



House of Representatives

General Assembly

File No. 631

January Session, 2025

Substitute House Bill No. 7178

House of Representatives, April 9, 2025

The Committee on General Law reported through REP. LEMAR of the 96th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING CANNABIS, HEMP AND TOBACCO REGULATION.

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

1 Section 1. (NEW) (*Effective from passage*) Notwithstanding the
2 provisions of sections 21a-425 to 21a-425d, inclusive, of the general
3 statutes, an infused beverage manufacturer licensed by the
4 Commissioner of Consumer Protection pursuant to section 21a-425a of
5 the general statutes, as amended by this act, may manufacture
6 beverages containing total THC greater than three milligrams per
7 container, provided such beverages are sold outside of this state in
8 accordance with all applicable provisions of federal law and the laws of
9 the states in which such beverages are sold. For purposes of this section,
10 "total THC" has the same meaning as provided in section 21a-240 of the
11 general statutes.

12 Sec. 2. Section 30-17 of the general statutes is repealed and the
13 following is substituted in lieu thereof (*Effective from passage*):

14 (a) (1) A wholesaler permit shall allow the bottling of alcoholic liquor
15 and the wholesale sale of alcoholic liquor to permittees in this state and
16 without the state, as may be permitted by law, and the sale of alcoholic
17 liquors to vessels engaged in coastwise or foreign commerce, and the
18 sale of alcohol and alcoholic liquor for industrial purposes to
19 nonpermittees, such sales to be made in accordance with the regulations
20 adopted by the Department of Consumer Protection, and the sale of
21 alcohol and alcoholic liquor for medicinal purposes to hospitals and
22 charitable institutions and to religious organizations for sacramental
23 purposes and the receipt from out-of-state shippers of multiple
24 packages of alcoholic liquor. The holder of a wholesaler permit may
25 apply for and shall thereupon receive an out-of-state shipper's permit
26 for direct importation from abroad of alcoholic liquors manufactured
27 outside the United States and an out-of-state shipper's permit for direct
28 importation from abroad of beer manufactured outside the United
29 States. The annual fee for a wholesaler permit shall be two thousand six
30 hundred fifty dollars.

31 (2) When a holder of a wholesaler permit has had the distributorship
32 of any alcohol, beer, spirits or wine product of a manufacturer or out-
33 of-state shipper for six months or more, such distributorship may be
34 terminated or its geographic territory diminished upon (A) the
35 execution of a written stipulation by the wholesaler and manufacturer
36 or out-of-state shipper agreeing to the change and the approval of such
37 change by the Department of Consumer Protection; or (B) the sending
38 of a written notice by certified or registered mail, return receipt
39 requested, by the manufacturer or out-of-state shipper to the
40 wholesaler, a copy of which notice has been sent simultaneously to the
41 department in a manner prescribed by the Commissioner of Consumer
42 Protection. No such termination or diminishment shall become effective
43 except for just and sufficient cause, provided such cause shall be set
44 forth in such notice and the department shall determine, after hearing,
45 that just and sufficient cause exists. If an emergency occurs, caused by
46 the wholesaler, prior to such hearing, which threatens the
47 manufacturers' or out-of-state shippers' products or otherwise
48 endangers the business of the manufacturer or out-of-state shipper and

