



***Substitute House Bill No. 6699***

***Public Act No. 23-79***

***AN ACT CONCERNING CANNABIS REGULATION.***

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

Section 1. Section 21a-240 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

The following words and phrases, as used in this chapter, shall have the following meanings, unless the context otherwise requires:

(1) "Abuse of drugs" means the use of controlled substances solely for their stimulant, depressant or hallucinogenic effect upon the higher functions of the central nervous system and not as a therapeutic agent prescribed in the course of medical treatment or in a program of research operated under the direction of a physician or pharmacologist. [;]

(2) "Administer" means the direct application of a controlled substance, whether by injection, inhalation, ingestion or any other means, to the body of a patient or research subject by: (A) A practitioner, or, in [his] the practitioner's presence, by [his] the practitioner's authorized agent, or (B) the patient or research subject at the direction and in the presence of the practitioner, or (C) a nurse or intern under the direction and supervision of a practitioner. [;]

***Substitute House Bill No. 6699***

(3) "Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, dispenser or prescribing practitioner, [ . It] but does not include a common or contract carrier, public warehouseman, or employee of the carrier or warehouseman. [;]

(4) "Amphetamine-type substances" include amphetamine, optical isomers thereof, salts of amphetamine and its isomers, and chemical compounds which are similar thereto in chemical structure or which are similar thereto in physiological effect, and which show a like potential for abuse, which are controlled substances under this chapter unless modified. [;]

(5) "Barbiturate-type drugs" include barbituric acid and its salts, derivatives thereof and chemical compounds which are similar thereto in chemical structure or which are similar thereto in physiological effect, and which show a like potential for abuse, which are controlled substances under this chapter unless modified. [;]

(6) "Bureau" means the Bureau of Narcotics and Dangerous Drugs, United States Department of Justice, or its successor agency. [;]

(7) "Cannabis-type substances" include all parts of any plant, or species of the genus cannabis or any infra specific taxon thereof whether growing or not; the seeds thereof; the resin extracted from any part of such a plant; and every compound, manufacture, salt, derivative, mixture or preparation of such plant, its seeds or resin; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture or preparation of such mature stalks, except the resin extracted therefrom, fiber, oil or cake, the sterilized seed of such plant which is incapable of germination, or hemp, as defined in 7 USC 1639o, as amended from time to time. Included are cannabimon, cannabinol, cannabidiol and chemical compounds which are similar to cannabimon, cannabinol or cannabidiol in chemical

***Substitute House Bill No. 6699***

structure or which are similar thereto in physiological effect, and which show a like potential for abuse, which are controlled substances under this chapter unless derived from hemp, as defined in section 22-61l, as amended by this act. [;]

(8) "Controlled drugs" are those drugs which contain any quantity of a substance which has been designated as subject to the federal Controlled Substances Act, or which has been designated as a depressant or stimulant drug pursuant to federal food and drug laws, or which has been designated by the Commissioner of Consumer Protection pursuant to section 21a-243, as having a stimulant, depressant or hallucinogenic effect upon the higher functions of the central nervous system and as having a tendency to promote abuse or psychological or physiological dependence, or both. Such controlled drugs are classifiable as amphetamine-type, barbiturate-type, cannabis-type, cocaine-type, hallucinogenic, morphine-type and other stimulant and depressant drugs. Specifically excluded from controlled drugs and controlled substances are alcohol, nicotine and caffeine. [;]

(9) "Controlled substance" means a drug, substance, or immediate precursor in schedules I to V, inclusive, of the Connecticut controlled substance scheduling regulations adopted pursuant to section 21a-243. [;]

(10) "Counterfeit substance" means a controlled substance which, or the container or labeling of which, without authorization, bears the trademark, trade name or other identifying mark, imprint, number or device, or any likeness thereof, of a manufacturer, distributor or dispenser other than the person who in fact manufactured, distributed or dispensed the substance. [;]

(11) "Deliver or delivery" means the actual, constructive or attempted transfer from one person to another of a controlled substance, whether or not there is an agency relationship. [;]

***Substitute House Bill No. 6699***

(12) "Dentist" means a person authorized by law to practice dentistry in this state. [;]

(13) "Dispense" means to deliver a controlled substance to an ultimate user or research subject by or pursuant to the lawful order of a practitioner, including the prescribing, administering, packaging, labeling or compounding necessary to prepare the substance for the delivery. [;]

(14) "Dispenser" means a practitioner who dispenses. [;]

(15) "Distribute" means to deliver other than by administering or dispensing a controlled substance. [;]

(16) "Distributor" means a person who distributes and includes a wholesaler who is a person supplying or distributing controlled drugs which [he himself] the person personally has not produced or prepared to hospitals, clinics, practitioners, pharmacies, other wholesalers, manufacturers and federal, state and municipal agencies. [;]

(17) "Drug" means (A) substances recognized as drugs in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, or any supplement to any of them; (B) substances intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in man or animals; (C) substances, other than food, intended to affect the structure or any function of the body of man or animals; and (D) substances intended for use as a component of any article specified in subparagraph (A), (B) or (C) of this subdivision. It does not include devices or their components, parts or accessories. [;]

(18) "Drug dependence" means a psychoactive substance dependence on drugs as that condition is defined in the most recent edition of the "Diagnostic and Statistical Manual of Mental Disorders" of the American Psychiatric Association. [;]

***Substitute House Bill No. 6699***

(19) "Drug-dependent person" means a person who has a psychoactive substance dependence on drugs as that condition is defined in the most recent edition of the "Diagnostic and Statistical Manual of Mental Disorders" of the American Psychiatric Association. [;]

(20) (A) "Drug paraphernalia" means equipment, products and materials of any kind that are used, intended for use or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing or concealing, or ingesting, inhaling or otherwise introducing into the human body, any controlled substance contrary to the provisions of this chapter, including, but not limited to: (i) Kits intended for use or designed for use in planting, propagating, cultivating, growing or harvesting of any species of plant that is a controlled substance or from which a controlled substance can be derived; (ii) kits used, intended for use or designed for use in manufacturing, compounding, converting, producing, processing or preparing controlled substances; (iii) isomerization devices used or intended for use in increasing the potency of any species of plant that is a controlled substance; (iv) testing equipment used, intended for use or designed for use in identifying or analyzing the strength, effectiveness or purity of controlled substances; (v) dilutents and adulterants, including, but not limited to, quinine hydrochloride, mannitol, mannite, dextrose and lactose used, intended for use or designed for use in cutting controlled substances; (vi) separation gins and sifters used, intended for use or designed for use in removing twigs and seeds from, or in otherwise cleaning or refining, marijuana; (vii) capsules and other containers used, intended for use or designed for use in packaging small quantities of controlled substances; (viii) containers and other objects used, intended for use or designed for use in storing or concealing controlled substances; and (ix) objects used, intended for use or

***Substitute House Bill No. 6699***

designed for use in ingesting, inhaling, or otherwise introducing marijuana, cocaine, hashish, or hashish oil into the human body, including, but not limited to, wooden, acrylic, glass, stone, plastic or ceramic pipes with screens, permanent screens, hashish heads or punctured metal bowls; water pipes; carburetion tubes and devices; smoking and carburetion masks; roach clips; miniature cocaine spoons and cocaine vials; chamber pipes; carburetor pipes; electric pipes; air-driven pipes; chillums; bongs; ice pipes and chillers. "Drug paraphernalia" does not include a product used by a manufacturer licensed pursuant to this chapter for the activities permitted under the license or by an individual to test any substance prior to injection, inhalation or ingestion of the substance to prevent accidental overdose by injection, inhalation or ingestion of the substance, provided the licensed manufacturer or individual is not using the product to engage in the unlicensed manufacturing or distribution of controlled substances. As used in this subdivision, "roach clip" means an object used to hold burning material, including, but not limited to, a marijuana cigarette, that has become too small or too short to be held between the fingers. [;]

(B) "Factory" means any place used for the manufacturing, mixing, compounding, refining, processing, packaging, distributing, storing, keeping, holding, administering or assembling illegal substances contrary to the provisions of this chapter, or any building, rooms or location which contains equipment or paraphernalia used for this purpose. [;]

(21) "Federal Controlled Substances Act, 21 USC 801 et seq." means Public Law 91-513, the Comprehensive Drug Abuse Prevention and Control Act of 1970. [;]

(22) "Federal food and drug laws" means the federal Food, Drug and Cosmetic Act, as amended, Title 21 USC 301 et seq. [;]

***Substitute House Bill No. 6699***

(23) "Hallucinogenic substances" are psychodysleptic substances, other than cannabis-type substances, which assert a confusional or disorganizing effect upon mental processes or behavior and mimic acute psychotic disturbances. Exemplary of such drugs are mescaline, peyote, psilocyn and d-lysergic acid diethylamide, which are controlled substances under this chapter unless modified. [;]

(24) "Hospital", as used in sections 21a-243 to 21a-283, inclusive, means an institution for the care and treatment of the sick and injured, approved by the Department of Public Health or the Department of Mental Health and Addiction Services as proper to be entrusted with the custody of controlled drugs and substances and professional use of controlled drugs and substances under the direction of a licensed practitioner. [;]

(25) "Intern" means a person who holds a degree of doctor of medicine or doctor of dental surgery or medicine and whose period of service has been recorded with the Department of Public Health and who has been accepted and is participating in training by a hospital or institution in this state. Doctors meeting the foregoing requirements and commonly designated as "residents" and "fellows" shall be regarded as interns for purposes of this chapter. [;]

(26) "Immediate precursor" means a substance which the Commissioner of Consumer Protection has found to be, and by regulation designates as being, the principal compound commonly used or produced primarily for use, and which is an immediate chemical intermediary used or likely to be used, in the manufacture of a controlled substance, the control of which is necessary to prevent, curtail or limit manufacture. [;]

(27) "Laboratory" means a laboratory approved by the Department of Consumer Protection as proper to be entrusted with the custody of controlled substances and the use of controlled substances for scientific

***Substitute House Bill No. 6699***

and medical purposes and for purposes of instruction, research or analysis. [;]

(28) "Manufacture" means the production, preparation, cultivation, growing, propagation, compounding, conversion or processing of a controlled substance, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container, except that this term does not include the preparation or compounding of a controlled substance by an individual for [his] the individual's own use or the preparation, compounding, packaging or labeling of a controlled substance: (A) By a practitioner as an incident to [his] the practitioner administering or dispensing of a controlled substance in the course of [his] such practitioner's professional practice, or (B) by a practitioner, or by [his] the practitioner's authorized agent under [his] such practitioner's supervision, for the purpose of, or as an incident to, research, teaching or chemical analysis and not for sale. [;]

(29) "Marijuana" means all parts of any plant, or species of the genus cannabis or any infra specific taxon thereof, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds or resin, any [product made using hemp, as defined in section 22-61l, which exceeds three-tenths per cent total THC concentration on a dry-weight basis] high-THC hemp product; manufactured cannabinoids, synthetic cannabinoids, except as provided in subparagraph (E) of this subdivision; or cannabinon, cannabiniol or cannabidiol and chemical compounds which are similar to cannabinon, cannabiniol or cannabidiol in chemical structure or which are similar thereto in physiological effect, which are controlled substances under this chapter, except cannabidiol derived from hemp,



***Substitute House Bill No. 6699***

as defined in section 22-61l, as amended by this act, [with a total THC concentration of not more than three-tenths per cent on a dry-weight basis] that is not a high-THC hemp product. "Marijuana" does not include: (A) The mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture or preparation of such mature stalks, except the resin extracted from such mature stalks or fiber, oil or cake; (B) the sterilized seed of such plant which is incapable of germination; (C) hemp, as defined in section 22-61l, as amended by this act, (i) with a total THC concentration of not more than three-tenths per cent on a dry-weight basis, and (ii) that is not a high-THC hemp product; (D) any substance approved by the federal Food and Drug Administration or successor agency as a drug and reclassified in any schedule of controlled substances or unscheduled by the federal Drug Enforcement Administration or successor agency which is included in the same schedule designated by the federal Drug Enforcement Administration or successor agency; or (E) synthetic cannabinoids which are controlled substances that are designated by the Commissioner of Consumer Protection, by whatever official, common, usual, chemical or trade name designation, as controlled substances and are classified in the appropriate schedule in accordance with subsections (i) and (j) of section 21a-243. [:]

(30) "Narcotic substance" means any of the following, whether produced directly or indirectly by extraction from a substance of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis: (A) Morphine-type: (i) Opium or opiate, or any salt, compound, derivative, or preparation of opium or opiate which is similar to any such substance in chemical structure or which is similar to any such substance in physiological effect and which shows a like potential for abuse, which is a controlled substance under this chapter unless modified; (ii) any salt, compound, isomer, derivative, or preparation of any such

***Substitute House Bill No. 6699***

substance which is chemically equivalent or identical to any substance referred to in clause (i) of this subdivision, but not including the isoquinoline alkaloids of opium; (iii) opium poppy or poppy straw; or (iv) (I) fentanyl or any salt, compound, derivative or preparation of fentanyl which is similar to any such substance in chemical structure or which is similar to any such substance in physiological effect and which shows a like potential for abuse, which is a controlled substance under this chapter unless modified, or (II) any salt, compound, isomer, derivative or preparation of any such substance which is chemically equivalent or identical to any substance referred to in subclause (I) of this clause; or (B) cocaine-type; coca leaves or any salt, compound, derivative or preparation of coca leaves, or any salt, compound, isomer, derivatives or preparation of any such substance which is chemically equivalent or identical to any such substance or which is similar to any such substance in physiological effect and which shows a like potential for abuse, but not including decocainized coca leaves or extractions of coca leaves which do not contain cocaine or ecgonine. [;]

(31) "Nurse" means a person performing nursing as defined in section 20-87a. [;]

(32) "Official written order" means an order for controlled substances written on a form provided by the bureau for that purpose under the federal Controlled Substances Act. [;]

(33) "Opiate" means any substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-sustaining liability; it does not include, unless specifically designated as controlled under this chapter, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextro-methorphan) but shall include its racemic and levorotatory forms. [;]

(34) "Opium poppy" means the plant of the species papaver

***Substitute House Bill No. 6699***

somniferum l., except its seed. [;]

(35) Repealed by P.A. 99-102, S. 51. [;]

(36) "Other stimulant and depressant drugs" means controlled substances other than amphetamine-type, barbiturate-type, cannabis-type, cocaine-type, hallucinogenics and morphine-type which are found to exert a stimulant and depressant effect upon the higher functions of the central nervous system and which are found to have a potential for abuse and are controlled substances under this chapter. [;]

(37) "Person" includes any corporation, limited liability company, association or partnership, or one or more individuals, government or governmental subdivisions or agency, business trust, estate, trust, or any other legal entity. Words importing the plural number may include the singular; words importing the masculine gender may be applied to females. [;]

(38) "Pharmacist" means a person authorized by law to practice pharmacy pursuant to section 20-590, 20-591, 20-592 or 20-593. [;]

(39) "Pharmacy" means an establishment licensed pursuant to section 20-594. [;]

(40) "Physician" means a person authorized by law to practice medicine in this state pursuant to section 20-9. [;]

(41) "Podiatrist" means a person authorized by law to practice podiatry in this state. [;]

(42) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing. [;]

(43) "Practitioner" means: (A) A physician, dentist, veterinarian, podiatrist, scientific investigator or other person licensed, registered or otherwise permitted to distribute, dispense, conduct research with

***Substitute House Bill No. 6699***

respect to or to administer a controlled substance in the course of professional practice or research in this state; (B) a pharmacy, hospital or other institution licensed, registered or otherwise permitted to distribute, dispense, conduct research with respect to or to administer a controlled substance in the course of professional practice or research in this state. [;]

(44) "Prescribe" means order or designate a remedy or any preparation containing controlled substances. [;]

(45) "Prescription" means a written, oral or electronic order for any controlled substance or preparation from a licensed practitioner to a pharmacist for a patient. [;]

(46) "Production" includes the manufacture, planting, cultivation, growing or harvesting of a controlled substance. [;]

(47) "Registrant" means any person licensed by this state and assigned a current federal Bureau of Narcotics and Dangerous Drug Registry Number as provided under the federal Controlled Substances Act. [;]

(48) "Registry number" means the alphabetical or numerical designation of identification assigned to a person by the federal Drug Enforcement Administration, or other federal agency, which is commonly known as the federal registry number. [;]

(49) "Restricted drugs or substances" are the following substances without limitation and for all purposes: Datura stramonium; hyoscyamus niger; atropa belladonna, or the alkaloids atropine; hyoscyamine; belladonnine; apatropine; or any mixture of these alkaloids such as daturine, or the synthetic homatropine or any salts of these alkaloids, except that any drug or preparation containing any of the above-mentioned substances which is permitted by federal food and drug laws to be sold or dispensed without a prescription or written

**Substitute House Bill No. 6699**

order shall not be a controlled substance; amyl nitrite; the following volatile substances to the extent that said chemical substances or compounds containing said chemical substances are sold, prescribed, dispensed, compounded, possessed or controlled or delivered or administered to another person with the purpose that said chemical substances shall be breathed, inhaled, sniffed or drunk to induce a stimulant, depressant or hallucinogenic effect upon the higher functions of the central nervous system: Acetone; benzene; butyl alcohol; butyl nitrate and its salts, isomers, esters, ethers or their salts; cyclohexanone; dichlorodifluoromethane; ether; ethyl acetate; formaldehyde; hexane; isopropanol; methanol; methyl cellosolve acetate; methyl ethyl ketone; methyl isobutyl ketone; nitrous oxide; pentochlorophenol; toluene; toluol; trichloroethane; trichloroethylene; 1,4 butanediol. [;]

(50) "Sale" is any form of delivery which includes barter, exchange or gift, or offer therefor, and each such transaction made by any person whether as principal, proprietor, agent, servant or employee. [;]

(51) "State", when applied to a part of the United States, includes any state, district, commonwealth, territory or insular possession thereof, and any area subject to the legal authority of the United States of America. [;]

(52) "State food, drug and cosmetic laws" means the Uniform Food, Drug and Cosmetic Act, section 21a-91 et seq. [;]

(53) "Ultimate user" means a person who lawfully possesses a controlled substance for [his] the person's own use or for the use of a member of [his] such person's household or for administering to an animal owned by [him] such person or by a member of [his] such person's household. [;]

(54) "Veterinarian" means a person authorized by law to practice veterinary medicine in this state. [;]

***Substitute House Bill No. 6699***

(55) "Wholesaler" means a distributor or a person who supplies controlled substances that [he himself] the person personally has not produced or prepared to registrants. [as defined in subdivision (47) of this section;]

(56) "Reasonable times" means the time or times any office, care-giving institution, pharmacy, clinic, wholesaler, manufacturer, laboratory, warehouse, establishment, store or place of business, vehicle or other place is open for the normal affairs or business or the practice activities usually conducted by the registrant. [;]

(57) "Unit dose drug distribution system" means a drug distribution system used in a hospital or chronic and convalescent nursing home in which drugs are supplied in individually labeled unit of use packages, each patient's supply of drugs is exchanged between the hospital pharmacy and the drug administration area or, in the case of a chronic and convalescent nursing home between a pharmacy and the drug administration area, at least once each twenty-four hours and each patient's medication supply for this period is stored within a patient-specific container, all of which is conducted under the direction of a pharmacist licensed in Connecticut and, in the case of a hospital, directly involved in the provision and supervision of pharmaceutical services at such hospital at least thirty-five hours each week. [;]

(58) "Cocaine in a free-base form" means any substance which contains cocaine, or any compound, isomer, derivative or preparation thereof, in a nonsalt form.

(59) "THC" means tetrahydrocannabinol, including, but not limited to, delta-7, delta-8-tetrahydrocannabinol, delta-9-tetrahydrocannabinol and delta-10-tetrahydrocannabinol, and any material, compound, mixture or preparation which contain their salts, isomers and salts of isomers, whenever the existence of such salts, isomers and salts of isomers is possible within the specific chemical designation, regardless

***Substitute House Bill No. 6699***

of the source, except: (A) Dronabinol substituted in sesame oil and encapsulated in a soft gelatin capsule in a federal Food and Drug Administration or successor agency approved product, or (B) any tetrahydrocannabinol product that has been approved by the federal Food and Drug Administration or successor agency to have a medical use and reclassified in any schedule of controlled substances or unscheduled by the federal Drug Enforcement Administration or successor agency.

(60) "Total THC" means the sum of the percentage by weight of tetrahydrocannabinolic acid, multiplied by eight hundred seventy-seven-thousandths, plus the percentage of weight of [tetrahydrocannabinol] THC.

