8 — ADVERTISEMENTS

The bill prohibits out-of-state entities and individuals from advertising any cannabis or services. It does so by limiting cannabis advertisements to cannabis establishment licensees. The bill makes a

violation of this prohibition an unfair trade practice (see BACKGROUND).

Billboards

Current law allows billboard advertisements for cannabis establishments only if the advertiser has reliable evidence that at least 90% of the audience is reasonably expected to be at least 21. The bill further limits billboard advertising by prohibiting advertisement on an electronic or illuminated billboard between 6:00 a.m. and 11:00 p.m.

Business Names

Current law prohibits cannabis establishments from advertising cannabis or cannabis paraphernalia, goods, or services in a way that targets or is designed to appeal to those under age 21. The bill specifies that this prohibition includes using a business name or logo.

Plant Images

The bill prohibits establishments from using any image or other visual representation of the cannabis plant or part of the plant, including the leaf, in displays or advertisements. The prohibition on displays applies if it is clearly visible to a person from the outside of the facility used to operate the cannabis establishment or used on any display signs or printed advertising material, or on the outside of the facility used to operate the cannabis establishment.

Sponsored Events

Current law prohibits advertisers from sponsoring certain charitable and sporting events or advertising at or in connection with them unless the sponsor or advertiser has reliable evidence that no more than 10% of the audience is reasonably expected to be under age 21. The bill makes the cannabis establishment responsible for having the reliable evidence by eliminating the sponsor's ability to do so.

Minimum Distance from Certain Buildings

The bill increases the minimum distance, from 500 to 1,500 feet, needed to advertise cannabis or cannabis products or paraphernalia in

any physical form visible to the public from certain buildings (i.e., elementary or secondary school grounds, recreation centers or facilities, child care centers, playgrounds, public parks, or libraries). It also adds houses of worship to the list of buildings subject to this requirement.

Outdoor Signs

The bill exempts certain outdoor business signs posted at a cannabis establishment from existing law's (1) required warning against underage use and (2) audience requirement (i.e., ascertaining that at least 90% of the audience is expected to be over age 21). The exemption applies to any outdoor sign meeting the below criteria and specifically includes monuments, pylons, or wayfinding signs that do so.

To qualify for the exemption, an outdoor sign must:

1. contain only the name and logo of a cannabis establishment;
2. have no image or other visual representation of the cannabis plant or part of the plant, including the leaf;
3. have no more than three colors; and
4. be located on (a) the cannabis establishment's premises, regardless of whether it leases or owns the premises, or (b) a commercial property occupied by multiple tenants, including the cannabis establishment.

§ 9 — DENSITY CAP

The bill eliminates the density cap provisions that (1) until June 30, 2024, limit the number of retailers and micro-cultivators in proportion to the number of municipal residents and (2) after July 1, 2024, allow the DCP commissioner to set a cap.

Current law establishes a density cap until June 30, 2024, of one retailer and one micro-cultivator for every 25,000 residents, as determined by the 2020 census. Municipalities cannot grant zoning approval for more retailers or micro-cultivators than the cap allows.

Current law allows the DCP commissioner to set a density cap beginning July 1, 2024, and post it on DCP's website. If she does, municipalities are then prohibited from granting zoning approval for more establishments than the cap allows.

§ 10 — HEMP WORKING GROUP

The bill requires the General Law chairpersons to convene a working group to study:

1. regulating hemp and its products and producers licensed in Connecticut and its neighboring states;
2. the way neighboring states have integrated hemp and its products and producers into their recreational cannabis programs, statutes, and regulations; and
3. possible legislation to integrate hemp and its products and licensed producers into Connecticut's recreational cannabis statutes by allowing (a) licensees to convert their licenses to a license under the state's recreational cannabis statutes and (b) hemp products, including cannabidiol, these licensees produce to be sold in licensed cannabis dispensaries.

Membership

The working group includes the General Law chairpersons, the DCP and agriculture commissioners, or the commissioners' designees, and the following legislative appointments:

1. a Connecticut Farm Bureau representative, appointed by the House speaker;
2. a person who grows hemp in Connecticut, appointed by the Senate president pro tempore;
3. two representatives from Connecticut's cannabis industry, one each appointed by the House and Senate majority leaders; and
4. two legislators representing rural districts, one each appointed

by the House and Senate minority leaders.

All initial appointments must be made within 30 days after the bill's passage, and appointing authorities must fill any vacancies.

The bill requires the General Law chairpersons to serve as the working group's chairpersons. They must schedule the first meeting within 60 days after the bill passes. The General Law Committee's administrative staff must serve as the working group's administrative staff.

By January 1, 2023, the bill requires the working group to submit a report on its findings and recommendations to the General Law Committee. The working group terminates when it submits the report or January 1, 2023, whichever is later.

§§ 11-14, 16 & 18-20 – PHYSICIANS ASSISTANTS

The bill extends to PAs the ability to certify a patient for medical marijuana use (except for glaucoma). Existing law allows advance practice registered nurses (APRNs) and physicians to certify patients for medical marijuana use (only physicians can certify glaucoma patients).

Among other things, the bill allows PAs to:

1. diagnose a patient's qualifying debilitating condition, except the bill does not authorize PAs to certify marijuana use for glaucoma;
2. issue a written certification, for up to one year, for a patient to use medical marijuana after (a) completing a medically reasonable assessment of the patient's medical history and condition; (b) making the diagnosis that the palliative use of marijuana would likely outweigh the health risks; and (c) explaining the potential risks and benefits to the patient and parent or guardian of a patient lacking legal capacity;
3. until June 30, 2023, certify a qualifying patient's use of medical marijuana and provide follow-up care using telehealth if they

comply with other statutory certification and recordkeeping requirements; and

4. possess and supply marijuana to treat side effects of chemotherapy.

The bill extends to PAs the same protections from civil, criminal, and disciplinary liability that already apply to physicians and APRNs under the medical marijuana law. As is the case for physicians and APRNs, the bill prohibits PAs from having a financial interest in any cannabis establishment, except retailers and delivery services.

§ 21 – SOCIAL EQUITY COMMISSION

The bill sets attendance requirements for Social Equity Commission members. Any member who fails to attend three consecutive meetings after the bill's passage, or who fails to attend 50% of all meetings in any calendar year beginning on and after January 1, 2023, is deemed to have resigned from office. The bill requires the appointing authority to (1) fill the vacancy for the unexpired term of any member deemed to have resigned from office under this provision and (2) use best efforts to ensure the appointment reflects the racial, gender, and geographic diversity of the state's population.

BACKGROUND

Connecticut Unfair Trade Practices Act (CUTPA)

The law prohibits businesses from engaging in unfair and deceptive acts or practices. CUTPA allows the consumer protection commissioner to issue regulations defining what constitutes an unfair trade practice, investigate complaints, issue cease-and-desist orders, order restitution in cases involving less than \$10,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to \$5,000 for willful violations and \$25,000 for violation of a restraining order.

Related Bill

sHB 5147 (File 174), reported favorably by the General Law Committee, contains similar provisions allowing PAs to certify a patient for medical marijuana use (except for glaucoma).

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 15 Nay 3 (03/15/2022)