49 said emergency is established to the satisfaction of the department, the
50 department may temporarily suspend such wholesaler permit or take
51 whatever reasonable action the department deems advisable to provide
52 for such emergency and the department may continue such temporary
53 action until its decision after a full hearing. The department shall render
54 its decision with reasonable promptness following such hearing.
55 Notwithstanding the aforesaid, a manufacturer or out-of-state shipper
56 may appoint one or more additional wholesalers as the distributor for
57 an alcohol, spirits or wine product within such territory, provided such
58 appointment shall not be effective until six months from the date such
59 manufacturer or out-of-state shipper sets forth such intention in written
60 notice to the existing wholesaler by certified or registered mail, return
61 receipt requested, with a copy of such notice simultaneously sent to the
62 department in a manner prescribed by the Commissioner of Consumer
63 Protection. For just and sufficient cause, a manufacturer or out-of-state
64 shipper may appoint one or more additional wholesalers as the
65 distributor for a beer product within such territory provided such
66 manufacturer or out-of-state shipper sets forth such intention and cause
67 in written notice to the existing wholesaler by certified or registered
68 mail, return receipt requested, with a copy of such notice
69 simultaneously sent to the department in a manner prescribed by the
70 Commissioner of Consumer Protection. Such written notice shall
71 include the name of each additional wholesaler appointed as a
72 distributor and provide a detailed description of the just and sufficient
73 cause necessitating such appointment. For the purposes of this section,
74 "just and sufficient cause" means the existence of circumstances which,
75 in the opinion of a reasonable person considering all of the equities of
76 both the wholesaler and the manufacturer or out-of-state shipper
77 warrants a termination or a diminishment of a distributorship as the
78 case may be. For the purposes of this section, "manufacturer or out-of-
79 state shipper" means the manufacturer or out-of-state shipper who
80 originally granted a distributorship of any alcohol, beer, spirits or wine
81 product to a wholesaler, any successor to such manufacturer or out-of-
82 state shipper, which successor has assumed the contractual relationship
83 with such wholesaler by assignment or otherwise, or any other

84 manufacturer or out-of-state shipper who acquires the right to ship such
85 alcohol, beer, spirits or wine into the state.

86 (3) Nothing contained in this section shall be construed to interfere
87 with the authority of the Department of Consumer Protection to retain
88 or adopt reasonable regulations concerning the termination or
89 diminishment of a distributorship held by a wholesaler for less than six
90 months.

91 (4) All hearings held under this section shall be held in accordance
92 with the provisions of chapter 54.

93 (b) A wholesaler permit for beer shall be in all respects the same as a
94 wholesaler permit, except that the scope of operations of the holder shall
95 be limited to beer; but shall not prohibit the handling of nonalcoholic
96 merchandise. The holder of a wholesaler permit for beer may apply for
97 and shall thereupon receive an out-of-state shipper's permit for direct
98 importation from abroad of beer manufactured outside the United
99 States. The annual fee for a wholesaler permit for beer shall be one
100 thousand dollars.

101 (c) A wholesaler permittee may offer to industry members and its
102 own staff free samples of alcoholic liquor that it distributes for tasting
103 on the wholesaler's premises. Any offering, tasting, wine education and
104 tasting class demonstration held on permit premises shall be conducted
105 only during the hours a package store is permitted to sell alcoholic
106 liquor under section 30-91. No tasting of wine on the premises shall be
107 offered from more than ten uncorked or open bottles at any one time. A
108 wholesaler may offer such tastings to retail permittees not more than
109 four times per year.

110 (d) Notwithstanding the provisions of subsections (a) to (c), inclusive,
111 of this section, a wholesaler permittee may exclusively engage in the
112 wholesale sale of infused beverages, and shall not be required to engage
113 in the wholesale sale of alcoholic liquor in order to engage in the
114 wholesale sale of infused beverages. As used in this subsection, "infused
115 beverage" has the same meaning as provided in section 21a-425.

116 Sec. 3. Subsection (b) of section 21a-420g of the general statutes is
117 repealed and the following is substituted in lieu thereof (*Effective July 1,*
118 *2025*):

119 (b) Except as provided in sections 21a-420o and 21a-420aa and section
120 13 of this act, prior to the first date that the department begins accepting
121 applications for a license type, the department shall determine the
122 maximum number of applications that shall be considered for such
123 license type and post such information on its Internet web site. Fifty per
124 cent of the maximum number of applications that shall be considered
125 for each license type (1) shall be selected through a social equity lottery
126 for such license type, and (2) shall be reserved by the department for
127 social equity applicants. If, upon the close of the application period for
128 a license type, the department receives more applications than the
129 maximum number to be considered in total or to be reserved for social
130 equity applicants as set forth in this subsection, a third-party lottery
131 operator shall conduct a lottery to identify applications for review by
132 the department and the Social Equity Council.