(61) "Manufactured cannabinoid" means cannabinoids naturally occurring from a source other than marijuana that are similar in chemical structure or physiological effect to cannabinoids derived from marijuana, as defined in section 21a-243, but are derived by a chemical or biological process.

(62) "Synthetic cannabinoid" means any material, compound, mixture or preparation which contains any quantity of a substance having a psychotropic response primarily by agonist activity at cannabinoid-specific receptors affecting the central nervous system that is produced artificially and not derived from an organic source naturally containing cannabinoids, unless listed in another schedule pursuant to section 21a-243.

(63) "High-THC hemp product" means a manufacturer hemp product, as defined in section 22-61l, as amended by this act, that has, or is advertised, labeled or offered for sale as having, total THC that exceeds (A) for a hemp edible, hemp topical or hemp transdermal patch (i) one milligram on a per-serving basis, or (ii) five milligrams on a per-container basis, (B) for a hemp tincture, including, but not limited to, oil

***Substitute House Bill No. 6699***

intended for ingestion by swallowing, buccal administration or sublingual absorption (i) one milligram on a per-serving basis, or (ii) twenty-five milligrams on a per-container basis, (C) for a hemp concentrate or extract, including, but not limited to, a vape oil, wax or shatter, twenty-five milligrams on a per-container basis, or (D) for a manufacturer hemp product not described in subparagraph (A), (B) or (C) of this subdivision, (i) one milligram on a per-serving basis, (ii) five milligrams on a per-container basis, or (iii) three-tenths per cent on a dry-weight basis for cannabis flower or cannabis trim.

Sec. 2. Subsection (a) of section 10-19 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) The knowledge, skills and attitudes required to understand and avoid the effects of alcohol, of nicotine or tobacco and of drugs, as defined in [subdivision (17) of] section 21a-240, as amended by this act, on health, character, citizenship and personality development shall be taught every academic year to pupils in all grades in the public schools; and, in teaching such subjects, textbooks and such other materials as are necessary shall be used. Annually, at such time and in such manner as the Commissioner of Education shall request, each local and regional board of education shall attest to the State Board of Education that all pupils enrolled in its schools have been taught such subjects pursuant to this subsection and in accordance with a planned, ongoing and systematic program of instruction. The content and scheduling of instruction shall be within the discretion of the local or regional board of education. Institutions of higher education approved by the State Board of Education to train teachers shall give instruction on the subjects prescribed in this section and concerning the best methods of teaching the same. The State Board of Education and the Board of Regents for Higher Education in consultation with the Commissioner of Mental Health and Addiction Services and the Commissioner of Public



***Substitute House Bill No. 6699***

Health shall develop health education or other programs for elementary and secondary schools and for the training of teachers, administrators and guidance personnel with reference to understanding and avoiding the effects of nicotine or tobacco, alcohol and drugs.

Sec. 3. Subsection (a) of section 10-220a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) Each local or regional board of education shall provide an in-service training program for its teachers, administrators and pupil personnel who hold the initial educator, provisional educator or professional educator certificate. Such program shall provide such teachers, administrators and pupil personnel with information on (1) the nature and the relationship of alcohol and drugs, as defined in [subdivision (17) of] section 21a-240, as amended by this act, to health and personality development, and procedures for discouraging their abuse, (2) health and mental health risk reduction education that includes, but need not be limited to, the prevention of risk-taking behavior by children and the relationship of such behavior to substance abuse, pregnancy, sexually transmitted diseases, including HIV-infection and AIDS, as defined in section 19a-581, violence, teen dating violence, domestic violence and child abuse, (3) school violence prevention, conflict resolution, the prevention of and response to youth suicide and the identification and prevention of and response to bullying, as defined in subsection (a) of section 10-222d, except that those boards of education that implement any evidence-based model approach that is approved by the Department of Education and is consistent with subsection (c) of section 10-145a, sections 10-222d, 10-222g and 10-222h, subsection (g) of section 10-233c and sections 1 and 3 of public act 08-160, shall not be required to provide in-service training on the identification and prevention of and response to bullying, (4) cardiopulmonary resuscitation and other emergency life saving

**Substitute House Bill No. 6699**

procedures, (5) the requirements and obligations of a mandated reporter, (6) the detection and recognition of, and evidence-based structured literacy interventions for, students with dyslexia, as defined in section 10-3d, (7) culturally responsive pedagogy and practice, including, but not limited to, the video training module relating to implicit bias and anti-bias in the hiring process in accordance with the provisions of section 10-156hh, and (8) the principles and practices of social-emotional learning and restorative practices. Each local or regional board of education may allow any paraprofessional or noncertified employee to participate, on a voluntary basis, in any in-service training program provided pursuant to this section.

Sec. 4. Subsection (e) of section 10-221 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(e) Each local and regional board of education shall develop, adopt and implement policies and procedures in conformity with section 10-154a for (1) dealing with the use, sale or possession of alcohol or controlled drugs, as defined in [subdivision (8) of] section 21a-240, as amended by this act, by public school students on school property, including a process for coordination with, and referral of such students to, appropriate agencies, and (2) cooperating with law enforcement officials. On and after January 1, 2022, no such policies and procedures shall result in a student facing greater discipline, punishment or sanction for use, sale or possession of cannabis than a student would face for the use, sale or possession of alcohol.

Sec. 5. Subsections (a) to (e), inclusive, of section 10-233d of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) (1) Any local or regional board of education, at a meeting at which three or more members of such board are present, or the impartial

***Substitute House Bill No. 6699***

hearing board established pursuant to subsection (b) of this section, may expel, subject to the provisions of this subsection, any pupil in grades three to twelve, inclusive, whose conduct on school grounds or at a school-sponsored activity is violative of a publicized policy of such board and is seriously disruptive of the educational process or endangers persons or property or whose conduct off school grounds is violative of such policy and is seriously disruptive of the educational process, provided a majority of the board members sitting in the expulsion hearing vote to expel and that at least three affirmative votes for expulsion are cast. In making a determination as to whether conduct is seriously disruptive of the educational process, the board of education or impartial hearing board may consider, but such consideration shall not be limited to: (A) Whether the incident occurred within close proximity of a school; (B) whether other students from the school were involved or whether there was any gang involvement; (C) whether the conduct involved violence, threats of violence or the unlawful use of a weapon, as defined in section 29-38, and whether any injuries occurred; and (D) whether the conduct involved the use of alcohol.

(2) Expulsion proceedings pursuant to this section, except as provided in subsection (i) of this section, shall be required for any pupil in grades kindergarten to twelve, inclusive, whenever there is reason to believe that any pupil (A) on school grounds or at a school-sponsored activity, was in possession of a firearm, as defined in 18 USC 921, as amended from time to time, or deadly weapon, dangerous instrument or martial arts weapon, as defined in section 53a-3, (B) off school grounds, did possess such a firearm in violation of section 29-35 or did possess and use such a firearm, instrument or weapon in the commission of a crime under chapter 952, or (C) on or off school grounds, offered for sale or distribution a controlled substance, as defined in [subdivision (9) of] section 21a-240, as amended by this act, whose manufacture, distribution, sale, prescription, dispensing, transporting or possessing with intent to sell or dispense, offering, or

***Substitute House Bill No. 6699***

administering is subject to criminal penalties under sections 21a-277 and 21a-278. Such a pupil shall be expelled for one calendar year if the local or regional board of education or impartial hearing board finds that the pupil did so possess or so possess and use, as appropriate, such a firearm, instrument or weapon or did so offer for sale or distribution such a controlled substance, provided the board of education or the hearing board may modify the period of expulsion for a pupil on a case-by-case basis, and as provided for in subdivision (2) of subsection (c) of this section.

(3) Unless an emergency exists, no pupil shall be expelled without a formal hearing held pursuant to sections 4-176e to 4-180a, inclusive, and section 4-181a, provided whenever such pupil is a minor, the notice required by section 4-177 and section 4-180 shall also be given to the parents or guardian of the pupil at least five business days before such hearing. If an emergency exists, such hearing shall be held as soon after the expulsion as possible. The notice shall include information concerning the parent's or guardian's and the pupil's legal rights and concerning legal services provided free of charge or at a reduced rate that are available locally and how to access such services. An attorney or other advocate may represent any pupil subject to expulsion proceedings. The parent or guardian of the pupil shall have the right to have the expulsion hearing postponed for up to one week to allow time to obtain representation, except that if an emergency exists, such hearing shall be held as soon after the expulsion as possible.

(b) For purposes of conducting expulsion hearings as required by subsection (a) of this section, any local or regional board of education or any two or more of such boards in cooperation may establish an impartial hearing board of one or more persons. No member of any such board or boards shall be a member of the hearing board. The hearing board shall have the authority to conduct the expulsion hearing and render a final decision in accordance with the provisions of sections 4-

***Substitute House Bill No. 6699***

176e to 4-180a, inclusive, and section 4-181a.

(c) (1) In determining the length of an expulsion and the nature of the alternative educational opportunity to be offered under subsection (d) of this section, the local or regional board of education, or the impartial hearing board established pursuant to subsection (b) of this section, may receive and consider evidence of past disciplinary problems that have led to removal from a classroom, suspension or expulsion of such pupil.

(2) For any pupil expelled for the first time pursuant to this section and who has never been suspended pursuant to section 10-233c, except for a pupil who has been expelled based on possession of a firearm or deadly weapon as described in subsection (a) of this section, the local or regional board of education may shorten the length of or waive the expulsion period if the pupil successfully completes a board-specified program and meets any other conditions required by the board. Such board-specified program shall not require the pupil or the parent or guardian of the pupil to pay for participation in the program.

(d) No local or regional board of education is required to offer an alternative educational opportunity, except in accordance with this section. Any pupil under sixteen years of age who is expelled shall be offered an alternative educational opportunity, which shall be (1) alternative education, as defined by section 10-74j, with an individualized learning plan, if such board provides such alternative education, or (2) in accordance with the standards adopted by the State Board of Education, pursuant to section 10-233o, during the period of expulsion, provided any parent or guardian of such pupil who does not choose to have [his or her] such parent's or guardian's child enrolled in an alternative educational opportunity shall not be subject to the provisions of section 10-184. Any pupil expelled for the first time who is between the ages of sixteen and eighteen and who wishes to continue [his or her] such pupil's education shall be offered such an alternative educational opportunity if [he or she] such pupil complies with

***Substitute House Bill No. 6699***

conditions established by [his or her] such pupil's local or regional board of education. Such alternative educational opportunity may include, but shall not be limited to, the placement of a pupil who is at least seventeen years of age in an adult education program pursuant to section 10-69. Any pupil participating in any such adult education program during a period of expulsion shall not be required to withdraw from school under section 10-184. A local or regional board of education shall count the expulsion of a pupil when [he] the pupil was under sixteen years of age for purposes of determining whether an alternative educational opportunity is required for such pupil when [he] such pupil is between the ages of sixteen and eighteen. A local or regional board of education may offer an alternative educational opportunity to a pupil for whom such alternative educational opportunity is not required pursuant to this section.

(e) If a pupil is expelled pursuant to this section for possession of a firearm, as defined in 18 USC 921, as amended from time to time, or deadly weapon, dangerous instrument or martial arts weapon, as defined in section 53a-3, the board of education shall report the violation to the local police department or in the case of a student enrolled in a technical education and career school to the state police. If a pupil is expelled pursuant to this section for the sale or distribution of a controlled substance, as defined in [subdivision (9) of] section 21a-240, as amended by this act, whose manufacture, distribution, sale, prescription, dispensing, transporting or possessing with the intent to sell or dispense, offering, or administration is subject to criminal penalties under sections 21a-277 and 21a-278, the board of education shall refer the pupil to an appropriate state or local agency for rehabilitation, intervention or job training, or any combination thereof, and inform the agency of its action.

Sec. 6. Section 10a-18 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

**Substitute House Bill No. 6699**

On and after September 1, 1974, all state institutions of higher education shall offer a program of information concerning drugs, as defined in [subdivision (17) of] section 21a-240, as amended by this act, and alcohol and instruction in the use and the relationships of such drugs and alcohol to health and personality development, and in procedures for discouraging their abuse, which programs shall be coordinated with those developed under section 10-19, as amended by this act.

Sec. 7. Subdivision (4) of subsection (a) of section 10a-55c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(4) A statement of policy regarding the possession, use and sale of alcoholic beverages and controlled substances, as defined in [subdivision (9) of] section 21a-240, as amended by this act;

Sec. 8. Subsection (b) of section 20-34 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(b) For purposes of subsection (a) of this section, "natural substances" means substances that are not narcotic substances, as defined in [subdivision (30) of] section 21a-240, as amended by this act, do not require the written or oral prescription of a licensed practitioner to be dispensed and are only administered orally.

Sec. 9. Subsection (a) of section 21a-248 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) A licensed manufacturer or wholesaler may sell and dispense controlled drugs to any of the following-named persons, but in the case of schedule II drugs only on an official written order or electronically through the Drug Enforcement Agency's Controlled Substance

***Substitute House Bill No. 6699***

Ordering System: (1) To a manufacturer, wholesaler or pharmacist; (2) to a physician, dentist or veterinarian; (3) to a person in charge of a hospital, incorporated college or scientific institution, but only for use by or in that hospital, incorporated college or scientific institution for medical or scientific purposes; (4) to a person in charge of a laboratory, but only for use in that laboratory for scientific and medical purposes; and (5) to any registrant as defined in [subdivision (47) of] section 21a-240, as amended by this act.

Sec. 10. Subsection (a) of section 21a-267 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) No person shall use or possess with intent to use drug paraphernalia, as defined in subdivision (20) of section 21a-240, as amended by this act, to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, prepare, test, analyze, pack, repack, store, contain or conceal, or to ingest, inhale or otherwise introduce into the human body, any controlled substance, as defined in [subdivision (9) of] section 21a-240, as amended by this act, other than cannabis. Any person who violates any provision of this subsection shall be guilty of a class C misdemeanor.

Sec. 11. Section 21a-408 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

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

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

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



***Substitute House Bill No. 6699***

(3) "Cannabis testing laboratory" means a person who (A) is located in this state, (B) is licensed by the department to analyze marijuana, and (C) meets the licensure requirements established in section 21a-408r, as amended by this act, and the regulations adopted pursuant to subsection (d) of section 21a-408r, as amended by this act;

(4) "Cannabis testing laboratory employee" means a person who is (A) employed at a cannabis testing laboratory, and (B) registered pursuant to section 21a-408r, as amended by this act, and the regulations adopted pursuant to subsection (d) of section 21a-408r, as amended by this act;

(5) "Caregiver" means a person, other than the qualifying patient and the qualifying patient's physician, physician assistant or advanced practice registered nurse, who is eighteen years of age or older and has agreed to undertake responsibility for managing the well-being of the qualifying patient with respect to the palliative use of marijuana, provided (A) in the case of a qualifying patient (i) under eighteen years of age and not an emancipated minor, or (ii) otherwise lacking legal capacity, such person shall be a parent, guardian or person having legal custody of such qualifying patient, and (B) in the case of a qualifying patient eighteen years of age or older or an emancipated minor, the need for such person shall be evaluated by the qualifying patient's physician, physician assistant or advanced practice registered nurse and such need shall be documented in the written certification;

~~[(3)]~~ (6) "Cultivation" includes planting, propagating, cultivating, growing and harvesting;

~~[(4)]~~ (7) "Debilitating medical condition" means (A) cancer, glaucoma, positive status for human immunodeficiency virus or acquired immune deficiency syndrome, Parkinson's disease, multiple sclerosis, damage to the nervous tissue of the spinal cord with objective neurological indication of intractable spasticity, epilepsy or uncontrolled intractable

***Substitute House Bill No. 6699***

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

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

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

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

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

[(9)] "Laboratory" means a laboratory located in the state that is licensed by the department to provide analysis of marijuana and that

***Substitute House Bill No. 6699***

meets the licensure requirements set forth in section 21a-246;

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

[(11)] (12) "Licensed dispensary" or "dispensary" means an individual who is a licensed pharmacist employed by a dispensary facility or hybrid retailer;

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

(13) "Marijuana" means marijuana, as defined in section 21a-240, as amended by this act;

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

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

(16) "Paraphernalia" means drug paraphernalia, as defined in section 21a-240, as amended by this act;

(17) "Physician" means a person who is licensed as a physician under chapter 370;

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

***Substitute House Bill No. 6699***

[(19) "Caregiver" means a person, other than the qualifying patient and the qualifying patient's physician, physician assistant or advanced practice registered nurse, who is eighteen years of age or older and has agreed to undertake responsibility for managing the well-being of the qualifying patient with respect to the palliative use of marijuana, provided (A) in the case of a qualifying patient (i) under eighteen years of age and not an emancipated minor, or (ii) otherwise lacking legal capacity, such person shall be a parent, guardian or person having legal custody of such qualifying patient, and (B) in the case of a qualifying patient eighteen years of age or older or an emancipated minor, the need for such person shall be evaluated by the qualifying patient's physician, physician assistant or advanced practice registered nurse and such need shall be documented in the written certification;]

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

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

(21) "Research program" means a study approved by the Department of Consumer Protection in accordance with this chapter and undertaken

**Substitute House Bill No. 6699**

to increase information or knowledge regarding the growth or processing of marijuana, or the medical attributes, dosage forms, administration or use of marijuana to treat or alleviate symptoms of any medical conditions or the effects of such symptoms;

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

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

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

(25) "Written certification" means a written certification issued by a physician, physician assistant or advanced practice registered nurse pursuant to section 21a-408c.

Sec. 12. Subsection (a) of section 21a-408b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) No person may serve as a caregiver for a qualifying patient [(1)] unless such qualifying patient has a valid registration certificate from the Department of Consumer Protection pursuant to subsection (a) of section 21a-408d, [, and (2) if such person has been convicted of a violation of any law pertaining to the illegal manufacture, sale or distribution of a controlled substance.] A caregiver may not be responsible for the care of more than one qualifying patient at any time, except that a caregiver may be responsible for the care of more than one qualifying patient if the caregiver and each qualifying patient have a

***Substitute House Bill No. 6699***

parental, grandparental, guardianship, conservatorship, spousal or sibling relationship.

Sec. 13. Section 21a-408h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) No person may act as a dispensary or represent that such person is a licensed dispensary unless such person has obtained a license from the Commissioner of Consumer Protection pursuant to this section.

(b) No person may act as a dispensary facility or represent that such person is a licensed dispensary facility unless such person has obtained a license from the Commissioner of Consumer Protection pursuant to this section.

(c) The Commissioner of Consumer Protection shall determine the number of dispensary facilities appropriate to meet the needs of qualifying patients in this state and shall adopt regulations, in accordance with chapter 54, to provide for the licensure and standards for dispensary facilities in this state and specify the maximum number of dispensary facilities that may be licensed in this state. On and after the effective date of such regulations, the commissioner may license any person who applies for a license in accordance with such regulations, provided the commissioner deems such applicant qualified to acquire, possess, distribute and dispense marijuana pursuant to sections 21a-408 to 21a-408m, inclusive, as amended by this act. At a minimum, such regulations shall:

(1) Indicate the maximum number of dispensary facilities that may be licensed in this state;

(2) Provide that no marijuana may be dispensed from, obtained from or transferred to a location outside of this state;

[(3) Establish a licensing fee and renewal fee for each dispensary

***Substitute House Bill No. 6699***

facility, provided such fees shall not be less than the amount necessary to cover the direct and indirect cost of licensing and regulating dispensary facilities pursuant to sections 21a-408 to 21a-408m, inclusive;]

[(4)] (3) Provide for renewal of [such] dispensary facility licenses at least every two years;

[(5)] (4) Describe areas in this state where dispensary facilities may not be located, after considering the criteria for the location of retail liquor permit premises set forth in subsection (a) of section 30-46;

[(6)] (5) Establish health, safety and security requirements for dispensary facilities, which may include, but need not be limited to: (A) The ability to maintain adequate control against the diversion, theft and loss of marijuana acquired or possessed by the dispensary facility, and (B) the ability to maintain the knowledge, understanding, judgment, procedures, security controls and ethics to ensure optimal safety and accuracy in the distributing, dispensing and use of palliative marijuana;

[(7)] (6) Establish standards and procedures for revocation, suspension, summary suspension and nonrenewal of dispensary facility licenses, provided such standards and procedures are consistent with the provisions of subsection (c) of section 4-182; and

[(8)] (7) Establish other licensing, renewal and operational standards deemed necessary by the commissioner.

[(d)] Any fees collected by the Department of Consumer Protection under this section shall be paid to the State Treasurer and credited to the General Fund.]

[(e)] (d) On or before January 1, 2017, and annually thereafter, each dispensary facility shall report data to the Department of Consumer Protection relating to the types, mixtures and dosages of palliative

**Substitute House Bill No. 6699**

marijuana dispensed by such dispensary facility. A report prepared pursuant to this subsection shall be in such form as may be prescribed by the Commissioner of Consumer Protection.

Sec. 14. Subsection (a) of section 21a-408j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) No dispensary facility or employee of the dispensary facility may:

- (1) Acquire marijuana from a person other than a producer from a cultivator, micro-cultivator, product manufacturer, food and beverage manufacturer, product packager, or transporter, as such terms are defined in section 21a-420, as amended by this act;
- (2) transfer or transport marijuana to a person who is not (A) a qualifying patient registered under section 21a-408d; (B) a caregiver of such qualifying patient; (C) a hospice or other inpatient care facility licensed by the Department of Public Health pursuant to chapter 368v that has a protocol for the handling and distribution of marijuana that has been approved by the Department of Consumer Protection; (D) a cannabis testing laboratory; (E) an organization engaged in a research program; (F) a delivery service, as defined in section 21a-420, as amended by this act; or (G) a transporter, as defined in section 21a-420, as amended by this act; or
- (3) obtain or transport marijuana outside of this state in violation of state or federal law.

Sec. 15. Section 21a-408k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) No producer or employee of the producer may: (1) Sell, deliver, transport or distribute marijuana to a person who is not (A) a cannabis establishment, (B) a cannabis testing laboratory, or (C) an organization engaged in a research program, or (2) obtain or transport marijuana outside of this state in violation of state or federal law.



**Substitute House Bill No. 6699**

(b) No licensed producer or employee of the producer acting within the scope of [his or her] such employee's employment shall be subject to arrest or prosecution or penalized in any manner, including, but not limited to, being subject to any civil penalty, or denied any right or privilege, including, but not limited to, being subject to any disciplinary action by a professional licensing board, for cultivating marijuana or selling, delivering, transferring, transporting or distributing marijuana to a cannabis establishment, cannabis testing laboratory or research program.

Sec. 16. Subsections (a) to (d), inclusive, of section 21a-408r of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) No person may act as a cannabis testing laboratory or represent that such person is a cannabis testing laboratory unless such person has (1) obtained a license from the Commissioner of Consumer Protection pursuant to this section, or (2) [(A) been granted approval by the Commissioner of Consumer Protection as of October 1, 2021, and (B) submitted an application to the Commissioner of Consumer Protection for licensure pursuant to this section in a form and manner prescribed by the commissioner. Such person may continue to act as a laboratory until such application for licensure under this section is approved or denied by the Commissioner of Consumer Protection] obtained a license from the Department of Consumer Protection on or before June 30, 2023, as a laboratory authorized to engage in cannabis testing and such license remains active on July 1, 2023. Any person that satisfies the criteria established in subdivision (2) of this subsection shall be deemed to be a licensed cannabis testing laboratory for the duration of such prior license and, upon expiration of such prior license, such person shall be eligible to renew such expired prior license as a cannabis testing laboratory license. The fee to receive a provisional license as a cannabis testing laboratory shall be five hundred dollars, and the fee to receive a

***Substitute House Bill No. 6699***

final license, or renewal of a final license, as a cannabis testing laboratory shall be one thousand dollars.

(b) Except as provided in subsection (c) of this section, no person may act as a cannabis testing laboratory employee or represent that such person is a cannabis testing laboratory employee unless such person has obtained a registration from the Commissioner of Consumer Protection pursuant to this section. Any person to whom the Department of Consumer Protection has issued laboratory employee credentials on or before June 30, 2023, shall, if such credentials remain active on July 1, 2023, and authorize such person to handle and test cannabis, be deemed to be a registered cannabis testing laboratory employee for the duration of such prior credentials and, upon expiration of such prior credentials, be eligible to renew such expired prior credentials in the manner set forth for renewing a certificate of registration as a cannabis testing laboratory employee.

(c) Prior to the effective date of regulations adopted under this section, the Commissioner of Consumer Protection may issue a temporary certificate of registration to a cannabis testing laboratory employee. The commissioner shall prescribe the standards, procedures and fees for obtaining a temporary certificate of registration as a cannabis testing laboratory employee.

(d) The Commissioner of Consumer Protection shall adopt regulations, in accordance with chapter 54, to (1) provide for the licensure or registration of cannabis testing laboratories and cannabis testing laboratory employees, (2) establish standards and procedures for the revocation, suspension, summary suspension and nonrenewal of cannabis testing laboratory licenses and cannabis testing laboratory employee registrations, provided such standards and procedures are consistent with the provisions of subsection (c) of section 4-182, (3) establish a [license or] registration renewal fee for each [licensed laboratory and] registered cannabis testing laboratory employee,

**Substitute House Bill No. 6699**

provided the aggregate amount of such [license, registration and renewal] fees shall not be less than the amount necessary to cover the direct and indirect cost of [licensing,] registering and regulating [laboratories and] cannabis testing laboratory employees in accordance with the provisions of this chapter, (4) establish procedures by which cannabis testing laboratories shall accept marijuana samples from caregivers, qualifying patients and consumers for testing, and [(4)] (5) establish other licensing, registration, renewal and operational standards deemed necessary by the commissioner. For the purposes of this subsection, "consumer" has the same meaning as provided in section 21a-420, as amended by this act.

Sec. 17. Section 21a-408s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) No cannabis testing laboratory or cannabis testing laboratory employee may (1) acquire marijuana from a person other than (A) a cannabis establishment or an organization engaged in a research program, or (B) a caregiver, a qualifying patient or a consumer, as defined in section 21a-420, as amended by this act, providing a marijuana sample under regulations adopted by the Commissioner of Consumer Protection pursuant to subsection (d) of section 21a-408r, as amended by this act, (2) deliver, transport or distribute marijuana to (A) a person who is not a cannabis establishment from which the marijuana was originally acquired by the cannabis testing laboratory or cannabis testing laboratory employee, or (B) an organization not engaged in a research program, or (3) obtain or transport marijuana outside of this state in violation of state or federal law.

(b) (1) No cannabis testing laboratory employee acting within the scope of [his or her] such cannabis testing laboratory employee's employment shall be subject to arrest or prosecution, penalized in any manner, including, but not limited to, being subject to any civil penalty, or denied any right or privilege, including, but not limited to, being

***Substitute House Bill No. 6699***

subject to any disciplinary action by a professional licensing board, for acquiring, possessing, delivering, transporting or distributing marijuana to a cannabis establishment or an organization engaged in an approved research program under the provisions of this chapter.

(2) No cannabis testing laboratory shall be subject to prosecution, penalized in any manner, including, but not limited to, being subject to any civil penalty or denied any right or privilege, for acquiring, possessing, delivering, transporting or distributing marijuana to a cannabis establishment or an organization engaged in an approved research program under the provisions of this chapter.

(c) A cannabis testing laboratory shall be independent from all other persons involved in the marijuana industry in Connecticut, which shall mean that no person with a direct or indirect financial, managerial or controlling interest in the cannabis testing laboratory shall have a direct or indirect financial, managerial or controlling interest in a cannabis establishment or any other entity that may benefit from the laboratory test results for a cannabis or marijuana sample or product.

(d) [A] (1) Except as provided in subdivision (2) of this subsection, a cannabis testing laboratory shall maintain all minimum security and safeguard requirements for the storage of handling of controlled substances as a laboratory that is licensed to provide analysis of controlled substances pursuant to section 21a-246 and any regulations adopted thereunder.

(2) The department may waive any minimum security or safeguard requirement described in subdivision (1) of this subsection if (A) a cannabis testing laboratory submits to the department, in a form and manner prescribed by the department, a written request for such waiver that proposes an alternative requirement that provides public health and safety protections that are equal to or greater than the protections provided by such minimum security or safeguard requirement, and (B)

***Substitute House Bill No. 6699***

the department (i) reviews such request to assess the potential for product diversion, theft and criminal activity under such proposed alternative requirement and the likely impact that waiving such minimum security or safeguard requirement will have on public health and safety, (ii) determines, in the department's discretion, that such proposed alternative requirement would provide equal or greater protection for public health and safety, and (iii) issues such waiver in writing.

Sec. 18. Section 21a-408u of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) No research program or research program employee may (1) acquire marijuana from a person other than a cannabis establishment or cannabis testing laboratory, (2) deliver, transport or distribute marijuana to a person who is not (A) a cannabis establishment, (B) a cannabis testing laboratory, or (C) a research program subject, (3) distribute or administer marijuana to an animal unless such animal is an animal research subject, or (4) obtain or transport marijuana outside of this state in violation of state or federal law.

(b) No research program employee acting within the scope of [his or her] such research program employee's employment shall be subject to arrest or prosecution, penalized in any manner, including, but not limited to, being subject to any civil penalty, or denied any right or privilege, including, but not limited to, being subject to any disciplinary action by a professional licensing board, for acquiring, possessing, delivering, transporting or distributing marijuana to a cannabis establishment or cannabis testing laboratory, or a research program subject or distributing or administering marijuana to an animal research subject under the provisions of this chapter.

Sec. 19. Section 21a-420 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

***Substitute House Bill No. 6699***

As used in RERACA, unless the context otherwise requires:

(1) "Responsible and Equitable Regulation of Adult-Use Cannabis Act" or "RERACA" means this section, sections 2-56j, 7-294kk, 7-294ll, 12-330ll to 12-330nn, inclusive, 14-227p, 21a-278b, 21a-278c, 21a-279c, 21a-279d, 21a-420a to [21a-420i] 21a-420j, inclusive, as amended by this act, 21a-420l to 21a-421r, inclusive, as amended by this act, 21a-421aa to 21a-421ff, inclusive, 21a-421aaa to [21a-421ggg] 21a-421hhh, inclusive, 21a-422 to 21a-422c, inclusive, 21a-422e to 21a-422g, inclusive, 21a-422j to 21a-422s, inclusive, 22-61n, 23-4b, 47a-9a, 53-247a, 53a-213a, 53a-213b, 54-33p, 54-56q, 54-56r, 54-125k and 54-142u, sections 23, 60, 63 to 65, inclusive, 124, 144 and 165 of public act 21-1 of the June special session, and the amendments in public act 21-1 of the June special session to sections 7-148, 10-221, as amended by this act, 12-30a, 12-35b, 12-412, 12-650, 12-704d, 14-44k, 14-111e, 14-227a to 14-227c, inclusive, 14-227j, 15-140q, 15-140r, 18-100h, 19a-342, 19a-342a, 21a-267, as amended by this act, 21a-277, 21a-279, as amended by this act, 21a-279a, 21a-408 to 21a-408f, inclusive, as amended by this act, 21a-408h to 21a-408p, as amended by this act, inclusive, 21a-408r to 21a-408v, inclusive, as amended by this act, 30-89a, 31-40q, 32-39, 46b-120, 51-164n, 53-394, 53a-39c, 54-1m, 54-33g, 54-41b, 54-56e, 54-56g, 54-56i, 54-56k, 54-56n, 54-63d, 54-66a [,] and 54-142e [, 21a-421hhh and 21a-420j] and section 20 of this act;

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

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

***Substitute House Bill No. 6699***

amended by this act;

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

(5) "Cannabis flower" means the flower, including abnormal and immature flowers, of a plant of the genus cannabis that has been harvested, dried, [and] cured, chopped or ground, and prior to any processing whereby the flower material is transformed into a cannabis product. "Cannabis flower" does not include (A) the leaves or stem of such plant, or (B) hemp, as defined in section 22-61l, as amended by this act;

(6) "Cannabis testing laboratory" means a laboratory that (A) is located in this state, (B) is licensed by the department to analyze cannabis, and (C) meets the licensure requirements established in section 21a-408r, as amended by this act, and the regulations adopted pursuant to subsection (d) of section 21a-408r, as amended by this act;

(7) "Cannabis testing laboratory employee" means an individual who is (A) employed at a cannabis testing laboratory, and (B) registered pursuant to section 21a-408r, as amended by this act, and the regulations adopted pursuant to subsection (d) of section 21a-408r, as amended by this act;

[(6)] (8) "Cannabis trim" means all parts, including abnormal or immature parts, of a plant of the genus cannabis, other than cannabis flower, that have been harvested, dried and cured, and prior to any processing, excluding chopping or grinding, whereby the plant material is transformed into a cannabis product. "Cannabis trim" does not include hemp, as defined in section 22-61l, as amended by this act;

[(7)] (9) "Cannabis product" means cannabis, intended for use or

***Substitute House Bill No. 6699***

consumption, that is in the form of (A) a cannabis concentrate, or (B) a product that contains cannabis [ , which may be combined with other ingredients, and is intended for use or consumption. "Cannabis product" does not include the raw cannabis plant] and at least one other cannabis or noncannabis ingredient or component, excluding cannabis flower;

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

[(9)] (11) "Cannabis-type substances" have the same meaning as "marijuana", as defined in section 21a-240, as amended by this act;

[(10)] (12) "Commissioner" means the Commissioner of Consumer Protection and includes any designee of the commissioner;

[(11)] (13) "Consumer" means an individual who is twenty-one years of age or older;

(14) "Control" means the power to direct, or cause the direction of, the management and policies of a cannabis establishment, regardless of whether such power is possessed directly or indirectly;

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

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

[(14)] (17) "Delivery service" means a person that is licensed to deliver cannabis from (A) micro-cultivators, retailers and hybrid retailers to consumers and research program subjects, and (B) hybrid retailers and



***Substitute House Bill No. 6699***

dispensary facilities to qualifying patients, caregivers and research program subjects, as defined in section 21a-408, as amended by this act, or to hospices or other inpatient care facilities licensed by the Department of Public Health pursuant to chapter 368v that have a protocol for the handling and distribution of cannabis that has been approved by the department, or a combination thereof;

[(15)] (18) "Department" means the Department of Consumer Protection;

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

[(17)] (20) "Disproportionately impacted area" means (A) for the period beginning July 1, 2021, and ending July 31, 2023, a United States census tract in the state that has, as determined by the Social Equity Council under subdivision (1) of subsection (i) of section 21a-420d, as amended by this act, [(A)] (i) a historical conviction rate for drug-related offenses greater than one-tenth, or [(B)] (ii) an unemployment rate greater than ten per cent, and (B) on and after August 1, 2023, a United States census tract in this state that has been identified by the Social Equity Council pursuant to subdivision (2) of subsection (i) of section 21a-420d, as amended by this act;

[(18)] (21) "Disqualifying conviction" means a conviction within the last ten years which has not been the subject of an absolute pardon under the provisions of section 54-130a, or an equivalent pardon process under the laws of another state or the federal government, for an offense under (A) section 53a-276, 53a-277 or 53a-278; (B) section 53a-291, 53a-

***Substitute House Bill No. 6699***

292 or 53a-293; (C) section 53a-215; (D) section 53a-138 or 53a-139; (E) section 53a-142a; (F) sections 53a-147 to 53a-162, inclusive; (G) sections 53a-125c to 53a-125f, inclusive; (H) section 53a-129b, 53a-129c or 53a-129d; (I) subsection (b) of section 12-737; (J) section 53a-48 or 53a-49, if the offense which is attempted or is an object of the conspiracy is an offense under the statutes listed in subparagraphs (A) to (I), inclusive, of this subdivision; or (K) the law of any other state or of the federal government, if the offense on which such conviction is based is defined by elements that substantially include the elements of an offense under the statutes listed in subparagraphs (A) to (J), inclusive, of this subdivision;

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

(23) "Edible cannabis product" means a cannabis product intended for humans to eat or drink;

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

[(21)] (25) "Equity" and "equitable" means efforts, regulations, policies, programs, standards, processes and any other functions of government or principles of law and governance intended to: (A) Identify and remedy past and present patterns of discrimination and

***Substitute House Bill No. 6699***

disparities of race, ethnicity, gender and sexual orientation; (B) ensure that such patterns of discrimination and disparities, whether intentional or unintentional, are neither reinforced nor perpetuated; and (C) prevent the emergence and persistence of foreseeable future patterns of discrimination or disparities of race, ethnicity, gender and sexual orientation;

[(22)] (26) "Equity joint venture" means a business entity that is controlled, and at least fifty per cent owned, [and controlled] by an individual or individuals, or such applicant is an individual, who meets the criteria of subparagraphs (A) and (B) of subdivision [(48)] (50) of this section;

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

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

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

[(26)] (30) "Grow space" means the portion of a premises owned and controlled by a producer, cultivator or micro-cultivator that is utilized

***Substitute House Bill No. 6699***

for the cultivation, growing or propagation of the cannabis plant, and contains cannabis plants in an active stage of growth, measured starting from the outermost wall of the room containing cannabis plants and continuing around the outside of the room. "Grow space" does not include space used to cure, process, store harvested cannabis or manufacture cannabis once the cannabis has been harvested;

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

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

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

[(30)] (34) "Key employee" means an employee with the following management position or an equivalent title within a cannabis establishment: (A) President or chief officer, who is the top ranking individual at the cannabis establishment and is responsible for all staff and overall direction of business operations; (B) financial manager, who is the individual who reports to the president or chief officer and who is [generally] responsible for oversight of the financial operations of the cannabis establishment, [including, but not limited to, revenue generation,] which financial operations include one or more of the

***Substitute House Bill No. 6699***

following: (i) Revenue and expense management; (ii) distributions; [~~]~~ ~~(iii)~~ tax compliance; [and] ~~(iv)~~ budget development; and (v) budget management and implementation; or (C) compliance manager, who is the individual who reports to the president or chief officer and who is generally responsible for ensuring the cannabis establishment complies with all laws, regulations and requirements related to the operation of the cannabis establishment;

[(31)] "Laboratory" means a laboratory located in the state that is licensed by the department to provide analysis of cannabis that meets the licensure requirements set forth in section 21a-246;

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

[(33)] ~~(35)~~ "Labor peace agreement" means an agreement between a cannabis establishment and a bona fide labor organization under section 21a-421d, as amended by this act, pursuant to which the owners and management of the cannabis establishment agree not to lock out employees and that prohibits the bona fide labor organization from engaging in picketing, work stoppages or boycotts against the cannabis establishment;

[(34)] ~~(36)~~ "Manufacture" means to add or incorporate cannabis into other products or ingredients or create a cannabis product;

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

[(36)] ~~(38)~~ "Micro-cultivator" means a person licensed to engage in the cultivation, growing and propagation of the cannabis plant at an establishment containing not less than two thousand square feet and not

***Substitute House Bill No. 6699***

more than ten thousand square feet of grow space, prior to any expansion authorized by the commissioner;

[(37)] (39) "Municipality" means any town, city or borough, consolidated town and city or consolidated town and borough;

[(38)] (40) "Paraphernalia" means drug paraphernalia, as defined in section 21a-240, as amended by this act;

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

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

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

[(42)] (44) "Product packager" means a person that is licensed to package and label cannabis;

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

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

[(45)] (47) "Retailer" means a person, excluding a dispensary facility and hybrid retailer, that is licensed to purchase cannabis from producers, cultivators, micro-cultivators, product manufacturers and food and beverage manufacturers and to sell cannabis to consumers and

***Substitute House Bill No. 6699***

research programs;

[(46)] (48) "Sale" or "sell" has the same meaning as provided in section 21a-240, as amended by this act;

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

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

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

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

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

[(49)] (51) "THC" has the same meaning as provided in section 21a-240, as amended by this act;

[(50)] (52) "Third-party lottery operator" means a person, or a constituent unit of the state system of higher education, that conducts lotteries pursuant to section 21a-420g, as amended by this act, identifies the cannabis establishment license applications for consideration without performing any review of the applications that are identified for consideration, and that has no direct or indirect oversight of or investment in a cannabis establishment or a cannabis establishment applicant;

**Substitute House Bill No. 6699**

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

[(52)] (54) "Transport" means to physically move from one place to another;

[(53)] (55) "Transporter" means a person licensed to transport cannabis between cannabis establishments, cannabis testing laboratories and research programs; and

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

Sec. 20. (*Effective July 1, 2023*) During the period beginning October 1, 2023, and ending October 1, 2026, the Department of Consumer Protection shall, not later than the first day of January, April, July and October, submit a report, in accordance with section 11-4a of the general statutes, to the Governor and the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection. Each report shall contain the following: (1) For the quarter ending on the last day of the month immediately preceding the date on which the department submits such report (A) the number of applicants that were selected from the lottery, broken down by license type, (B) the number of provisional licenses that the department issued pursuant to RERACA, broken down by license type, (C) the number of final licenses that the department issued pursuant to RERACA, broken down by license type, town and county, and (D) the mechanism by which the department issued each license pursuant to RERACA, including, but not limited to, by way of the lottery, to equity joint ventures and to cultivators located in disproportionately impacted areas; (2) the department's good faith estimate regarding any anticipated increase in the number of cannabis establishments during the next calendar year;



***Substitute House Bill No. 6699***

and (3) any other information the department, in the department's discretion, may deem appropriate.