133 Sec. 4. Subsection (j) of section 21a-420g of the general statutes is
134 repealed and the following is substituted in lieu thereof (*Effective from*
135 *passage*):

136 (j) All applicants selected in the lottery and not denied shall be
137 provided a provisional license application, which shall be submitted in
138 a form and manner prescribed by the commissioner. Lottery applicants
139 shall have sixty days from the date they receive their provisional
140 application to complete the application. The right to apply for a
141 provisional license is nontransferable. Upon receiving a provisional
142 application from an applicant, the department shall review the
143 application for completeness and to confirm that all information
144 provided is acceptable and in compliance with this section and any
145 regulations adopted under this section. If a provisional application does
146 not meet the standards set forth in this section, the applicant shall not
147 be provided a provisional license. A provisional license issued by the
148 department to an applicant, [on or before June 30, 2023,] other than a

149 provisional license issued pursuant to section 21a-420o, shall expire
150 twenty-four months after the date on which the department issued such
151 provisional license and shall not be renewed. [A provisional license
152 issued by the department to an applicant on or after July 1, 2023, other
153 than a provisional license issued pursuant to section 21a-420o, shall
154 expire after fourteen months and shall not be renewed.] Upon granting
155 a provisional license, the department shall notify the applicant of the
156 project labor agreement requirements of section 21a-421e. A provisional
157 licensee may apply for a final license of the license type for which the
158 licensee applied during the initial application period. A provisional
159 license shall be nontransferable. If the provisional application does not
160 meet the standards set forth in this section or is not completed within
161 sixty days, the applicant shall not receive a provisional license. The
162 decision of the department not to award a provisional license shall be
163 final and may be appealed in accordance with section 4-183. Nothing in
164 this section shall prevent a provisional applicant from submitting an
165 application for a future lottery.

166 Sec. 5. Subsection (d) of section 21a-420j of the general statutes is
167 repealed and the following is substituted in lieu thereof (*Effective from*
168 *passage*):

169 (d) [A] (1) Except as provided in subdivision (2) of this subsection, a
170 cultivator licensed under section 21a-420o, including the backer of such
171 cultivator, shall not increase its ownership in an equity joint venture in
172 excess of fifty per cent during the seven-year period after a license is
173 issued by the department under this section.

174 (2) A cultivator licensed under section 21a-420o, including the backer
175 of such cultivator, may increase its ownership in an equity joint venture
176 in excess of fifty per cent, provided (A) at least three years have elapsed
177 since a license was issued by the department under this section, and (B)
178 the Social Equity Council has approved such increase in ownership in
179 writing.

180 Sec. 6. Subsections (e) to (g), inclusive, of section 21a-420m of the
181 general statutes are repealed and the following is substituted in lieu

182 thereof (*Effective from passage*):

183 (e) [A] (1) Except as provided in subdivision (2) of this subsection, a
184 producer, including the backer of such producer, shall not increase its
185 ownership in an equity joint venture in excess of fifty per cent during
186 the seven-year period after a license is issued by the department under
187 this section.

188 (2) A producer, including the backer of such producer, may increase
189 its ownership in an equity joint venture in excess of fifty per cent,
190 provided (A) at least three years have elapsed since a license was issued
191 by the department under this section, and (B) the Social Equity Council
192 has approved such increase in ownership in writing.

193 (f) Equity joint ventures that are retailers or hybrid retailers that share
194 a common producer backer or owner shall not be located within twenty
195 miles of each other.

196 (g) If a producer has paid a reduced conversion fee, as described in
197 subsection (b) of section 21a-420l, and subsequently did not create two
198 equity joint ventures under this section that, not later than [fourteen]
199 twenty-four months after the Department of Consumer Protection
200 approved the producer's license expansion application under section
201 21a-420l, each received a final license from the department, the producer
202 shall be liable for the full conversion fee of three million dollars
203 established in section 21a-420l minus such paid reduced conversion fee.