Sec. 21. Subsections (i) to (k), inclusive, of section 21a-420d of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(i) (1) Not later than August 1, 2021, and annually thereafter until July 31, 2023, the council shall use the most recent five-year United States Census Bureau American Community Survey estimates or any successor data to determine one or more United States census tracts in the state that are a disproportionately impacted area and shall publish a list of such tracts on the council's Internet web site.

(2) Not later than August 1, 2023, the council shall use poverty rate data from the most recent five-year United States Census Bureau American Community Survey estimates, population data from the most recent decennial census and conviction information from databases managed by the Department of Emergency Services and Public Protection to identify all United States census tracts in the state that are disproportionately impacted areas and shall publish a list of such tracts on the council's Internet web site. In identifying which census tracts in this state are disproportionately impacted areas and preparing such list, the council shall:

(A) Not deem any census tract with a poverty rate that is less than the state-wide poverty rate to be a disproportionately impacted area;

(B) After eliminating the census tracts described in subparagraph (A) of this subdivision, rank the remaining census tracts in order from the census tract with the greatest historical conviction rate for drug-related offenses to the census tract with the lowest historical conviction rate for drug-related offenses; and

(C) Include census tracts in the order of rank described in

**Substitute House Bill No. 6699**

subparagraph (B) of this subdivision until including the next census tract would cause the total population of all included census tracts to exceed twenty-five per cent of the state's population.

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

(k) The council shall develop criteria for evaluating the ownership and control of any equity joint venture created under section 21a-420m, as amended by this act, 21a-420u, as amended by this act, or [section] 21a-420j, as amended by this act, and shall review and approve or deny in writing such equity joint venture prior to such equity joint venture being licensed under section 21a-420m, as amended by this act, 21a-420u, as amended by this act, or [section] 21a-420j, as amended by this act. After developing criteria for social equity plans as described in subdivision (5) of subsection (h) of this section, the council shall review and approve or deny in writing any such plan submitted by a cannabis establishment as part of its final license application. The council shall not approve any equity joint venture applicant which shares with an equity joint venture any individual owner who meets the criteria established in subparagraphs (A) and (B) of subdivision [(48)] (50) of section 21a-420, as amended by this act.

Sec. 22. Section 21a-420e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Not later than thirty days after the date that the Social Equity Council identifies the criteria and the necessary supporting documentation for social equity applicants and posts such information on its Internet web site, the department may accept applications for the following cannabis establishment license types: (1) Retailer, (2) hybrid

***Substitute House Bill No. 6699***

retailer, (3) cultivator, (4) micro-cultivator, (5) product manufacturer, (6) food and beverage manufacturer, (7) product packager, (8) delivery service, [and] (9) transporter, (10) dispensary facility, and (11) producer. Each application for licensure shall require the applicant to indicate whether the applicant wants to be considered for treatment as a social equity applicant.

(b) On and after July 1, 2021, the department may accept applications from any dispensary facility to convert its license to a hybrid-retailer license and any producer for expanded authorization to engage in the adult use cannabis market under its license issued pursuant to section 21a-408i.

(c) Except as provided in subsection [(e)] (d) of this section, the following fees shall be paid by each applicant:

(1) For a retailer license, the fee to enter the lottery shall be five hundred dollars, the fee to receive a provisional license shall be five thousand dollars and the fee to receive a final license or a renewal of a final license shall be twenty-five thousand dollars.

(2) For a hybrid retailer license, the fee to enter the lottery shall be five hundred dollars, the fee to receive a provisional license shall be five thousand dollars and the fee to receive a final license or a renewal of a final license shall be twenty-five thousand dollars.

(3) For a cultivator license, the fee to enter the lottery shall be one thousand dollars, the fee to receive a provisional license shall be twenty-five thousand dollars and the fee to receive a final license or a renewal of a final license shall be seventy-five thousand dollars.

(4) For a micro-cultivator license, the fee to enter the lottery shall be two hundred fifty dollars, the fee to receive a provisional license shall be five hundred dollars and the fee to receive a final license or a renewal of a final license shall be one thousand dollars.

***Substitute House Bill No. 6699***

(5) For a product manufacturer license, the fee to enter the lottery shall be seven hundred fifty dollars, the fee to receive a provisional license shall be five thousand dollars and the fee to receive a final license or a renewal of a final license shall be twenty-five thousand dollars.

(6) For a food and beverage manufacturer license, the fee to enter the lottery shall be two hundred fifty dollars, the fee to receive a provisional license shall be one thousand dollars and the fee to receive a final license or a renewal of a final license shall be five thousand dollars.

(7) For a product packager license, the fee to enter the lottery shall be five hundred dollars, the fee to receive a provisional license shall be five thousand dollars and the fee to receive a final license or a renewal of a final license shall be twenty-five thousand dollars.

(8) For a delivery service or transporter license, the fee to enter the lottery shall be two hundred fifty dollars, the fee to receive a provisional license shall be one thousand dollars and the fee to receive a final license or a renewal of a final license shall be five thousand dollars.

(9) For an initial or renewal of a backer license, the fee shall be one hundred dollars.

(10) For an initial or renewal of a key employee license, the fee shall be one hundred dollars.

(11) For an initial or renewal of a registration of an employee who is not a key employee, the fee shall be fifty dollars.

(12) The license conversion fee for a dispensary facility to become a hybrid retailer shall be one million dollars, except as provided in section 21a-420u, as amended by this act.

(13) The license conversion fee for a producer to engage in the adult use cannabis market shall be three million dollars, except as provided in

***Substitute House Bill No. 6699***

section 21a-420l, as amended by this act.

(14) For a dispensary facility license, the fee to enter the lottery shall be five hundred dollars, the fee to receive a provisional license shall be five thousand dollars and the fee to receive a final license or a renewal of a final license shall be five thousand dollars.

(15) For a producer license, the fee to enter the lottery shall be one thousand dollars, the fee to receive a provisional license shall be twenty-five thousand dollars and the fee to receive a final license or a renewal of a final license shall be seventy-five thousand dollars.

(d) For any dispensary facility that has become a hybrid retailer, the renewal fee shall be the same as the fee for a hybrid retailer set forth in subdivision (2) of subsection (c) of this section. For any producer approved for expanded authorization to engage in the adult use cannabis market, the renewal fee shall be [the same as set forth in section 21a-408i] seventy-five thousand dollars. A social equity applicant shall pay fifty per cent of the amount of any of the fees specified in subsection (c) of this section for the first three renewal cycles of the applicable cannabis establishment license applied for, and the full amount thereafter, provided in the case of the fees set forth in subdivisions (12) and (13) of subsection (c) of this section, a social equity applicant shall pay the full amount of the fee.

(e) For the fiscal year ending June 30, 2023, and thereafter, fees collected by the department under this section shall be paid to the State Treasurer and credited to the General Fund, except that the fees collected under subdivisions (12) and (13) of subsection (c) of this section shall be deposited in the Social Equity and Innovation Fund established under section 21a-420f, as amended by this act.

(f) For each license type:

(1) Applicants shall apply on a form and in a manner prescribed by

***Substitute House Bill No. 6699***

the commissioner, which form shall include a method for the applicant to request consideration as a social equity applicant; and

(2) The department shall post on its Internet web site the application period, which shall specify the first and last date that the department will accept applications for that license type. The first date that the department shall accept applications shall be no sooner than thirty days after the date the Social Equity Council posts the criteria and supporting documentation necessary to qualify for consideration as a social equity applicant as set forth in section 21a-420g, as amended by this act. Only complete license applications received by the department during the application period shall be considered.

(g) (1) No current or former state officer or employee, or employee of any other person who at any time had access to an application submitted to the department pursuant to this section, may disclose such application, or any information included in or submitted with such application, unless such disclosure is authorized under this subsection.

(2) The commissioner may disclose the following information concerning an application submitted to the department pursuant to this section:

(A) The applicant's name;

(B) The license type for which such application was submitted;

(C) The applicant's social equity designation, if any;

(D) The applicant's address;

(E) The name, electronic mail address and telephone number of the applicant's owner;

(F) The ownership interest that an owner of a social equity applicant holds in such applicant, expressed as a percentage of all ownership

***Substitute House Bill No. 6699***

interests in such applicant;

(G) The name and address of the person who serves as the applicant's primary business contact;

(H) The application number assigned to such application;

(I) The date such application was submitted to the department;

(J) Information concerning the applicant's formation, including, but not limited to, the applicant's business entity type, formation date and place, and business registration number as such number appears on the electronic business portal established by the Commercial Recording Division of the office of the Secretary of the State pursuant to section 3-99d; and

(K) The name of all cannabis businesses associated with the applicant and listed on such application.

(3) (A) In addition to the information described in subdivision (2) of this subsection, the commissioner may, in the commissioner's sole discretion, disclose any personal information or financial document associated with an application submitted to the department pursuant to this section to:

(i) A federal, state or local government agency acting in the course of such agency's governmental functions, or a person acting on behalf of such agency in performing such functions;

(ii) A college or university conducting research or assisting the state in reviewing such applications, provided such college or university agrees to not disclose any personally identifying information or confidential business information and to deidentify any personal or financial information such college or university receives from the department before releasing any report, study, survey or similar

***Substitute House Bill No. 6699***

document concerning such information;

(iii) An officer of the court in connection with an administrative, arbitral, civil or criminal proceeding in a court of competent jurisdiction or before a government agency or self-regulatory body, including, but not limited to, the service of process, an investigation performed in anticipation of litigation, an order issued by such court or the execution or enforcement of a judgment or order issued by such court, provided the person to whom the commissioner discloses such information or document is a party in interest to such proceeding;

(iv) A state marshal in the course of performing such marshal's duties under section 6-38a; or

(v) The applicant or the applicant's owner to confirm that any such information or document such applicant or owner submitted to the department in connection with such application is accurate.

(B) Any personal information or financial document the commissioner discloses pursuant to subparagraph (A) of this subdivision shall remain confidential, and no person described in subparagraphs (A)(i) to (A)(iv), inclusive, of this subdivision shall further disseminate such information or document in a manner that would enable another person to identify any person referenced in, and related to, such information or document unless such disclosure is required under other applicable law.

Sec. 23. Subsection (c) of section 21a-420e of the general statutes, as amended by section 22 of this act, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(c) Except as provided in subsection (d) of this section, the following fees shall be paid by each applicant:

(1) For a retailer license, the fee to enter the lottery shall be five



***Substitute House Bill No. 6699***

hundred dollars, the fee to receive a provisional license shall be five thousand dollars and the fee to receive a final license or a renewal of a final license shall be twenty-five thousand dollars.

(2) For a hybrid retailer license, the fee to enter the lottery shall be five hundred dollars, the fee to receive a provisional license shall be five thousand dollars and the fee to receive a final license or a renewal of a final license shall be twenty-five thousand dollars.

(3) For a cultivator license, the fee to enter the lottery shall be one thousand dollars, the fee to receive a provisional license shall be twenty-five thousand dollars and the fee to receive a final license or a renewal of a final license shall be seventy-five thousand dollars.

(4) For a micro-cultivator license, the fee to enter the lottery shall be two hundred fifty dollars, the fee to receive a provisional license shall be five hundred dollars and the fee to receive a final license or a renewal of a final license shall be one thousand dollars.

(5) (A) For a product manufacturer license, the fee to enter the lottery shall be seven hundred fifty dollars, the fee to receive a provisional license shall be five thousand dollars and the fee to receive a final license or a renewal of a final license shall be twenty-five thousand dollars.

(B) For a product manufacturer seeking authorization to expand the product manufacturer's authorized activities to include the authorized activities of a food and beverage manufacturer, the application fee for such expanded authorization shall be five thousand dollars and the fee to renew such expanded authorization shall be five thousand dollars. The fees due under this subparagraph shall be in addition to the fees due under subparagraph (A) of this subdivision.

(6) (A) For a food and beverage manufacturer license, the fee to enter the lottery shall be two hundred fifty dollars, the fee to receive a provisional license shall be one thousand dollars and the fee to receive

***Substitute House Bill No. 6699***

a final license or a renewal of a final license shall be five thousand dollars.

(B) For a food and beverage manufacturer seeking authorization to expand the food and beverage manufacturer's authorized activities to include the authorized activities of a product manufacturer, the application fee for such expanded authorization shall be twenty-five thousand dollars and the fee to renew such expanded authorization shall be twenty-five thousand dollars. The fees due under this subparagraph shall be in addition to the fees due under subparagraph (A) of this subdivision.

(7) For a product packager license, the fee to enter the lottery shall be five hundred dollars, the fee to receive a provisional license shall be five thousand dollars and the fee to receive a final license or a renewal of a final license shall be twenty-five thousand dollars.

(8) For a delivery service or transporter license, the fee to enter the lottery shall be two hundred fifty dollars, the fee to receive a provisional license shall be one thousand dollars and the fee to receive a final license or a renewal of a final license shall be five thousand dollars.

(9) For an initial or renewal of a backer license, the fee shall be one hundred dollars.

(10) For an initial or renewal of a key employee license, the fee shall be one hundred dollars.

(11) For an initial or renewal of a registration of an employee who is not a key employee, the fee shall be fifty dollars.

(12) The license conversion fee for a dispensary facility to become a hybrid retailer shall be one million dollars, except as provided in section 21a-420u, as amended by this act.

**Substitute House Bill No. 6699**

(13) The license conversion fee for a producer to engage in the adult use cannabis market shall be three million dollars, except as provided in section 21a-420l, as amended by this act.

(14) For a dispensary facility license, the fee to enter the lottery shall be five hundred dollars, the fee to receive a provisional license shall be five thousand dollars and the fee to receive a final license or a renewal of a final license shall be five thousand dollars.

(15) For a producer license, the fee to enter the lottery shall be one thousand dollars, the fee to receive a provisional license shall be twenty-five thousand dollars and the fee to receive a final license or a renewal of a final license shall be seventy-five thousand dollars.

Sec. 24. Subsection (d) of section 21a-420f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(d) On and after July 1, 2022, there is established a fund to be known as the "Prevention and Recovery Services Fund" which shall be a separate, nonlapsing fund. The fund shall contain any moneys required by law to be deposited in the fund and shall be held by the Treasurer separate and apart from all other moneys, funds and accounts. Moneys in the fund shall be appropriated for the purposes of (1) substance abuse prevention, treatment and recovery services, which may include, but need not be limited to, the (A) provision of youth cannabis use prevention services by the local advisory councils on drug use and prevention established by municipalities pursuant to subsection (a) of Section 4126 of the Drug Free Schools and Communities Act of 1986, as amended from time to time, regional behavioral health action organizations described in section 17a-484f, or youth service bureaus established pursuant to section 10-19m, and (B) development of a public awareness campaign to raise awareness of the mental and physical health risks of youth cannabis use and cannabis use by pregnant

***Substitute House Bill No. 6699***

persons, and (2) collection and analysis of data regarding substance use. The Social Equity Council may make recommendations to any relevant state agency regarding expenditures to be made for the purposes set forth in this subsection.

Sec. 25. Section 21a-420g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Social Equity Council shall review the ownership information and any other information necessary to confirm that an applicant qualifies as a social equity applicant for all cannabis establishment license type applications submitted to the department and designated by the applicant as a social equity applicant. The Social Equity Council shall prescribe the documentation necessary for applicants to submit to establish that the ownership, residency and income requirements for social equity applicants are met. On or before September 1, 2021, the Social Equity Council shall post such necessary documentation requirements on its Internet web site to inform applicants of such requirements prior to the start of the application period.

(b) Except as provided in section 21a-420o, prior to the first date that the department begins accepting applications for a license type, the department shall determine the maximum number of applications that shall be considered for such license type and post such information on its Internet web site. Fifty per cent of the maximum number of applications that shall be considered for each license type (1) shall be selected through a social equity lottery for such license type, and (2) shall be reserved by the department for social equity applicants. If, upon the close of the application period for a license type, the department receives more applications than the maximum number to be considered in total or to be reserved for social equity applicants as set forth in this subsection, [(b) of this section,] a third-party lottery operator shall conduct a lottery to identify applications for review by the department and the Social Equity Council.

***Substitute House Bill No. 6699***

(c) (1) The third-party lottery operator shall:

(A) Not be provided any application received after the close of the application period;

(B) Give equal weight to every complete application submitted during the application period; and

(C) Conduct multiple, separate geographic lotteries if required by the department.

(2) For purposes of the lottery, the third-party lottery operator shall:

(A) Conduct an independent social equity lottery and general lottery for each license type [and a separate lottery for social equity applicants of each license type] that results in each application being randomly ranked starting with one and continuing sequentially; and

(B) Rank all applications in each lottery numerically according to the order in which they were drawn, including those that exceed the number to be considered, and identify for the department all applications to be considered, [which shall consist of the applications ranked numerically one to the maximum number set forth in accordance with subsection (b) of this section.]

(d) (1) Prior to submitting an application, an applicant that is a business entity shall register such business entity with the Secretary of the State to do business in this state, and include with such application an attestation that such applicant has so registered.

(2) No applicant shall apply more than once in any application period to the social equity lottery round, if applicable, or the general lottery round. The department shall review the list of all lottery applicants in the social equity lottery round and the general lottery round, independently for each such round, to determine whether any applicant

***Substitute House Bill No. 6699***

has submitted more than one application under the same applicant name. Except as provided in subdivision (3) of this subsection, if the department determines that any applicant has submitted more than one application in the social equity lottery round or the general lottery round, all applications submitted in such round by such applicant shall be disqualified and the department shall remove all such applications from the pool of eligible applications the department provides to the third-party lottery operator for selection in such round.

(3) If a social equity application is entered into the general lottery round pursuant to subdivision (4) of subsection (e) of this section, thereby resulting in two entries by the same social equity applicant in the general lottery round, such entries shall not result in disqualification under subdivision (2) of this subsection. Such social equity applicant shall not be eligible to receive more than one license from any round of the general lottery. If such social equity applicant is selected twice for consideration in any general lottery round, the department shall disqualify the second such selection and request that the third-party lottery operator identify the next-ranked application in the applicable lottery.

(4) No disqualification under this subsection shall result in any refund of lottery fees.

(5) For the purpose of this subsection: (A) "Application period" means the established period of time within which the department may accept applications for a specific license type for the social equity or general lottery; and (B) "round" means each time a lottery is run to determine the ranking of applicants after the conclusion of an application period, either for the social equity lottery or the general lottery.

[(d)] (e) (1) Upon receipt of an application for social equity consideration or, in the case where a social equity lottery is conducted, after such lottery applicants are selected, the department shall provide

***Substitute House Bill No. 6699***

to the Social Equity Council the documentation received by the department during the application process that is required under subsection (a) of this section. No identifying information beyond what is necessary to establish social equity status shall be provided to the Social Equity Council. The Social Equity Council shall review the social equity applications to be considered as identified by the third-party lottery operator to determine whether the applicant meets the criteria for a social equity applicant. If the Social Equity Council determines that an applicant does not qualify as a social equity applicant, the application shall not be reviewed further for purposes of receiving a license designated for social equity applicants. The application shall be entered into the [other] general lottery for the applicable license type and may be reviewed further if selected through such lottery, provided the applicant pays the additional amount necessary to pay the full fee for entry into such lottery within five business days of being notified by the Social Equity Council that [it] such applicant does not qualify as a social equity applicant. Not later than thirty days after the Social Equity Council notifies an applicant [is notified of a denial of a license application under this subsection] of the Social Equity Council's determination that the applicant does not meet the criteria for a social equity applicant, the applicant may appeal [such denial] from such determination to the Superior Court in accordance with section 4-183.

(2) Upon determination by the Social Equity Council that an application selected through the lottery process does not qualify for consideration as a social equity applicant, the department shall request that the third-party lottery operator identify the next-ranked application in the [applicable] social equity lottery. This process may continue until the Social Equity Council has identified for further consideration the number of applications set forth on the department's web site pursuant to subsection (b) of this section or [the lottery indicates that] until there are no [further] remaining social equity applications to be considered.