204 Sec. 7. Subsections (e) to (g), inclusive, of section 21a-420u of the
205 general statutes are repealed and the following is substituted in lieu
206 thereof (*Effective from passage*):

207 (e) [A] (1) Except as provided in subdivision (2) of this subsection, a
208 dispensary facility, including the backers of such dispensary facility,
209 shall not increase its ownership in an equity joint venture in excess of
210 fifty per cent during the seven-year period after a license is issued by
211 the department under this section.

212 (2) A dispensary facility, including the backers of such dispensary

213 facility, may increase its ownership in an equity joint venture in excess
214 of fifty per cent, provided (A) at least three years have elapsed since a
215 license was issued by the department under this section, and (B) the
216 Social Equity Council has approved such increase in ownership in
217 writing.

218 (f) Equity joint ventures that are retailers or hybrid retailers that share
219 a common dispensary facility backer or owner, or hybrid retailer backer
220 or owner, shall not be located within twenty miles of each other.

221 (g) If a dispensary facility has paid the reduced conversion fee, in
222 accordance with subsection (a) of this section, and did not subsequently
223 create one equity joint venture under this section that, not later than
224 [fourteen] twenty-four months after the Department of Consumer
225 Protection approved the dispensary facility's license conversion
226 application under section 21a-420t, receives a final license from the
227 department, the dispensary facility shall be liable for the full conversion
228 fee of one million dollars established in section 21a-420e, as amended by
229 this act, minus such paid reduced conversion fee.

230 Sec. 8. Section 21a-421j of the general statutes is repealed and the
231 following is substituted in lieu thereof (*Effective October 1, 2025*):

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

234 (b) The commissioner shall adopt regulations in accordance with
235 chapter 54 to implement the provisions of RERACA. Notwithstanding
236 the requirements of sections 4-168 to 4-172, inclusive, in order to
237 effectuate the purposes of RERACA and protect public health and
238 safety, prior to adopting such regulations the commissioner shall issue
239 policies and procedures to implement the provisions of RERACA that
240 shall have the force and effect of law. The commissioner shall post all
241 policies and procedures on the department's Internet web site and
242 submit such policies and procedures to the Secretary of the State for
243 posting on the eRegulations System, at least fifteen days prior to the
244 effective date of any policy or procedure. The commissioner shall also

245 provide such policies and procedures, in a manner prescribed by the
246 commissioner, to each licensee. Any such policy or procedure shall no
247 longer be effective upon the earlier of either the adoption of the policy
248 or procedure as a final regulation under section 4-172 or forty-eight
249 months from June 22, 2021, if such regulations have not been submitted
250 to the legislative regulation review committee for consideration under
251 section 4-170. The commissioner shall issue policies and procedures and
252 thereafter final regulations that include, but are not limited to, the
253 following:

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

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

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

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

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

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

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

287 (C) A notation of the amount of cannabis the cannabis product is
288 considered the equivalent to.

289 (D) A list of ingredients and all additives for cannabis.

290 (E) Except as provided in subdivision (3) of subsection (f) of section
291 21a-420p, as amended by this act, child-resistant, tamper-resistant and
292 light-resistant packaging. For the purposes of this subparagraph,
293 packaging shall be deemed to be (i) child-resistant if the packaging
294 satisfies the standard for special packaging established in 16 CFR
295 1700.1(b)(4), as amended from time to time, (ii) tamper-resistant if the
296 packaging has at least one barrier to, or indicator of, entry that would
297 preclude the contents of such packaging from being accessed or
298 adulterated without indicating to a reasonable person that such
299 packaging has been breached, and (iii) light-resistant if the packaging is
300 entirely and uniformly opaque and protects the entirety of the contents
301 of such packaging from the effects of light.

302 (F) Except as provided in subdivision (3) of subsection (f) of section
303 21a-420p, as amended by this act, (i) packaging for cannabis intended
304 for multiple servings to be resealable in such a manner so as to render
305 such packaging continuously child-resistant, as described in
306 subparagraph (E)(i) of this subdivision, and preserve the integrity of the
307 contents of such packaging, and (ii) if packaging for cannabis intended

308 for multiple servings contains any edible cannabis product, for each
309 single standardized serving to be easily discernible and (I) individually
310 wrapped, or (II) physically demarked and delineated as required under
311 this subsection.