***Substitute House Bill No. 6699***

(3) For each license type, the Social Equity Council shall identify for the department the social equity applications that qualify as social equity applicants and that should be reviewed by the department for purposes of awarding a provisional license.

(4) Any application [subject to] entered into, but not selected through, the social equity lottery [process] shall not be reviewed as a social equity application, but shall be entered into the general lottery for the [remaining applications for the] applicable license type.

(5) After receiving the list of selected social equity applications [from] reviewed and approved by the Social Equity Council, the department shall notify the third-party lottery operator, which shall then conduct [an] the independent general lottery for all remaining applicants for each license type, rank all general lottery applications numerically including those that exceed the number to be considered, and identify for the department all of the selected applications to be reviewed. The number of applications to be reviewed by the department shall consist of the applications ranked numerically one through the maximum number [set forth in accordance with subsection (b) of this section, provided that if fewer social equity applicants are identified pursuant to subdivision (3) of this subsection, the maximum number shall be the number] necessary to ensure that fifty per cent of the applications for each license type identified through the lottery process are [social equity applicants] selected from the social equity lottery and approved by the Social Equity Council.

(6) The numerical rankings created by the third-party lottery operator shall be confidential and shall not be subject to disclosure under the Freedom of Information Act, as defined in section 1-200.

[(e)] (f) The department shall review each application to be considered, as identified by the third-party lottery operator or Social Equity Council, as applicable, to confirm [it] such application is



***Substitute House Bill No. 6699***

complete and to determine whether any application: (1) Includes a backer with a disqualifying conviction; (2) [~~includes a backer that would result in common ownership in violation of~~] exceeds the cap set forth in section 21a-420i; or (3) has a backer who individually or in connection with a cannabis business in another state or country has an administrative finding or judicial decision that may substantively compromise the integrity of the cannabis program, as determined by the department, or that precludes its participation in this state's cannabis program.

[[~~(f)~~] ~~(g)~~] No additional backers may be added to a cannabis establishment application between the time of lottery entry, or any initial application for a license, and when a final license is awarded to the cannabis establishment, except, if a backer of an applicant or provisional licensee dies, the applicant or provisional licensee may apply to the commissioner to replace the deceased backer, provided if such applicant is a social equity applicant, the Social Equity Council shall review ownership to ensure such replacement would not cause the applicant to no longer qualify as a social equity applicant. A backer may be removed from a cannabis establishment application selected through the general lottery at any time upon notice to the department.

[[~~(g)~~] ~~(h)~~] If an applicant [~~or a single backer of an applicant~~] is disqualified on the basis of any of the criteria set forth in subsection [[~~(e)~~] ~~(f)~~] of this section, the entire application shall be denied, and such denial shall be a final decision of the department [, provided backers of the applicant entity named in the lottery application submission may be removed prior to submission of a final license application unless such removal would result in a social equity applicant no longer qualifying as a social equity applicant. If] unless the applicant removes [~~any backer~~] from such application all backers that would cause [~~the applicant to be denied based on subsection (e) of this section, then the applicant entity shall not be denied due to such backer's prior~~]

***Substitute House Bill No. 6699***

involvement if such backer is removed within thirty days of notice by the department of the disqualification of a backer] such denial not later than thirty days after the department sends notice to the applicant disclosing such denial. Any change to a social equity applicant shall be reviewed and approved by the Social Equity Council before such change is reviewed by the department. Not later than thirty days after [service of] the department sends notice [upon] to the applicant [of a] disclosing such denial, the applicant may appeal such denial to the Superior Court. [in accordance with section 4-183.]

[(h)] (i) For each application denied pursuant to subsection [(e)] (f) of this section, the department may, within its discretion, request that the third-party lottery operator identify the next-ranked application in the applicable lottery. If the applicant that was denied was a social equity applicant, the next ranked social equity applicant shall first be reviewed by the Social Equity Council to confirm that the applicant qualifies as a social equity applicant prior to being further reviewed by the department. This process may continue until the department has identified for further consideration the number of applications equivalent to the maximum number set forth on its Internet web site pursuant to subsection (b) of this section. If the number of applications remaining is less than the maximum number posted on the department's Internet web site, the department shall award fewer licenses. To the extent the denials result in less than fifty per cent of applicants being social equity applicants, the department shall continue to review and issue provisional and final licenses for the remaining applications, but shall reopen the application period only for social equity applicants.

[(i)] (j) All applicants selected in the lottery and not denied shall be provided a provisional license application, which shall be submitted in a form and manner prescribed by the commissioner. [Applicants] Lottery applicants shall have sixty days from the date they receive their

***Substitute House Bill No. 6699***

provisional application to complete the application. The right to apply for a provisional license is nontransferable. Upon receiving a provisional application from an applicant, the department shall review the application for completeness and to confirm that all information provided is acceptable and in compliance with this section and any regulations adopted under this section. If a provisional application does not meet the standards set forth in this section, the applicant shall not be provided a provisional license. A provisional license issued by the department to an applicant on or before June 30, 2023, other than a provisional license issued pursuant to section 21a-420o, shall expire twenty-four months after the date on which the department issued such provisional license and shall not be renewed. A provisional license issued by the department to an applicant on or after July 1, 2023, other than a provisional license issued pursuant to section 21a-420o, shall expire after fourteen months and shall not be renewed. Upon granting a provisional license, the department shall notify the applicant of the project labor agreement requirements of section 21a-421e. A provisional licensee may apply for a final license of the license type for which the licensee applied during the initial application period. A provisional license shall be nontransferable. If the provisional application does not meet the standards set forth in this section or is not completed within sixty days, the applicant shall not receive a provisional license. The decision of the department not to award a provisional license shall be final and may be appealed in accordance with section 4-183. Nothing in this section shall prevent a provisional applicant from submitting an application for a future lottery.

~~[(j)]~~ (k) Final license applications shall be submitted on a form and in a manner approved by the commissioner and shall include, but not be limited to, the information set forth in this section, as well as evidence of the following:

- (1) A contract with an entity providing an approved electronic

***Substitute House Bill No. 6699***

tracking system as set forth in section 21a-421n;

(2) A right to occupy the location at which the cannabis establishment operation will be located;

(3) Any necessary local zoning approval for the cannabis establishment operation;

(4) A labor peace agreement complying with section 21a-421d, as amended by this act, has been entered into between the cannabis establishment and a bona fide labor organization, as defined in section 21a-421d, as amended by this act;

(5) A certification by the applicant that a project labor agreement complying with section 21a-421e will be entered into by the cannabis establishment prior to construction of any facility to be used in the operation of a cannabis establishment;

(6) A social equity plan approved by the Social Equity Council;

(7) A workforce development plan approved by the Social Equity Council;

(8) Written policies for preventing diversion and misuse of cannabis and sales to underage persons; and

(9) All other security requirements set forth by the department based on the specific license type.

[(k)] (l) At any point prior to the expiration of the provisional license, the department may award a provisional licensee a final license for the license type for which the licensee applied. Prior to receiving final license approval, a provisional licensee shall not possess, distribute, manufacture, sell or transfer cannabis. The department may conduct site inspections prior to issuing a final license.

***Substitute House Bill No. 6699***

[(l)] (m) At any time after receiving a final license, a cannabis establishment may begin operations, provided all other requirements for opening a business in compliance with the laws of this state are complete and all employees have been registered and all key employees and backers have been licensed, with the department.

Sec. 26. Subsection (e) of section 21a-420j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(e) Equity joint ventures that are retailers or hybrid retailers that share a common [cultivator or] cultivator backer or owner shall not be located within twenty miles of [another commonly owned equity joint venture] each other.

Sec. 27. Subsection (d) of section 21a-420l of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(d) For purposes of this section, "social equity partner" means a person that is controlled, and at least sixty-five per cent owned, [and controlled] by an individual or individuals, or such applicant is an individual, who:

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

(2) (A) Was a resident of a disproportionately impacted area for not less than five of the ten years immediately preceding the date of such application; or

(B) Was a resident of a disproportionately impacted area for not less than nine years prior to attaining the age of eighteen.

***Substitute House Bill No. 6699***

Sec. 28. Subsections (b) to (f), inclusive, of section 21a-420m of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(b) The equity joint venture shall be in any cannabis establishment licensed business, other than a cultivator license, provided such equity joint venture is at least fifty per cent owned and controlled by an individual or individuals who meet, or the equity joint venture applicant is an individual who meets, the criteria established in subparagraphs (A) and (B) of subdivision [(48)] (50) of section 21a-420, as amended by this act.

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

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

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

(f) Equity joint ventures that are retailers or hybrid retailers that share

***Substitute House Bill No. 6699***

a common [producer or] producer backer [and that are retailers or hybrid retailers] or owner shall not be located within twenty miles of [another commonly owned equity joint venture] each other.

Sec. 29. Subsection (d) of section 21a-420n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(d) A cultivator may sell, transfer or transport its cannabis to a dispensary facility, hybrid retailer, retailer, food and beverage manufacturer, product manufacturer, research program, cannabis testing laboratory or product packager utilizing its own employees or a transporter. A cultivator shall not sell, transfer or deliver to consumers, qualifying patients or caregivers, directly or through a delivery service.

Sec. 30. Subsection (e) of section 21a-420p of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(e) A micro-cultivator may sell, transfer or transport its cannabis to a dispensary facility, hybrid retailer, retailer, delivery service, food and beverage manufacturer, product manufacturer, research program, cannabis testing laboratory or product packager, provided the cannabis is cultivated, grown and propagated at the micro-cultivator's licensed establishment and transported utilizing the micro-cultivator's own employees or a transporter. A micro-cultivator shall not gift or transfer cannabis or cannabis products at no cost to a consumer as part of a commercial transaction.

Sec. 31. Subsection (b) of section 21a-420r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(b) A retailer may obtain cannabis from a cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product

***Substitute House Bill No. 6699***

manufacturer or transporter or an undeliverable return from a delivery service. A retailer may sell, transport or transfer cannabis or cannabis products to a delivery service, cannabis testing laboratory or research program. A retailer may sell cannabis to a consumer or research program. A retailer may not conduct sales of medical marijuana products nor offer discounts or other inducements to qualifying patients or caregivers. A retailer shall not gift or transfer cannabis at no cost to a consumer as part of a commercial transaction.

Sec. 32. Subsection (b) of section 21a-420s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(b) A hybrid retailer may obtain cannabis from a cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product manufacturer or transporter. In addition to the activities authorized under section 21a-420t, a hybrid retailer may sell, transport or transfer cannabis to a delivery service, cannabis testing laboratory or research program. A hybrid retailer may sell cannabis products to a consumer or research program. A hybrid retailer shall not gift or transfer cannabis at no cost to a consumer, qualifying patient or caregiver as part of a commercial transaction.

Sec. 33. Subsections (b) to (f), inclusive, of section 21a-420u of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(b) Any equity joint venture created under this section shall be created for the development of a cannabis establishment, other than a cultivator, provided such equity joint venture is at least fifty per cent owned and controlled by an individual or individuals who meet, or the equity joint venture applicant is an individual who meets, the criteria established in subparagraphs (A) and (B) of subdivision [(48)] (50) of section 21a-420, as amended by this act.



**Substitute House Bill No. 6699**

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

(d) Upon receipt of written approval of the equity joint venture by the Social Equity Council, the equity joint venture applicant shall apply for a license from the department in the same form as required by all other licensees of the same license type and subject to the same fees as required by all other licensees of the same license type, except that such application shall not be subject to the lottery process.

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

(f) Equity joint ventures that are retailers or hybrid retailers that share a common [dispensary facility or] dispensary facility backer or owner, or hybrid retailer backer or owner, shall not be located within twenty miles of [another commonly owned equity joint venture] each other.

Sec. 34. Section 21a-420w of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) On and after July 1, 2021, the department may issue or renew a license for a person to be a food and beverage manufacturer. No person may act as a food and beverage manufacturer or represent that such person is a licensed food and beverage manufacturer unless such person

***Substitute House Bill No. 6699***

has obtained a license from the department pursuant to this section.

(b) A food and beverage manufacturer may incorporate cannabis into foods or beverages as an ingredient. A food and beverage manufacturer shall not perform extraction of cannabis into a cannabis concentrate nor create any product that is not a food or beverage intended to be consumed by humans.

(c) A food and beverage manufacturer may package or label any food or beverage prepared by the food and beverage manufacturer at the establishment subject to the license.

(d) A food and beverage manufacturer may sell, transfer or transport its own products to a cannabis establishment, cannabis testing laboratory or research program, utilizing its employees or a transporter. A food and beverage manufacturer may not deliver any cannabis, cannabis products or food or beverage incorporating cannabis to a consumer, directly or through a delivery service.

(e) All products created by a food and beverage manufacturer shall be labeled in accordance with the policies and procedures issued by the commissioner to implement, and any regulations adopted pursuant to, RERACA as well as federal Food and Drug Administration and United States Department of Agriculture requirements.

(f) A food and beverage manufacturer shall ensure all equipment utilized for manufacturing, processing and packaging cannabis is sanitary and inspected regularly to deter the adulteration of cannabis in accordance with RERACA as well as federal Food and Drug Administration and United States Department of Agriculture requirements.

(g) (1) A food and beverage manufacturer may expand the food and beverage manufacturer's authorized activities to include the authorized activities of a product manufacturer if: (A) The food and beverage

***Substitute House Bill No. 6699***

manufacturer submits to the department (i) a completed license expansion application on a form and in a manner prescribed by the commissioner, and (ii) the fee prescribed in subparagraph (B) of subdivision (6) of subsection (c) of section 21a-420e, as amended by this act; and (B) the commissioner authorizes the food and beverage manufacturer, in writing, to expand such food and beverage manufacturer's authorized activities to include the authorized activities of a product manufacturer.

(2) A food and beverage manufacturer that expands the food and beverage manufacturer's authorized activities to include the authorized activities of a product manufacturer under this subsection shall comply with all provisions of this chapter, and all regulations, policies and procedures prescribed pursuant to this chapter, concerning product manufacturers. In the event of a conflict between any provision of this chapter, or any regulation, policy or procedure prescribed pursuant to this chapter, concerning food and beverage manufacturers and any such provision, regulation, policy or procedure concerning product manufacturers, the provision, regulation, policy or procedure imposing the more stringent public health and safety standard shall prevail.

Sec. 35. Section 21a-420x of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) On and after July 1, 2021, the department may issue or renew a license for a person to be a product manufacturer. No person may act as a product manufacturer or represent that such person is a licensed product manufacturer unless such person has obtained a license from the department pursuant to this section.

(b) A product manufacturer may perform cannabis extractions, chemical synthesis and all other manufacturing activities authorized by the commissioner and published on the department's Internet web site.

***Substitute House Bill No. 6699***

(c) A product manufacturer may package and label cannabis manufactured at its establishment subject to the license.

(d) A product manufacturer may sell, transfer or transport its own products to a cannabis establishment, cannabis testing laboratory or research program, provided such transportation is performed by utilizing its own employees or a transporter. A product manufacturer may not deliver any cannabis to a consumer directly or through a delivery service.

(e) All products created by a product manufacturer shall be labeled in accordance with the policies and procedures issued by the commissioner to implement, and any regulations adopted pursuant to, RERACA as well as federal Food and Drug Administration requirements.

(f) A product manufacturer shall ensure all equipment utilized for manufacturing, extracting, processing and packaging cannabis is sanitary and inspected regularly to deter the adulteration of cannabis in accordance with RERACA as well as federal Food and Drug Administration requirements.

(g) (1) A product manufacturer may expand the product manufacturer's authorized activities to include the authorized activities of a food and beverage manufacturer if: (A) The product manufacturer submits to the department (i) a completed license expansion application on a form and in a manner prescribed by the commissioner, and (ii) the fee prescribed in subparagraph (B) of subdivision (5) of subsection (c) of section 21a-420e, as amended by this act; and (B) the commissioner authorizes the product manufacturer, in writing, to expand such product manufacturer's authorized activities to include the authorized activities of a food and beverage manufacturer.

(2) All equipment that a product manufacturer utilizes to

***Substitute House Bill No. 6699***

manufacture edible cannabis products shall be sanitary and regularly inspected in accordance with all applicable requirements established: (A) In this chapter and the regulations, policies and procedures adopted pursuant to this chapter; (B) by the United States Department of Agriculture; and (C) by the United States Food and Drug Administration.

(3) A product manufacturer shall label all edible cannabis products that such product manufacturer manufactures in accordance with all applicable requirements established: (A) In this chapter and the regulations, policies and procedures adopted pursuant to this chapter; (B) by the United States Department of Agriculture; and (C) by the United States Food and Drug Administration.

(4) A product manufacturer that expands the product manufacturer's authorized activities to include the authorized activities of a food and beverage manufacturer under this subsection shall comply with all provisions of this chapter, and all regulations, policies and procedures prescribed pursuant to this chapter, concerning food and beverage manufacturers. In the event of a conflict between any provision of this chapter, or any regulation, policy or procedure prescribed pursuant to this chapter, concerning product manufacturers and any such provision, regulation, policy or procedure concerning food and beverage manufacturers, the provision, regulation, policy or procedure imposing the more stringent public health and safety standard shall prevail.

Sec. 36. Subsection (b) of section 21a-420y of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(b) A product packager may obtain cannabis from a producer, cultivator, micro-cultivator, food and beverage manufacturer or a product manufacturer, provided the product packager utilizes its own employees or a transporter. The product packager may sell, transfer or

***Substitute House Bill No. 6699***

transport cannabis to and from any cannabis establishment, cannabis testing laboratory or research program, provided the product packager only transports cannabis packaged at its licensed establishment and utilizing its own employees or a transporter.

Sec. 37. Section 21a-420z of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) On and after July 1, 2021, the department may issue or renew a license for a person to be a delivery service or a transporter. No person may act as a delivery service or transporter or represent that such person is a licensed delivery service or transporter unless such person has obtained a license from the department pursuant to this section.

(b) Upon application for a delivery service or transporter license, the applicant shall indicate whether the applicant is applying to transport cannabis (1) between cannabis establishments, in which case the applicant shall apply for a transporter license, or (2) from certain cannabis establishments to consumers or qualifying patients and caregivers, or a combination thereof, in which case the applicant shall apply for a delivery service license.

(c) A delivery service may (1) deliver cannabis from a micro-cultivator, retailer, or hybrid retailer directly to a consumer, and (2) deliver cannabis and medical marijuana products from a hybrid retailer or dispensary facility directly to a qualifying patient, caregiver, or hospice or other inpatient care facility licensed by the Department of Public Health pursuant to chapter 368v that has protocols for the handling and distribution of cannabis that have been approved by the Department of Consumer Protection. A delivery service may not store or maintain control of cannabis or medical marijuana products for more than twenty-four hours between the point when a consumer, qualifying patient, caregiver or facility places an order, until the time that the cannabis or medical marijuana product is delivered to such consumer,

***Substitute House Bill No. 6699***

qualifying patient, caregiver or facility.

(d) A transporter may deliver cannabis between cannabis establishments, research programs and cannabis testing laboratories and shall not store or maintain control of cannabis for more than twenty-four hours from the time the transporter obtains the cannabis from a cannabis establishment, research program or cannabis testing laboratory until the time such cannabis is delivered to the destination.

(e) The commissioner shall adopt regulations, in accordance with chapter 54, to implement the provisions of RERACA. Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, in order to effectuate the purposes of RERACA and protect public health and safety, prior to adopting such regulations the commissioner shall issue policies and procedures to implement the provisions of this section that shall have the force and effect of law. The commissioner shall post all policies and procedures on the department's Internet web site, and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. Any such policy or procedure shall no longer be effective upon the earlier of either adoption of such policy or procedure as a final regulation under section 4-172 or forty-eight months from July 1, 2021, if such final regulations have not been submitted to the legislative regulation review committee for consideration under section 4-170. The commissioner shall issue policies and procedures, and thereafter adopt final regulations, requiring that: (1) The delivery service and transporter meet certain security requirements related to the storage, handling and transport of cannabis, the vehicles employed, the conduct of employees and agents, and the documentation that shall be maintained by the delivery service, transporter and its drivers; (2) a delivery service that delivers cannabis to consumers maintain an online interface that verifies the age of consumers ordering cannabis for delivery and meets certain

**Substitute House Bill No. 6699**

specifications and data security standards; and (3) a delivery service that delivers cannabis to consumers, qualifying patients or caregivers, and all employees and agents of such licensee, to verify the identity of the qualifying patient, caregiver or consumer and the age of the consumer upon delivery of cannabis to the end consumer, qualifying patient or caregiver, in a manner acceptable to the commissioner. The individual placing the cannabis order shall be the individual accepting delivery of the cannabis except, in the case of a qualifying patient, the individual accepting the delivery may be the caregiver of such qualifying patient.