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

316 (H) Product tracking information sufficient to determine where and
317 when the cannabis was grown and manufactured such that a product
318 recall could be effectuated.

319 (I) A net weight statement.

320 (J) A recommended use by or expiration date.

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

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

330 (M) Chemotypes, which shall be displayed as (i) "High THC, Low
331 CBD" where the ratio of THC to CBD is greater than five to one and the
332 total THC percentage is at least fifteen per cent, (ii) "Moderate THC,
333 Moderate CBD" where the ratio of THC to CBD is at least one to five but
334 not greater than five to one and the total THC percentage is greater than
335 five per cent but less than fifteen per cent, (iii) "Low THC, High CBD"
336 where the ratio of THC to CBD is less than one to five and the total THC
337 percentage is not greater than five per cent, or (iv) the chemotype
338 described in clause (i), (ii) or (iii) of this subparagraph that most closely

339 fits the cannabis or cannabis product, as determined by mathematical
340 analysis of the ratio of THC to CBD, where such cannabis or cannabis
341 product does not fit a chemotype described in clause (i), (ii) or (iii) of
342 this subparagraph.

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

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

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

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

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

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

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

368 (V) Directions for use and storage.

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

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

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

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

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

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

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

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

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

394 (X) All information necessary to comply with labeling requirements
395 imposed under the laws of this state and federal law, including, but not
396 limited to, sections 21a-91 to 21a-120, inclusive, and 21a-151 to 21a-159,
397 inclusive, the Federal Food, Drug and Cosmetic Act, 21 USC 301 et seq.,

398 as amended from time to time, and the federal Fair Packaging and
399 Labeling Act, 15 USC 1451 et seq., as amended from time to time, for
400 similar products that do not contain cannabis.

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

404 (6) Establishing laboratory testing standards, consumer disclosures
405 concerning mold and yeast in cannabis and permitted remediation
406 practices.

407 (7) Restricting forms of cannabis products and cannabis product
408 delivery systems to ensure consumer safety and deter public health
409 concerns.

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

415 (9) Prohibiting cannabis product types that appeal to children,
416 including, but not limited to, facsimiles of foods, beverages and other
417 items that appeal to children.

418 (10) Establishing physical and cyber security requirements related to
419 build out, monitoring and protocols for cannabis establishments as a
420 requirement for licensure.

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

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

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

432 (14) Prohibiting a cannabis establishment from selling, other than the
433 sale of medical marijuana products between cannabis establishments
434 and the sale of cannabis to qualified patients and caregivers, (A)
435 cannabis flower or other cannabis plant material with a total THC
436 concentration greater than thirty per cent on a dry-weight basis, and (B)
437 any cannabis product other than cannabis flower and cannabis plant
438 material with a total THC concentration greater than sixty per cent on a
439 dry-weight basis, except that the provisions of subparagraph (B) of this
440 subdivision shall not apply to the sale of prefilled cartridges for use in
441 an electronic cannabis delivery system, as defined in section 19a-342a
442 and the department may adjust the percentages set forth in
443 subparagraph (A) or (B) of this subdivision in regulations adopted
444 pursuant to this section for purposes of public health or to address
445 market access or shortage. As used in this subdivision, "cannabis plant
446 material" means material from the cannabis plant, as defined in section
447 21a-279a.

448 (15) Permitting the outdoor cultivation of cannabis, including, but not
449 limited to, the outdoor cultivation of cannabis at one or more locations
450 physically removed from a cultivator's or micro-cultivator's indoor
451 cultivation facility, provided the cultivator's or micro-cultivator's
452 combined indoor grow space shall not, in the aggregate, exceed the
453 maximum grow space permitted for a cultivator or micro-cultivator.