(f) A delivery service shall not gift or transfer cannabis at no cost to a consumer or qualifying patient or caregiver as part of a commercial transaction.

(g) A delivery service that employs twelve or more individuals to deliver cannabis pursuant to subsection (c) of this section may only use individuals employed on a full-time basis, not less than thirty-five hours a week, to deliver cannabis pursuant to subsection (c) of this section. Any delivery service employees who deliver cannabis shall be registered with the department, and a delivery service shall not employ more than twenty-five such delivery employees at any given time.

(h) No provision of this section shall be construed to excuse any delivery service from the requirement that such delivery service enter into a labor peace agreement with a bona fide labor organization under section 21a-421d, as amended by this act.

Sec. 38. Subsection (a) of section 21a-421a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) Each employee of a cannabis establishment, cannabis testing laboratory or research program, other than a key employee, shall annually apply for and obtain a registration, on a form and in a manner



***Substitute House Bill No. 6699***

prescribed by the commissioner, prior to commencing employment at the cannabis establishment business.

Sec. 39. Section 21a-421b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) For the purposes of this section:

(1) "Applicant" means an entity applying for an initial or renewal cannabis establishment or cannabis testing laboratory license;

(2) "Entity" means an association, company, corporation, organization, partnership, sole proprietorship or trust;

(3) "Executive managerial control" means, with respect to an individual, the authority or power to direct or influence the direction or operation of an applicant through agreement, board membership, contract or voting power;

(4) "Manager" means an individual who is not a key employee and has (A) an ownership interest in an applicant, and (B) executive managerial control of an applicant;

(5) "Owner" means an individual who has more than a five per cent ownership interest in an applicant; and

(6) "Ownership interest" means the possession of equity in the assets, capital, profits or stock of an applicant.

[(a) On and after July 1, 2021, the] (b) The commissioner shall require [all individuals listed on an application for a cannabis establishment license, laboratory or research program license, or key employee license to submit to] that a fingerprint-based state and national criminal history records [checks before such license is issued. The criminal history records checks required pursuant to this subsection shall] check be conducted in accordance with section 29-17a [. Upon renewal, the] for

***Substitute House Bill No. 6699***

each key employee, manager and owner of an applicant. The commissioner may require [all individuals listed on an application for a cannabis establishment license, laboratory or research program license, or key employee license to be fingerprinted and] such key employees, managers and owners to submit to a state and national criminal history records check conducted in accordance with section 29-17a before [such renewal] issuing a license [is issued] renewal.

(c) A key employee, manager or owner shall be denied a license in the event that the key employee's background check reveals a disqualifying conviction.

~~[(b)]~~ (d) The department shall charge the applicant a fee equal to the amount charged to the department to conduct a state and national criminal history records check of the applicant.

Sec. 40. Section 21a-421d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) As used in this section:

(1) "Bona fide labor organization" means (A) with respect to a labor peace agreement entered into on or before September 30, 2023, a labor union that [(A)] (i) represents employees in this state with regard to wages, hours and working conditions, [(B)] (ii) whose officers have been elected by a secret ballot or otherwise in a manner consistent with federal law, [(C)] (iii) is free of domination or interference by any employer and has received no improper assistance or support from any employer, and [(D)] (iv) is actively seeking to represent cannabis workers in the state, and (B) with respect to a labor peace agreement entered into on or after October 1, 2023, a labor union that is included on the list established and periodically updated by the department pursuant to subsection (b) of this section;

(2) "Labor peace agreement" means an agreement between a cannabis

***Substitute House Bill No. 6699***

establishment and a bona fide labor organization under this section pursuant to which the owners and management of the cannabis establishment agree not to lock out employees and that prohibits the bona fide labor organization from engaging in picketing, work stoppages or boycotts against the cannabis establishment;

(3) "Cannabis establishment", "dispensary facility" and "producer" have the same meanings as provided in section 21a-420, as amended by this act; and

(4) "Licensee" means a cannabis establishment licensee, dispensary facility or producer.

(b) (1) Not later than October 1, 2023, the department shall establish and periodically update a list of labor unions that (A) are actively seeking to represent cannabis workers in this state, and (B) satisfy the criteria established in subdivision (2) of this subsection.

(2) Not later than September 1, 2023, the department shall accept applications for inclusion on the list established pursuant to subdivision (1) of this subsection. Any labor union that wishes to be included on such list shall submit an application to the department, in a form and manner prescribed by the department. As part of such application, such labor union shall attest, under penalty of false statement, that such labor union:

(A) Is actively seeking to represent cannabis workers in this state;

(B) Satisfies at least two of the following criteria:

(i) Such labor union represents employees in this state with regard to wages, hours and working conditions;

(ii) Such labor union has been recognized or certified as the bargaining representative for cannabis employees employed at cannabis

***Substitute House Bill No. 6699***

establishments in this state;

(iii) Such labor union has executed one or more collective bargaining agreements with cannabis establishment employers in this state, which agreement or agreements remain effective on the date of such labor union's application under this subsection; or

(iv) Such labor union has spent resources as part of one or more attempts to organize and represent cannabis workers employed at cannabis establishments in the state, which attempt or attempts remain active on the date of such labor union's application under this subsection;

(C) Has filed the annual report required by 29 USC 431(b) for the three years immediately preceding the date of such labor union's application under this subsection;

(D) Has audited financial reports covering the three years immediately preceding the date of such labor union's application under this subsection;

(E) Was governed by a written constitution or bylaws for the three years immediately preceding the date of such labor union's application under this subsection;

(F) Is affiliated with regional or national associations of unions, including, but not limited to, central labor councils;

(G) Is overseen by officers elected by secret ballot or otherwise in a manner consistent with federal law;

(H) Is free from domination or interference by any employer; and

(I) Has not received any improper assistance or support from any employer.

***Substitute House Bill No. 6699***

(3) In the event of any change in the information that a labor union submits to the department under this subsection, the labor union shall correct or update such information, in a form and manner prescribed by the department, not later than thirty days after the date of such change.

(4) In the event that a labor union no longer satisfies the criteria established in subdivision (2) of this subsection, the labor union shall notify the department, in a form and manner prescribed by the department and not later than thirty days after such labor union no longer satisfies such criteria, that such labor union no longer satisfies such criteria. The department shall remove such labor union from the list prepared pursuant to subdivision (1) of this subsection.

[[b)] (c) Any provisional cannabis establishment licensee, dispensary facility or producer shall, as a condition of its final license approval, license conversion or approval for expanded authorization, respectively, enter into a labor peace agreement with a bona fide labor organization. Any such labor peace agreement shall contain a clause that the parties agree that final and binding arbitration by a neutral arbitrator will be the exclusive remedy for any violation of such agreement.

[[c)] (d) Notwithstanding the provisions of chapter 54, if an arbitrator finds that a licensee failed to comply with an order issued by the arbitrator to correct a failure to abide by such agreement, upon receipt of a written copy of such finding, the department shall suspend the licensee's license without further administrative proceedings or formal hearing.

[[d)] (e) A licensee or bona fide labor organization may commence a civil action in the Superior Court in the judicial district where the facility used in the operation of a cannabis establishment is located to enforce the arbitration award or to lift the license suspension. The license shall remain suspended until such time that: (1) [the] The arbitrator notifies,

**Substitute House Bill No. 6699**

or both of the parties to the arbitration notify, the department that the licensee is in compliance with the arbitration award; (2) both of the parties to the arbitration notify the department that they have satisfactorily resolved their dispute; (3) the court, after hearing, lifts the suspension; or (4) the court, after hearing, orders alternative remedies, which may include, but need not be limited to, ordering the department to revoke the license or ordering the appointment of a receiver to properly dispose of any cannabis inventory. Except as provided in subsection [(e)] (f) of this section, during such time that a license is suspended pursuant to this section, the licensee may engage in conduct necessary to maintain and secure the cannabis inventory, but may not sell, transport or transfer cannabis to another cannabis establishment, consumer or laboratory, unless such sale or transfer is associated with a voluntary surrender of license and a cannabis disposition plan approved by the commissioner.

[(e)] (f) A producer, cultivator or micro-cultivator may sell, transport or transfer cannabis to a product packager, food or beverage manufacturer, product manufacturer, dispensary facility or hybrid retailer for the sale of products to qualified patients or caregivers, which products shall be labeled "For Medical Use Only".

Sec. 41. Section 21a-421j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) As used in this section, "total THC" has the same meaning as provided in section 21a-240, as amended by this act.

(b) The commissioner shall adopt regulations in accordance with chapter 54 to implement the provisions of RERACA. Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, in order to effectuate the purposes of RERACA and protect public health and safety, prior to adopting such regulations the commissioner shall issue policies and procedures to implement the provisions of RERACA that

***Substitute House Bill No. 6699***

shall have the force and effect of law. The commissioner shall post all policies and procedures on the department's Internet web site and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. The commissioner shall also provide such policies and procedures, in a manner prescribed by the commissioner, to each licensee. Any such policy or procedure shall no longer be effective upon the earlier of either the adoption of the policy or procedure as a final regulation under section 4-172 or forty-eight months from June 22, 2021, if such regulations have not been submitted to the legislative regulation review committee for consideration under section 4-170. The commissioner shall issue policies and procedures and thereafter final regulations that include, but are not limited to, the following:

(1) Setting appropriate dosage, potency, concentration and serving size limits and delineation requirements for cannabis, provided a standardized serving of edible cannabis product or beverage, other than a medical marijuana product, shall contain not more than five milligrams of THC. [;]

(2) Requiring that each single standardized serving of cannabis product in a multiple-serving edible product or beverage is physically demarked in a way that enables a reasonable person to determine how much of the product constitutes a single serving and a maximum amount of THC per multiple-serving edible cannabis product or beverage. [;]

(3) Requiring that, if it is impracticable to clearly demark every standardized serving of cannabis product or to make each standardized serving easily separable in an edible cannabis product or beverage, the product, other than cannabis concentrate or medical marijuana product, shall contain not more than five milligrams of THC per unit of sale. [;]

***Substitute House Bill No. 6699***

(4) Establishing, in consultation with the Department of Mental Health and Addiction Services, consumer health materials that shall be posted or distributed, as specified by the commissioner, by cannabis establishments to maximize dissemination to cannabis consumers. Consumer health materials may include pamphlets, packaging inserts, signage, online and printed advertisements and advisories and printed health materials. [;]

(5) Imposing labeling and packaging requirements for cannabis sold by a cannabis establishment that include, but are not limited to, the following:

(A) [A] Inclusion of universal [symbol] symbols to indicate that cannabis, or a cannabis product, [contains cannabis] contains THC and is not legal or safe for individuals younger than twenty-one years of age, and prescribe how such product and product packaging shall utilize and exhibit such [symbol;] symbols.

(B) A disclosure concerning the length of time it typically takes for the cannabis to affect an individual, including that certain forms of cannabis take longer to have an effect. [;]

(C) A notation of the amount of cannabis the cannabis product is considered the equivalent to. [;]

(D) A list of ingredients and all additives for cannabis. [;]

(E) Child-resistant, tamper-resistant and light-resistant packaging, including requiring that an edible product be individually wrapped. [;] For the purposes of this subparagraph, packaging shall be deemed to be (i) child-resistant if the packaging satisfies the standard for special packaging established in 16 CFR 1700.1(b)(4), as amended from time to time, (ii) tamper-resistant if the packaging has at least one barrier to, or indicator of, entry that would preclude the contents of such packaging from being accessed or adulterated without indicating to a reasonable



***Substitute House Bill No. 6699***

person that such packaging has been breached, and (iii) light-resistant if the packaging is entirely and uniformly opaque and protects the entirety of the contents of such packaging from the effects of light.

(F) Packaging for cannabis intended for multiple servings to be resealable in such a manner so as to render such packaging continuously child-resistant, as described in subparagraph (E)(i) of this subdivision, and preserve the integrity of the contents of such packaging.

(G) Impervious packaging that protects the contents of such packaging from contamination and exposure to any toxic or harmful substance, including, but not limited to, any glue or other adhesive or substance that is incorporated in such packaging.

[(F)] (H) Product tracking information sufficient to determine where and when the cannabis was grown and manufactured such that a product recall could be effectuated. [;]

[(G)] (I) A net weight statement. [;]

[(H)] (J) A recommended use by or expiration date. [; and]

[(I)] (K) Standard and uniform packaging and labeling, including, but not limited to, requirements (i) regarding branding or logos, (ii) that all packaging be opaque, and (iii) that amounts and concentrations of THC and cannabidiol, per serving and per package, be clearly marked on the packaging or label of any cannabis product sold. [;]

(L) For any cannabis concentrate cannabis product that contains a total THC percentage greater than thirty per cent, a warning that such cannabis product is a high-potency product and may increase the risk of psychosis.

(M) Chemotypes, which shall be displayed as (i) "High THC, Low CBD" where the ratio of THC to CBD is greater than five to one and the

***Substitute House Bill No. 6699***

total THC percentage is at least fifteen per cent, (ii) "Moderate THC, Moderate CBD" where the ratio of THC to CBD is at least one to five but not greater than five to one and the total THC percentage is greater than five per cent but less than fifteen per cent, (iii) "Low THC, High CBD" where the ratio of THC to CBD is less than one to five and the total THC percentage is not greater than five per cent, or (iv) the chemotype described in clause (i), (ii) or (iii) of this subparagraph that most closely fits the cannabis or cannabis product, as determined by mathematical analysis of the ratio of THC to CBD, where such cannabis or cannabis product does not fit a chemotype described in clause (i), (ii) or (iii) of this subparagraph.

(N) A requirement that, prior to being sold and transferred to a consumer, qualifying patient or caregiver, cannabis packaging be clearly labeled, whether printed directly on such packaging or affixed by way of a separate label, other than an extended content label, with:

(i) A unique identifier generated by a cannabis analytic tracking system maintained by the department and used to track cannabis under the policies and procedures issued, and final regulations adopted, by the commissioner pursuant to this section; and

(ii) The following information concerning the cannabis contained in such packaging, which shall be in legible English, black lettering, Times New Roman font, flat regular typeface, on a contrasting background and in uniform size of not less than one-tenth of one inch, based on a capital letter "K", which information shall also be available on the Internet web site of the cannabis establishment that sells and transfers such cannabis:

(I) The name of such cannabis, as registered with the department under the policies and procedures issued, and final regulations adopted, by the commissioner pursuant to this section.

***Substitute House Bill No. 6699***

(II) The expiration date, which shall not account for any refrigeration after such cannabis is sold and transferred to the consumer, qualifying patient or caregiver.

(III) The net weight or volume, expressed in metric and imperial units.

(IV) The standardized serving size, expressed in customary units, and the number of servings included in such packaging, if applicable.

(V) Directions for use and storage.

(VI) Each active ingredient comprising at least one per cent of such cannabis, including cannabinoids, isomers, esters, ethers and salts and salts of isomers, esters and ethers, and all quantities thereof expressed in metric units and as a percentage of volume.

(VII) A list of all known allergens, as identified by the federal Food and Drug Administration, contained in such cannabis, or the denotation "no known FDA identified allergens" if such cannabis does not contain any allergen identified by the federal Food and Drug Administration.

(VIII) The following warning statement within, and outlined by, a red box:

"This product is not FDA-approved, may be intoxicating, cause long-term physical and mental health problems, and have delayed side effects. It is illegal to operate a vehicle or machinery under the influence of cannabis. Keep away from children."

(IX) At least one of the following warning statements, rotated quarterly on an alternating basis:

"Warning: Frequent and prolonged use of cannabis can contribute to mental health problems over time, including anxiety, depression, stunted brain development and impaired memory."

***Substitute House Bill No. 6699***

"Warning: Consumption while pregnant or breastfeeding may be harmful."

"Warning: Cannabis has intoxicating effects and may be habit-forming and addictive."

"Warning: Consuming more than the recommended amount may result in adverse effects requiring medical attention."

(X) All information necessary to comply with labeling requirements imposed under the laws of this state or federal law, including, but not limited to, sections 21a-91 to 21a-120, inclusive, and 21a-151 to 21a-159, inclusive, the Federal Food, Drug and Cosmetic Act, 21 USC 301 et seq., as amended from time to time, and the federal Fair Packaging and Labeling Act, 15 USC 1451 et seq., as amended from time to time, for similar products that do not contain cannabis.

(XI) Such additional warning labels for certain cannabis products as the commissioner may require and post on the department's Internet web site.

(6) Establishing laboratory testing standards. [;]

(7) Restricting forms of cannabis products and cannabis product delivery systems to ensure consumer safety and deter public health concerns. [;]

(8) Prohibiting certain manufacturing methods, or inclusion of additives to cannabis products, including, but not limited to, (A) added flavoring, terpenes or other additives unless approved by the department, or (B) any form of nicotine or other additive containing nicotine. [;]

(9) Prohibiting cannabis product types that appeal to children. [;]

(10) Establishing physical and cyber security requirements related to

***Substitute House Bill No. 6699***

build out, monitoring and protocols for cannabis establishments as a requirement for licensure. [;]

(11) Placing temporary limits on the sale of cannabis in the adult-use market, if deemed appropriate and necessary by the commissioner, in response to a shortage of cannabis for qualifying patients. [;]

(12) Requiring retailers and hybrid retailers to make best efforts to provide access to (A) low-dose THC products, including products that have one milligram and two and a half milligrams of THC per dose, and (B) high-dose CBD products. [;]

(13) Requiring producers, cultivators, micro-cultivators, product manufacturers and food and beverage manufacturers to register brand names for cannabis, in accordance with the policies and procedures and subject to the fee set forth in, regulations adopted under chapter 420f. [;]

(14) Prohibiting a cannabis establishment from selling, other than the sale of medical marijuana products between cannabis establishments and the sale of cannabis to qualified patients and caregivers, (A) cannabis flower or other cannabis plant material with a total THC concentration greater than thirty per cent on a dry-weight basis, and (B) any cannabis product other than cannabis flower and cannabis plant material with a total THC concentration greater than sixty per cent on a dry-weight basis, except that the provisions of subparagraph (B) of this subdivision shall not apply to the sale of prefilled cartridges for use in an electronic cannabis delivery system, as defined in section 19a-342a and the department may adjust the percentages set forth in subparagraph (A) or (B) of this subdivision in regulations adopted pursuant to this section for purposes of public health or to address market access or shortage. As used in this subdivision, ["total THC" has the same meaning as provided in section 21a-240 and] "cannabis plant material" means material from the cannabis plant, as defined in section 21a-279a. [; and]

***Substitute House Bill No. 6699***

(15) Permitting the outdoor cultivation of cannabis.

(16) Prohibiting packaging that is (A) visually similar to any commercially similar product that does not contain cannabis, or (B) used for any good that is marketed to individuals reasonably expected to be younger than twenty-one years of age.

(17) Allowing packaging to include a picture of the cannabis product and contain a logo of one cannabis establishment, which logo may be comprised of not more than three colors and provided neither black nor white shall be considered one of such three colors.

(18) Requiring packaging to (A) be entirely and uniformly one color, and (B) not incorporate any information, print, embossing, debossing, graphic or hidden feature, other than any permitted or required label.

(19) Requiring that packaging and labeling for an edible cannabis product, excluding the warning labels required under this subsection and a picture of the cannabis product described in subdivision (17) of this subsection but including, but not limited to, the logo of the cannabis establishment, shall only be comprised of black and white or a combination thereof.

(20) (A) Except as provided in subparagraph (B) of this subdivision, requiring that delivery device cartridges be labeled, in a clearly legible manner and in as large a font as the size of the device reasonably allows, with only the following information (i) the name of the cannabis establishment where the cannabis is grown or manufactured, (ii) the cannabis brand, (iii) the total THC and total CBD content contained within the delivery device cartridge, (iv) the expiration date, and (v) the unique identifier generated by a cannabis analytic tracking system maintained by the department and used to track cannabis under the policies and procedures issued, and final regulations adopted, by the commissioner pursuant to this section.

***Substitute House Bill No. 6699***

(B) A cannabis establishment may emboss, deboss or similarly print the name of the cannabis establishment's business entity, and one logo with not more than three colors, on a delivery device cartridge.

Sec. 42. Section 21a-421p of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) For sufficient cause found pursuant to subsection (b) of this section, the commissioner may suspend or revoke a license or registration, issue fines of not more than twenty-five thousand dollars per violation, accept an offer in compromise or refuse to grant or renew a license or registration issued pursuant to RERACA, or place such licensee or registrant on probation, place conditions on such licensee or registrant or take other actions [permitted] authorized by law. Information from inspections and investigations conducted by the department related to administrative complaints or cases shall not be subject to disclosure under the Freedom of Information Act, as defined in section 1-200, except after the department has entered into a settlement agreement, or concluded its investigation or inspection as evidenced by case closure, provided [that] nothing in this section shall prevent the department from sharing information with other state and federal agencies and law enforcement as it relates to investigating violations of law.

(b) Any of the following shall constitute sufficient cause for such action by the commissioner, including, but not limited to:

(1) Furnishing of false or fraudulent information in any application or failure to comply with representations made in any application, including, but not limited to, medical preservation plans and security requirements;

(2) A civil judgment against or disqualifying conviction of a cannabis establishment licensee, backer, key employee or license applicant;

***Substitute House Bill No. 6699***

(3) Failure to maintain effective controls against diversion, theft or loss of cannabis, cannabis products or other controlled substances;

(4) Discipline by, or a pending disciplinary action or an unresolved complaint against a cannabis establishment licensee, registrant or applicant regarding any professional license or registration of any federal, state or local government;

(5) Failure to keep accurate records and to account for the cultivation, manufacture, packaging or sale of cannabis;

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

(7) False, misleading or deceptive representations to the public or the department;

(8) Return to regular stock of any cannabis where:

(A) The package or container containing the cannabis has been opened, breached, tampered with or otherwise adulterated; or

(B) The cannabis has been previously sold to an end user or research program subject;

(9) Involvement in a fraudulent or deceitful practice or transaction;

(10) Performance of incompetent or negligent work;

(11) Failure to maintain the entire cannabis establishment premises or cannabis testing laboratory and contents in a secure, clean, orderly and sanitary condition;

(12) [Permitting] Allowing another person to use the licensee's license;



***Substitute House Bill No. 6699***

(13) Failure to properly register employees or license key employees, or failure to notify the department of a change in key employees or backers;

(14) An adverse administrative decision or delinquency assessment against the cannabis establishment from the Department of Revenue Services;

(15) Failure to cooperate or give information to the department, local law enforcement authorities or any other enforcement agency upon any matter arising out of conduct in connection with a research program or at the premises of a cannabis establishment or a cannabis testing laboratory; [or in connection with a research program;]

(16) Advertising in a manner prohibited by section 21a-421bb, as amended by this act; or

(17) Failure to comply with any provision of RERACA, or any policies and procedures issued by the commissioner to implement, or regulations adopted pursuant to, RERACA.

(c) Upon refusal to issue or renew a license or registration, the commissioner shall notify the applicant of the denial and of the applicant's right to request a hearing within ten days from the date of receipt of the notice of denial. If the applicant requests a hearing within such ten-day period, the commissioner shall give notice of the grounds for the commissioner's refusal and shall conduct a hearing concerning such refusal in accordance with the provisions of chapter 54 concerning contested cases. If the commissioner's denial of a license or registration is sustained after such hearing, an applicant may not apply for a new cannabis establishment, cannabis testing laboratory, backer or key employee license, or employee registration or cannabis testing laboratory employee registration, for a period of one year after the date on which such denial was sustained.

***Substitute House Bill No. 6699***

(d) No person whose license or registration has been revoked may apply for a cannabis establishment, backer or key employee license or an employee registration for a period of one year after the date of such revocation.

(e) The voluntary surrender of a license or registration, or failure to renew a license or registration, shall not prevent the commissioner from suspending or revoking such license or registration or imposing other penalties permitted by RERACA.

Sec. 43. Subsections (a) to (d), inclusive, of section 21a-421bb of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) No person, other than the holder of a cannabis establishment license issued [by this state] pursuant to this chapter or a person who provides professional services related to the purchase, sale or use of cannabis, shall advertise any cannabis or services related to cannabis in this state.

(b) Except as provided in subsection (d) of this section, cannabis establishments shall not:

(1) Advertise, including, but not limited to, through a business name or logo, cannabis, cannabis paraphernalia or goods or services related to cannabis:

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

***Substitute House Bill No. 6699***

age; or

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

(2) Engage in any advertising by means of any form of billboard within one thousand five hundred feet of an elementary or secondary school ground or a house of worship, recreation center or facility, child care center, playground, public park or library, or engage in any advertising by means of [an electronic or illuminated] a billboard between the hours of six o'clock a.m. and eleven o'clock p.m.;

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

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

(5) Advertise cannabis or cannabis products in a manner claiming or implying, or permit any employee of the cannabis establishment to claim or imply, that such products have curative or therapeutic effects, or that any other medical claim is true, or allow any employee to promote cannabis for a wellness purpose unless such claims are substantiated as set forth in regulations adopted under chapter 420f or verbally conveyed by a licensed pharmacist or other licensed medical

***Substitute House Bill No. 6699***

practitioner in the course of business in, or while representing, a hybrid retail or dispensary facility;

(6) Sponsor charitable, sports, musical, artistic, cultural, social or other similar events or advertising at, or in connection with, such an event unless the cannabis establishment has reliable evidence that (A) not more than ten per cent of the in-person audience at the event is reasonably expected to be under the legal age to purchase cannabis or cannabis products, and (B) not more than ten per cent of the audience that will watch, listen or participate in the event is expected to be under the legal age to purchase cannabis products;

(7) Advertise cannabis, cannabis products or cannabis paraphernalia in any physical form visible to the public within five hundred feet of an elementary or secondary school ground or a recreation center or facility, child care center, playground, public park or library;

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

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

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

***Substitute House Bill No. 6699***

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

(12) Display cannabis, cannabis products or any image, or any other visual representation, of the cannabis plant or any part of the cannabis plant, including, but not limited to, the leaf of the cannabis plant, so as to be clearly visible to a person from the exterior of the facility used in the operation of a cannabis establishment, or display signs or other printed material advertising any brand or any kind of cannabis or cannabis product, or including any image, or any other visual representation, of the cannabis plant or any part of the cannabis plant, including, but not limited to, the leaf of the cannabis plant, on the exterior of any facility used in the operation of a cannabis establishment;

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

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

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

**Substitute House Bill No. 6699**

(d) Any outdoor signage, including, but not limited to, any monument sign, pylon sign or wayfinding sign, shall be deemed to satisfy the audience requirement established in subdivision (3) of subsection (b) of this section, be exempt from the distance requirement established in subdivision (7) of subsection (b) of this section and [shall] not be required to contain the warning required under subsection (c) of this section, if such outdoor signage:

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

(2) Does not include any image, or any other visual representation, of the cannabis plant or any part of the cannabis plant, including, but not limited to, the leaf of the cannabis plant;

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

(4) Is located:

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

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

Sec. 44. Section 22-61l of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) For the purpose of this section and section 22-61m, as amended by this act, the following terms have the same meaning as provided in 7 CFR 990.1, as amended from time to time: "Acceptable hemp THC level", "Agricultural marketing service", "Audit", "Cannabis", "Conviction", "Corrective action plan", "Culpable mental state greater than negligence", "Decarboxylated", "Decarboxylation", "Disposal", "Dry weight basis", "Gas chromatography", "Geospatial location", "Handle", "Liquid chromatography", "Immature plants", "Information sharing

***Substitute House Bill No. 6699***

system", "Measurement of uncertainty", "Negligence", "Phytocannabinoid", "Postdecarboxylation", "Remediation", "Reverse distributor" and "Total THC". In addition, for the purpose of this section and section 22-61m, as amended by this act:

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

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

(3) "Commissioner" means the Commissioner of Agriculture, or the commissioner's designated agent;

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

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

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

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

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

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

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

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

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

***Substitute House Bill No. 6699***

and

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

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

(11) "Law enforcement agency" means the Connecticut State Police, the United States Drug Enforcement Administration, the Department of Agriculture, the Department of Consumer Protection Drug Control Division or any other federal, state or local law enforcement agency or drug suppression unit;

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

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

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

(15) "Marijuana" has the same meaning as provided in section 21a-240, as amended by this act;



***Substitute House Bill No. 6699***

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

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

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

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

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

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

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

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

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

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

***Substitute House Bill No. 6699***

(26) "Criminal history report" means the fingerprint-based state and national criminal history record information obtained in accordance with section 29-17a;

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

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

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

(30) "Manufacturer hemp product" means a commodity manufactured from the hemp plant, for commercial or research purposes, that is intended for human ingestion, inhalation, absorption or other internal consumption, that contains a THC concentration of not more than 0.3 per cent on a dry weight basis or per volume or weight of such manufacturer hemp product;

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

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

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

***Substitute House Bill No. 6699***

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

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

(b) The Commissioner of Agriculture shall establish and operate an agricultural pilot program, as defined in 7 USC 5940, as amended from time to time, for hemp research to enable the department, and its licensees, to study methods of producing and marketing hemp. All producer licensees licensed pursuant to this section shall be participants in the state agricultural pilot program for hemp research. Until such time as said commissioner adopts regulations, in accordance with the provisions of chapter 54, the Department of Agriculture shall utilize procedures and guidance policies that the commissioner deems to be consistent with the provisions of 7 USC 5940, as amended from time to time, provided such procedures and guidance policies shall, at a minimum, require: (1) The commissioner to certify and register any site used to grow hemp, (2) any person who produces hemp to produce plants that meet the definition of hemp and verify such, (3) the maintenance of records by any person who grows hemp and the availability of inspection of such records by the commissioner, and (4) verification of compliance with the definition of hemp by a laboratory, at the expense of any licensee. The provisions of this section shall take precedence over any such procedure or guidance policy. Participants in the state agricultural pilot program for hemp research shall be licensed in accordance with the provisions of this section. Such pilot program shall operate until the earlier of the date of a fully approved state plan under the federal act, as described in this section, or the date of repeal

***Substitute House Bill No. 6699***

of the federal law permitting the state's agricultural pilot program for hemp research.

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

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

(A) The sampling of hemp shall comply, at a minimum, with 7 CFR 990.3 and be performed by an authorized sampling agent;

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

(C) The control, remediation and disposal of noncompliant cannabis plants shall comply with 7 CFR 990.27 and 7 CFR 990.3;

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

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

(F) The department shall conduct annual inspections of, at a minimum, a random sample of producers to verify that hemp is not

***Substitute House Bill No. 6699***

produced in violation of the federal act, the state plan and the provisions of this section, and shall enforce any violation as provided for in the federal act and as defined in 7 CFR 990.6;

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

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

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

(4) The commissioner shall collect, maintain and provide to the USDA, on a timely basis, and not less than once per month, license status of each hemp producer, contact information for each hemp producer licensed in the state, including lot legal descriptions and locations, and any changes to such information. The commissioner shall also report to the USDA, on a timely basis, and not less than once per month, all required hemp test results and disposal information for all nonconforming hemp plants and plant material. Such information shall not include state and federal fingerprint-based records pursuant to

***Substitute House Bill No. 6699***

section 29-17a.

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

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

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

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

***Substitute House Bill No. 6699***

(1) Each applicant, whether an individual or an entity, shall submit an application for a license that consists, at a minimum, of the following: (A) The name, telephone number, electronic mail address, business address and address of any individual who is the applicant, the full name of any entity that is the applicant, including any applicable principal business location and the full name, title and electronic mail address of each key participant; (B) the name and address of each lot for the hemp cultivation or producing location; (C) the geospatial location of each lot by means of global positioning system coordinates and legal description of each lot used for the hemp cultivation; (D) the acreage size of each lot where the hemp will be cultivated; (E) written consent allowing the commissioner to conduct both scheduled and random inspections of and around the premises on which the hemp is to be cultivated, harvested, stored and produced; (F) the applicant's employer identification number or the applicant's Social Security number if an employer identification number is not available; and (G) any other information as may be required by the commissioner;

(2) Each individual who is an applicant and each key participant of any entity applying for a producer license, or renewal thereof, shall submit to state and national fingerprint-based criminal history records checks conducted in accordance with section 29-17a, at [his or her] such individual's own expense;

(3) No individual, including any key participant of any entity, who has been convicted of any state or federal felony, related to a controlled substance, shall be eligible to obtain or hold a producer license for ten years from the date of the conviction, provided such restriction shall not apply to any individual who lawfully grew hemp with a license, registration or authorization under any state pilot program authorized by section 7606 of the Agricultural Act of 2014 before December 20, 2018. Any individual or entity that materially falsifies any information in an application pursuant to this section shall be ineligible to obtain a

***Substitute House Bill No. 6699***

producer license; and

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

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

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

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

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

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



***Substitute House Bill No. 6699***

inspection and collection of the sample to be used for resampling.

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

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

(l) Nothing in this section shall be construed to limit the commissioner's authority to issue a cease and desist order pursuant to section 22-4d, or an emergency order, in order to respond to a condition

***Substitute House Bill No. 6699***

that may present a public health hazard, or issue orders necessary to effectuate the purposes of this section, including, but not limited to, orders for the embargo, partial destruction, destruction and release of hemp or hemp products. Any cease and desist order or an emergency order shall become effective upon service of such order by the commissioner. Following service of any such order, subsequent proceedings shall proceed in accordance with the provisions of section 22-4d and the rules of practice for such agency. Any embargo, partial destruction, destruction or release order issued pursuant to this section shall be served by certified mail, return receipt requested to the respondent's last known address, by in-hand service by the commissioner or designated agent of the commissioner, or by service in accordance with chapter 896.

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

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

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

(o) (1) Any negligent violation, as described in the federal act, of this

***Substitute House Bill No. 6699***

section or the state plan shall be subject to enforcement in accordance with the federal act, and the state plan for negligent violations.

(2) For any negligent violation, a producer shall be required to correct such negligent violation, by means of a corrective action plan approved by the commissioner. Each corrective action plan shall include, at a minimum, a reasonable completion deadline for correction of the negligent violation, periodic reporting to the commissioner for at least two years and compliance with the state plan.

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

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

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

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

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

***Substitute House Bill No. 6699***

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

(r) The commissioner may inspect and shall have access to the buildings, equipment, supplies, vehicles, records, real property and other information that the commissioner deems necessary to carry out the commissioner's duties pursuant to this section from any person participating in producing, handling, storing, marketing or researching hemp.

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

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

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

[(v)] (u) Whenever the commissioner believes or has reasonable cause

***Substitute House Bill No. 6699***

to believe that the actions of a licensee or any employee of a producer licensee are in violation of the federal act, the state plan, or any state law concerning the growing, cultivation, handling, transporting or possession of marijuana, the commissioner shall notify the Department of Emergency Services and Public Protection and the Division of State Police.

Sec. 45. Section 22-61m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) No person shall manufacture in the state without a license to manufacture issued by the Commissioner of Consumer Protection.

(b) Each applicant for a manufacturer license shall submit an application on a form and in a manner prescribed by the Commissioner of Consumer Protection.

(c) The following fees shall apply for a license to manufacture:

(1) A nonrefundable license application fee of seventy-five dollars; and

(2) A nonrefundable licensing fee of three hundred seventy-five dollars for a license to manufacture hemp.

(d) A license to manufacture issued by the Commissioner of Consumer Protection pursuant to this section shall expire triennially on June thirtieth. Such licenses shall not be transferable.

(e) In accordance with a hearing held pursuant to chapter 54, the Commissioner of Consumer Protection may deny, suspend or revoke a manufacturer license, issue fines of not more than two thousand five hundred dollars per violation and place conditions upon a manufacturer licensee who violates the provisions of this section and any regulation adopted pursuant to this section.

***Substitute House Bill No. 6699***

(f) (1) Any individual who manufactures in this state without obtaining a license pursuant to this section or who manufactures in this state after such entity's license is suspended or revoked shall be fined two hundred fifty dollars in accordance with the provisions of section 51-164n.

(2) Any entity who manufactures in this state without obtaining a license pursuant to this section, or who manufactures in this state after having a license suspended, shall be fined not more than two thousand five hundred dollars per violation after a hearing conducted in accordance with the provisions of chapter 54.

(g) Nothing in this chapter or any regulations adopted pursuant to this chapter shall be construed to apply to persons licensed pursuant to section 21a-408i nor to require persons licensed pursuant to said section to obtain a license pursuant to this chapter.

(h) The Commissioner of Consumer Protection may inspect and shall have access to the buildings, equipment, supplies, vehicles, records, real property and other information of any manufacturer applicant or licensee that the commissioner deems necessary to carry out the commissioner's duties pursuant to this section.

(i) (1) Each manufacturer shall follow the protocol in this subsection for disposing of cannabis in the event that any hemp or hemp product is deemed to exceed the prescribed THC concentration, as determined by the Commissioner of Consumer Protection, or a manufacturer licensee in possession of hemp or hemp products who desires to dispose of obsolete, misbranded, excess or otherwise undesired product. Each manufacturer licensee shall be responsible for all costs of disposal of hemp samples and any hemp produced by such licensee that violates the provisions of this section or any regulation adopted pursuant to this section. Any cannabis that exceeds the prescribed THC concentration allowable in hemp or hemp products shall be immediately embargoed

***Substitute House Bill No. 6699***

by such manufacturer and clearly labeled as adulterated by such licensee and such licensee shall immediately notify both the Department of Consumer Protection and the Department of Agriculture, in writing, of such adulterated product. Such adulterated product shall be destroyed and disposed of by the following method, as determined by the Commissioner of Consumer Protection:

(A) Surrender, without compensation, of such hemp or hemp product to the Commissioner of Consumer Protection who shall be responsible for the destruction and disposal of such adulterated product; or

(B) By disposal in a manner prescribed by the Commissioner of Consumer Protection.

(2) Notwithstanding the provisions of subdivision (1) of this subsection, upon written request of a manufacturer, the Commissioner of Consumer Protection may permit such manufacturer to combine different batches of raw hemp plant material to achieve a THC concentration of 0.3 per cent on a dry weight basis, in lieu of embargo or destruction.

(j) The manufacturer or manufacturer's authorized designee disposing of the hemp or hemp products shall maintain and make available to the Commissioner of Consumer Protection a record of each such disposal or destruction of product indicating:

(1) The date, time and location of disposal or destruction;

(2) The manner of disposal or destruction;

(3) The batch or lot information and quantity of hemp or hemp product disposed of or destroyed; and

(4) The signatures of the persons disposing of the hemp or hemp products, the authorized representative of the Commissioner of

***Substitute House Bill No. 6699***

Consumer Protection and any other persons present during the disposal.

(k) Any hemp intended to be manufactured by a manufacturer into a manufacturer hemp product shall be tested by an independent testing laboratory located in this state. A manufacturer licensee shall make available samples, in an amount and type determined by the Commissioner of Consumer Protection, of hemp for an independent testing laboratory employee to select random samples. The independent testing laboratory shall test each sample [for microbiological contaminants, mycotoxins, heavy metals and pesticide chemical residue, and for purposes of conducting an active ingredient analysis, if applicable, as determined by the Commissioner of Consumer Protection] in accordance with the laboratory testing standards established in policies, procedures and regulations adopted by the commissioner pursuant to section 21a-421j, as amended by this act.

(l) Once a batch of hemp, intended to be sold as a manufacturer hemp product, has been homogenized for sample testing and eventual packaging and sale, until the independent testing laboratory provides the results from its tests and analysis, the manufacturer [licensee] shall segregate and withhold from use the entire batch of hemp that is intended for use as a manufacturer hemp product, except the samples that have been removed by the independent testing laboratory for testing. During this period of segregation, the manufacturer licensee shall maintain the hemp batch in a secure, cool and dry location, as prescribed by the Commissioner of Consumer Protection, so as to prevent the hemp from becoming adulterated. Such manufacturer shall not manufacture or sell a manufacturer hemp product prior to the time that the independent testing laboratory completes testing and analysis and provides such results, in writing, to the manufacturer licensee who initiated such testing.

(m) An independent testing laboratory shall immediately return or



***Substitute House Bill No. 6699***

dispose of any hemp or manufacturer hemp product upon the completion of any testing, use or research. If an independent testing laboratory disposes of hemp or manufacturer hemp products, the laboratory shall dispose of such hemp in the following manner, as determined by the Commissioner of Consumer Protection:

(1) By surrender, without compensation, of such hemp or manufacturer hemp product to the Commissioner of Consumer Protection who shall be responsible for the destruction and disposal of such hemp or hemp product; or

(2) By disposal in a manner prescribed by the Commissioner of Consumer Protection.