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

458 (17) Allowing packaging to include a picture of the cannabis product
459 and contain a logo [of one cannabis establishment] or mark, which logo
460 or mark may be comprised of [not more than three] colors and [provided

461 neither black nor white shall be considered one of such three colors]
462 graphics.

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

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

472 [(20)] (18) (A) Except as provided in subparagraph (B) of this
473 subdivision, requiring that delivery device cartridges be labeled, in a
474 clearly legible manner and in as large a font as the size of the device
475 reasonably allows, with only the following information (i) the name of
476 the cannabis establishment where the cannabis is grown or
477 manufactured, (ii) the cannabis brand, (iii) the total THC and total CBD
478 content contained within the delivery device cartridge, (iv) the
479 expiration date, and (v) the unique identifier generated by a cannabis
480 analytic tracking system maintained by the department and used to
481 track cannabis under the policies and procedures issued, and final
482 regulations adopted, by the commissioner pursuant to this section.

483 (B) A cannabis establishment may emboss, deboss or similarly print
484 [the] a name [of the cannabis establishment's business entity, and one
485 logo with not more than three colors,] or other identifying mark on a
486 delivery device cartridge.

487 [(21)] (19) Prescribing signage to be prominently displayed at
488 dispensary facilities, retailers and hybrid retailers disclosing (A)
489 possible health risks related to mold, and (B) the use and possible health
490 risks related to the use of mold remediation techniques.

491 Sec. 9. Subsection (b) of section 21a-421k of the general statutes is

492 repealed and the following is substituted in lieu thereof (*Effective from*
493 *passage*):

494 (b) Notwithstanding the requirements of sections 4-168 to 4-172,
495 inclusive, in order to effectuate the purposes of RERACA and protect
496 public health and safety, prior to adopting such regulations the
497 commissioner shall implement policies and procedures to implement
498 the provisions of RERACA that shall have the force and effect of law.
499 The commissioner shall post all such policies and procedures on the
500 department's Internet web site and submit such policies and procedures
501 to the Secretary of the State for posting on the eRegulations System, at
502 least fifteen days prior to the effective date of any policy or procedure.
503 Any such policies and procedures shall no longer be effective upon the
504 earlier of either adoption of such policies and procedures as a final
505 regulation under section 4-172 or [forty-eight] sixty months from June
506 22, 2021, if such regulations have not been submitted to the legislative
507 regulation review committee for consideration under section 4-170.

508 Sec. 10. Section 21a-421l of the general statutes is repealed and the
509 following is substituted in lieu thereof (*Effective from passage*):

510 (a) Each cannabis establishment shall establish, maintain and comply
511 with written policies and procedures for the cultivation, processing,
512 manufacture, security, storage, inventory and distribution of cannabis,
513 as applicable to the specific license type. Such policies and procedures
514 shall include methods for identifying, recording and reporting
515 diversion, theft or loss, and for correcting all errors and inaccuracies in
516 inventories. Cannabis establishments shall include in their written
517 policies and procedures a process for each of the following, if the
518 establishment engages in such activity:

519 (1) Handling mandatory and voluntary recalls of cannabis. Such
520 process shall be adequate to deal with recalls due to any order of the
521 commissioner and any voluntary action by the cannabis establishment
522 to remove defective or potentially defective cannabis from the market
523 or any action undertaken to promote public health and safety by
524 replacing existing cannabis with improved products or packaging;

525 (2) Preparing for, protecting against and handling any crisis that
526 affects the security or operation of any facility used in the operation of
527 a cannabis establishment in the event of a strike, fire, flood or other
528 natural disaster, or other situations of local, state or national emergency;

529 (3) Ensuring that any outdated, damaged, deteriorated, misbranded
530 or adulterated cannabis is segregated from all other inventory and
531 destroyed. Such procedure shall provide for written documentation of
532 the cannabis disposition; and

533 (4) Ensuring the oldest stock of a cannabis is sold, delivered or
534 dispensed first. Such procedure may permit deviation from this
535 requirement, if such deviation is temporary and approved by the
536 commissioner.