(n) If a sample does not pass the microbiological, mycotoxin, heavy metal or pesticide chemical residue test, based on the laboratory testing standards [prescribed by the Commissioner of Consumer Protection and published on the Internet web site of the Department of Consumer Protection] established in policies, procedures and regulations adopted by the Commissioner of Consumer Protection pursuant to section 21a-421j, as amended by this act, the manufacturer licensee who sent such batch for testing shall:

(1) Retest and reanalyze the hemp from which the sample was taken by having an employee from the same laboratory randomly select another sample from the same hemp batch. If the sample used to retest or reanalyze such hemp yields satisfactory results for all testing required under this section, an employee from a different laboratory shall randomly select a different sample from the same hemp batch for testing. If both samples yield satisfactory results for all testing required under this section, the hemp batch from which the samples were taken shall be released for manufacturing, processing and sale;

(2) If a remediation plan sufficient to ensure public health and safety

***Substitute House Bill No. 6699***

is submitted to and approved by the commissioner, remediate the hemp batch from which the sample was taken and have a laboratory employee randomly select a sample from such remediated hemp batch for testing. If such randomly selected sample yields satisfactory results for any testing required under this section, an employee from a different laboratory shall randomly select a different sample from the same hemp batch for testing. If both samples yield satisfactory results for all testing required under this section, the hemp batch from which the samples were taken may be released for manufacturing, processing or sale; or

(3) If the manufacturer does not retest or remediate, or if any subsequent laboratory testing does not yield satisfactory results for any testing required under this section, dispose of the entire batch from which the sample was taken in accordance with procedures established by the Commissioner of Consumer Protection pursuant to subdivision (1) of subsection (i) of this section.

(o) If a sample passes the microbiological, mycotoxin, heavy metal and pesticide chemical residue test, the independent testing laboratory shall release the entire batch for manufacturing, processing or sale.

(p) The independent testing laboratory shall file with the Department of Consumer Protection an electronic copy of each laboratory test result for any batch that does not pass the microbiological, mycotoxin, heavy metal or pesticide chemical residue test, at the same time that it transmits such results to the manufacturer licensee who requested such testing. Each independent testing laboratory shall maintain the test results of each tested batch for a period of three years and shall make such results available to the Department of Consumer Protection upon request.

(q) [Manufacturer licensees] Manufacturers shall maintain records required by the federal act, this section, [and] any regulation adopted pursuant to this section and the policies, procedures and regulations

***Substitute House Bill No. 6699***

adopted by the Commissioner of Consumer Protection pursuant to section 21a-421j, as amended by this act. Each manufacturer [licensee] shall make such records available to the Department of Consumer Protection immediately upon request and in electronic format, if available.

(r) The Commissioner of Consumer Protection may adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section including, but not limited to, establishing sampling and testing procedures to ensure compliance with this section, prescribing storage and disposal procedures for hemp, marijuana and manufacturer hemp products that fail to pass Department of Consumer Protection prescribed independent testing laboratory testing standards and establishing advertising and labeling requirements for manufacturer hemp products.

(s) Any claim of health impacts, medical effects or physical or mental benefits shall be prohibited on any advertising for, labeling of or marketing of manufacturer hemp products regardless of whether such manufacturer hemp products were manufactured in this state or another jurisdiction. Any violation of this subsection shall be deemed an unfair or deceptive trade practice under [chapter 735a] subsection (a) of section 42-110b.

(t) Not later than February 1, 2020, the Commissioners of Agriculture and Consumer Protection shall submit a report, in accordance with section 11-4a, to the joint standing committee of the general assembly having cognizance of matters relating to the environment on the status of the pilot program, the development of the state plan and any regulations for such pilot program or state plan. [Additionally such] Such report shall also include any legislative recommendations, including, but not limited to, any recommendations for requiring the registration of any manufacturer hemp product offered for sale in this state.

***Substitute House Bill No. 6699***

(u) (1) Any person who sells manufacturer hemp products shall not be required to be licensed, provided such person only engages in: [(1)] (A) The retail or wholesale sale of manufacturer hemp products in which no further manufacturing of hemp occurs, provided such manufacturer hemp products are acquired from a person authorized to manufacture the manufacturer hemp products under the laws of this state or another state, territory or possession of the United States or another sovereign entity; [(2)] (B) the acquisition of manufacturer hemp products for the sole purpose of product distribution for resale; [or (3)] and (C) the retail sale of manufacturer hemp products that is [otherwise] authorized under federal or state law.

(2) The Commissioner of Consumer Protection or Commissioner of Revenue Services may, pursuant to section 4-182, summarily suspend any credential the Department of Consumer Protection or Department of Revenue Services issued to any person who sells manufacturer hemp products in violation of subdivision (1) of this subsection or subsections (v) to (y), inclusive, of this section.

(v) No manufacturer hemp product offered for sale in this state, or to a consumer in this state, shall contain any synthetic cannabinoid, as defined in section 21a-240, as amended by this act.

(w) No manufacturer hemp product offered for sale in this state, or to a consumer in this state, shall be packaged, presented or advertised in a manner that is likely to mislead a consumer by incorporating any statement, brand, design, representation, picture, illustration or other depiction that: (1) Bears a reasonable resemblance to trademarked or characteristic packaging of (A) cannabis offered for sale (i) in this state by a cannabis establishment licensed in this state, or (ii) on tribal land by a tribal-credentialed cannabis entity, or (B) a commercially available product other than a cannabis product, as defined in section 21a-420, as amended by this act; or (2) implies that the manufacturer hemp product (A) is a cannabis product, as defined in section 21a-420, as amended by

***Substitute House Bill No. 6699***

this act, (B) contains a total THC concentration greater than three-tenths per cent on a dry-weight basis, or (C) is a high-THC hemp product, as defined in section 21a-240, as amended by this act.

(x) No manufacturer hemp product that is a food, beverage, oil or other product intended for human ingestion shall be distributed or sold in this state unless such product is contained within a package, or a label is affixed to such package, that includes:

(1) A scannable barcode, Internet web site address or quick response code that is linked to the certificate of analysis of the final form product batch by an independent testing laboratory and discloses:

(A) The name of such product;

(B) The name, address and telephone number of such product's manufacturer, packer and distributor, as applicable;

(C) The batch number, which shall match the batch number on such package or label; and

(D) The concentration of cannabinoids present in such product, including, but not limited to, total THC and any cannabinoids or active ingredients comprising at least one per cent of such product;

(2) The expiration or best by date for such product, if applicable;

(3) A clear and conspicuous statement disclosing that:

(A) Children, or those who are pregnant or breastfeeding, should avoid using such product prior to consulting with a health care professional concerning such product's safety;

(B) Products containing cannabinoids should be kept out of reach of children; and

***Substitute House Bill No. 6699***

(C) The federal Food and Drug Administration has not evaluated such product for safety or efficacy; and

(4) If such product is intended to be inhaled, a clear and conspicuous warning statement disclosing that smoking or vaporizing is hazardous to human health.

(y) No manufacturer hemp product that is a topical, soap or cosmetic, as defined in section 21a-92, shall be distributed or sold in this state unless such product is contained within a package, or a label is affixed to such package, that includes:

(1) A scannable barcode, Internet web site address or quick response code that is linked to the certificate of analysis of the final form extract or final form product batch by an independent testing laboratory and discloses:

(A) The name of such product;

(B) The name, address and telephone number of such product's manufacturer, packer and distributor, as applicable;

(C) The batch number, which shall match the batch number on such package or label; and

(D) The concentration of cannabinoids present in such batch, including, but not limited to, total THC and any marketed cannabinoids;

(2) The expiration or best by date for such product, if applicable; and

(3) A clear and conspicuous statement disclosing the following:

"THE FDA HAS NOT EVALUATED THIS PRODUCT FOR SAFETY OR EFFICACY.".

(z) Any violation of subsections (u) to (y), inclusive, of this section

***Substitute House Bill No. 6699***

shall be deemed an unfair or deceptive trade practice under subsection (a) of section 42-110b.

(aa) Not later than October 31, 2023, the Department of Emergency Services and Public Protection shall, in consultation with the Department of Consumer Protection, publish a training bulletin to inform local law enforcement agencies and officers regarding the investigation and enforcement standards concerning cannabis and high-THC hemp products.

[(v)] (bb) Notwithstanding any provision of the general statutes: (1) [Marijuana does not include manufacturer hemp products; (2)] CBD that is found in manufacturer hemp products shall not be considered a controlled substance, as defined in section 21a-240, as amended by this act, or legend drug, as defined in section 20-571; and [(3) cannabinoids] (2) CBD derived from hemp and contained in manufacturer hemp products shall not be considered [controlled substances or adulterants] a controlled substance or adulterant.

Sec. 46. Section 7-294m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

[(1)] (a) The Police Officer Standards and Training Council established under section 7-294b, in conjunction with the office of the Chief State's Attorney and the Connecticut Police Chiefs Association, and [(2)] the Division of State Police within the Department of Emergency Services and Public Protection, in conjunction with the office of the Chief State's Attorney, shall provide instruction on the subject of new legal developments which affect police policies and practices concerning the investigation, detection and prosecution of criminal matters, each year to the chief law enforcement officer of each municipality and any person designated by such officer to serve in such capacity in such officer's absence. Each such officer may be given credit for such course of instruction toward the certified review training

**Substitute House Bill No. 6699**

required by subsection (a) of section 7-294d. Such training program shall be named "The John M. Bailey Seminar on New Legal Developments Impacting Police Policies and Practices".

(b) Not later than October 31, 2023, and annually thereafter if necessary, the Division of Criminal Justice and the Police Officer Standards and Training Council established under section 7-294b shall include in each course of instruction provided pursuant to subsection (a) of this section a session regarding investigation and enforcement standards concerning cannabis, as defined in section 22-61l, as amended by this act, and high-THC hemp products, as defined in section 21a-240, as amended by this act.

Sec. 47. Section 38a-492 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

No individual health insurance policy providing coverage of the type specified in subdivisions (1), (2), (4), (6), (10) and (11) of section 38a-469 shall be delivered, issued for delivery or renewed in this state, or amended to substantially alter or change benefits or coverage, on or after July 1, 1975, unless persons covered under such policy will be eligible for benefits for expenses of emergency medical care arising from accidental ingestion or consumption of a controlled drug, as defined by [subdivision (8) of] section 21a-240, as amended by this act, which are at least equal to the following minimum requirements: (1) In the case of benefits based upon confinement as an inpatient in a hospital, whether or not operated by the state, the period of confinement for which benefits shall be payable shall be at least thirty days in any calendar year. (2) For covered expenses incurred by the insured while other than an inpatient in a hospital, benefits shall be available for such expenses during any calendar year up to a maximum of five hundred dollars. For purposes of this section, the term "covered expenses" means the reasonable charges for treatment deemed necessary under generally accepted medical standards.



**Substitute House Bill No. 6699**

Sec. 48. Section 38a-518 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

No group health insurance policy providing coverage of the type specified in subdivisions (1), (2), (4), (6) and (11) of section 38a-469 shall be delivered, issued for delivery or renewed in this state, or amended to substantially alter or change benefits or coverage, on or after July 1, 1975, unless persons covered under such policy will be eligible for benefits for expenses of emergency medical care arising from accidental ingestion or consumption of a controlled drug, as defined by [subdivision (8) of] section 21a-240, as amended by this act, which are at least equal to the following minimum requirements: (1) In the case of benefits based upon confinement as an inpatient in a hospital, whether or not operated by the state, the period of confinement for which benefits shall be payable shall be at least thirty days in any calendar year. (2) For covered expenses incurred by the insured while other than an inpatient in a hospital, benefits shall be available for such expenses during any calendar year up to a maximum of five hundred dollars. For purposes of this section, the term "covered expenses" means the reasonable charges for treatment deemed necessary under generally accepted medical standards.

Sec. 49. (NEW) (*Effective from passage*) (a) For the purposes of this section:

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

(2) "Marijuana" has the same meaning as provided in section 21a-240 of the general statutes, as amended by this act;

(3) "Palliative use" has the same meaning as provided in section 21a-408 of the general statutes, as amended by this act; and

(4) "Qualifying patient" has the same meaning as provided in section

***Substitute House Bill No. 6699***

21a-408 of the general statutes, as amended by this act.

(b) There is established, within available appropriations, an Office of the Cannabis Ombudsman, which shall be within the Office of the Healthcare Advocate for administrative purposes only. The Office of the Cannabis Ombudsman shall be under the direction of a Cannabis Ombudsman. The Healthcare Advocate shall appoint an individual who is familiar with the palliative use of marijuana and the medical cannabis system to serve as the Cannabis Ombudsman.

(c) The Office of the Cannabis Ombudsman shall:

- (1) Represent the interests of qualifying patients and caregivers;
- (2) Identify, investigate and resolve complaints made by, or on behalf of, qualifying patients and caregivers;
- (3) Monitor the palliative use of marijuana as authorized under chapter 420f of the general statutes;
- (4) Report action, inaction or decisions that may adversely affect the health, safety, welfare or rights of qualifying patients;
- (5) Analyze, comment on and monitor the development and implementation of federal, state and local laws, regulations and other government policies and actions concerning the health, safety, welfare and rights of qualifying patients and caregivers;
- (6) Recommend any changes to the laws, regulations, policies and actions described in subdivision (5) of this subsection that the office deems appropriate to, among other things, improve the palliative marijuana market in this state; and
- (7) Facilitate public comment on the laws, regulations, policies and actions described in subdivision (5) of this subsection.

**Substitute House Bill No. 6699**

Sec. 50. Subdivision (6) of subsection (a) of section 53a-18 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(6) A teacher or other person entrusted with the care and supervision of a minor for school purposes may use reasonable physical force upon such minor when and to the extent such teacher or other person reasonably believes such force to be necessary to (A) protect [himself or herself] such teacher, other person or others from immediate physical injury, (B) obtain possession of a dangerous instrument or controlled substance, as defined in [subdivision (9) of] section 21a-240, as amended by this act, upon or within the control of such minor, (C) protect property from physical damage, or (D) restrain such minor or remove such minor to another area, to maintain order.

Sec. 51. Subsections (c) to (g), inclusive, of section 54-36a of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(c) Unless such seized property is stolen property and is ordered returned pursuant to subsection (b) of this section or unless such seized property is adjudicated a nuisance in accordance with section 54-33g, or unless the court finds that such property shall be forfeited or is contraband, or finds that such property is a controlled drug [, a] or controlled substance as defined in section 21a-240, as amended by this act, or drug paraphernalia as defined in subdivision [(8), (9) or] (20) of section 21a-240, as amended by this act, it shall, at the final disposition of the criminal action or as soon thereafter as is practical, or, if there is no criminal action, at any time upon motion of the prosecuting official of such court, order the return of such property to its owner within six months upon proper claim therefor.

(d) When the court orders the return of the seized property to the owner, the order shall provide that if the seized property is not claimed

***Substitute House Bill No. 6699***

by the owner within six months, the property shall be destroyed or be given to a charitable or educational institution or to a governmental agency or institution, except that (1) if such property is money it shall be remitted to the state and shall be deposited in the General Fund or (2) if such property is a valuable prize it shall be disposed of by public auction or private sale in which case the proceeds shall become the property of the state and shall be deposited in the General Fund; provided any person who has a bona fide mortgage, assignment of lease or rent, lien or security interest in such property shall have the same right to the proceeds as [he] such person had in the property prior to the sale.

(e) If such seized property is adjudicated a nuisance or if the court finds that such property shall be forfeited or is contraband other than a controlled drug [ , a] or controlled substance as defined in section 21a-240, as amended by this act, or drug paraphernalia as defined in subdivision [(8), (9) or] (20) of section 21a-240, as amended by this act, the court shall order that such property be destroyed or be given to a charitable or educational institution or to a governmental agency or institution, except that (1) if such property is money, the court shall order that it be remitted to the state and be deposited in the General Fund, or (2) if such property is a valuable prize, the court shall order that it be disposed of by public auction or private sale in which case the proceeds shall become the property of the state and shall be deposited in the General Fund; provided any person who has a bona fide mortgage, assignment of lease or rent, lien or security interest in such property shall have the same right to the proceeds as [he] such person had in the property prior to sale.

(f) If the court finds that such seized property is fireworks as defined in section 29-356, the court shall order the forfeiture and destruction of such property. Any secondary evidence of the identity, description or value of such property shall be admissible in evidence against the

**Substitute House Bill No. 6699**

defendant in the trial of the case. A photograph of the fireworks and a sworn affidavit describing such fireworks shall be sufficient evidence of the identity of the fireworks. The fact that the evidence is secondary in nature may be shown to affect the weight of such evidence, but not to affect its admissibility.

(g) If the court finds that such seized property is a controlled drug [a] or controlled substance as defined in section 21a-240, as amended by this act, or drug paraphernalia as defined in subdivision [(8), (9) or] (20) of section 21a-240, as amended by this act, the court shall order the forfeiture and destruction of such property or order it delivered to the Commissioner of Consumer Protection pursuant to section 54-36g, as amended by this act.

Sec. 52. Subsection (a) of section 54-36g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) At any time after the seizure of a controlled drug or a controlled substance [,] as defined in [subdivision (8) or (9) of] section 21a-240, as amended by this act, or drug paraphernalia [,] as defined in subdivision (20) of section 21a-240, as amended by this act, in connection with a criminal arrest or pursuant to a search warrant without an arrest, the prosecuting official of the court for the geographical area in which the criminal offense is alleged to have been committed may petition the court for destruction of such controlled drug, controlled substance or drug paraphernalia. After notice, by certified or registered mail to the defendant and [his] the defendant's attorney, and hearing on the petition, the court may order the forfeiture and destruction of such controlled drug, controlled substance or drug paraphernalia, under procedures and to the extent determined by the court, or order it delivered to the Commissioner of Consumer Protection as soon as possible. Such order shall be in writing and shall provide for the analysis of representative samples of such controlled drug, controlled substance

***Substitute House Bill No. 6699***

or drug paraphernalia. The results of such analysis shall be recorded on a certificate signed by the person making the analysis, witnessed and acknowledged pursuant to section 1-29. Such certificate shall be prima facie evidence of the composition and quality of such controlled drug, controlled substance or drug paraphernalia.

Sec. 53. Subdivision (1) of subsection (a) of section 54-36h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(1) All moneys used, or intended for use, in the procurement, manufacture, compounding, processing, delivery or distribution of any controlled substance, as defined in [subdivision (9) of] section 21a-240, as amended by this act;

Sec. 54. (*Effective from passage*) (a) There is established a task force to study the potential health, safety and financial impact of allowing individuals who are authorized to cultivate cannabis in their residences to sell, at retail, such cannabis at events organized, at least in part, to facilitate such sales. The task force shall (1) examine the impact that such sales would likely have on this state, including, but not limited to, the impact that such sales would likely have on residents of this state and the state's existing medical and recreational cannabis markets, and (2) if the task force recommends that the state authorize such sales, recommend any legislation necessary to authorize and regulate such sales.

(b) The task force shall consist of the following members:

(1) Two appointed by the speaker of the House of Representatives;

(2) Two appointed by the president pro tempore of the Senate;

(3) One appointed by the majority leader of the House of Representatives;

***Substitute House Bill No. 6699***

- (4) One appointed by the majority leader of the Senate;
  - (5) One appointed by the minority leader of the House of Representatives;
  - (6) One appointed by the minority leader of the Senate;
  - (7) The Commissioner of Consumer Protection, or the commissioner's designee;
  - (8) The Commissioner of Public Health, or the commissioner's designee;
  - (9) The Commissioner of Mental Health and Addiction Services, or the commissioner's designee; and
  - (10) Two appointed by the Governor.
- (c) Any member of the task force appointed under subdivision (1), (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member of the General Assembly.
- (d) All initial appointments to the task force shall be made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.
- (e) The speaker of the House of Representatives and the president pro tempore of the Senate shall select the chairpersons of the task force from among the members of the task force. Such chairpersons shall schedule the first meeting of the task force, which shall be held not later than sixty days after the effective date of this section.
- (f) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection shall serve as administrative staff of the task force.

***Substitute House Bill No. 6699***

(g) Not later than January 1, 2024, the task force shall submit a report on its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection, in accordance with the provisions of section 11-4a of the general statutes. The task force shall terminate on the date that it submits such report or January 1, 2024, whichever is later.

Approved June 26, 2023