537 (b) A cannabis establishment shall (1) store all cannabis in such a
538 manner as to prevent diversion, theft or loss, (2) make cannabis
539 accessible only to the minimum number of specifically authorized
540 employees essential for efficient operation, and (3) return any cannabis
541 to a secure location at the end of the scheduled business day. For the
542 purposes of this subsection, a location shall be deemed to be secure if
543 the location satisfies the requirements imposed in subsection (b) of
544 section 21a-262-4 of the regulations of Connecticut state agencies for
545 controlled substances listed in schedules III, IV and V of the Connecticut
546 controlled substance scheduling regulations adopted pursuant to
547 section 21a-243.

548 (c) Notwithstanding any provision of this chapter, no cannabis
549 establishment shall be required to report to the department any
550 suspected diversion, theft or loss of cannabis until the cannabis
551 establishment has completed an investigation of such suspected
552 diversion, theft or loss, provided the value of the cannabis that the
553 cannabis establishment suspects has been diverted, stolen or lost does
554 not exceed five hundred dollars.

555 Sec. 11. Subsection (x) of section 22-61m of the general statutes is
556 repealed and the following is substituted in lieu thereof (*Effective from*

557 *passage*):

558 (x) No manufacturer hemp product that is a food, beverage, oil or
559 other product intended for human ingestion shall be distributed or sold
560 in this state unless such product is contained within a package, or a label
561 is affixed to such package, that includes:

562 (1) A scannable barcode, Internet web site address or quick response
563 code that is linked to the certificate of analysis of the final form product
564 batch by an independent testing laboratory and discloses:

565 (A) The name of such product;

566 (B) The name, address and telephone number of such product's
567 manufacturer, packer and distributor, as applicable;

568 (C) The batch number, which shall match the batch number on such
569 package or label; and

570 (D) The concentration of cannabinoids present in such product,
571 including, but not limited to, total THC and any cannabinoids or active
572 ingredients comprising at least one per cent of such product;

573 (2) The expiration or best by date for such product, if applicable;

574 (3) A clear and conspicuous statement disclosing that:

575 (A) [Children, or those] Those who are pregnant or breastfeeding [.]
576 should avoid using such product prior to consulting with a health care
577 professional concerning such product's safety;

578 (B) Products containing cannabinoids should be kept out of reach of
579 children; and

580 (C) The federal Food and Drug Administration has not evaluated
581 such product for safety or efficacy; and

582 (4) If such product is intended to be inhaled, a clear and conspicuous
583 warning statement disclosing that smoking or vaporizing is hazardous

584 to human health.

585 Sec. 12. Subdivision (1) of section 21a-420 of the general statutes is
586 repealed and the following is substituted in lieu thereof (*Effective from*
587 *passage*):

588 (1) "Responsible and Equitable Regulation of Adult-Use Cannabis
589 Act" or "RERACA" means this section, sections 2-56j, 7-294kk, 7-294ll,
590 12-330ll to 12-330nn, inclusive, 14-227p, 21a-278b, 21a-278c, 21a-279c,
591 21a-279d, 21a-420a to 21a-420j, inclusive, as amended by this act, 21a-
592 420l to 21a-421r, inclusive, 21a-421aa to 21a-421ff, inclusive, 21a-421aaa
593 to 21a-421hhh, inclusive, 21a-422 to 21a-422c, inclusive, 21a-422e to 21a-
594 422g, inclusive, 21a-422j to 21a-422s, inclusive, 22-61n, 23-4b, 47a-9a, 53-
595 247a, 53a-213a, 53a-213b, 54-33p, 54-56q, 54-56r, 54-125k and 54-142u,
596 sections 23, 60, 63 to 65, inclusive, 124, 144 and 165 of public act 21-1 of
597 the June special session, and the amendments in public act 21-1 of the
598 June special session to sections 7-148, 10-221, 12-30a, 12-35b, 12-412, 12-
599 650, 12-704d, 14-44k, 14-111e, 14-227a to 14-227c, inclusive, 14-227j, 15-
600 140q, 15-140r, 18-100h, 19a-342, 19a-342a, 21a-267, 21a-277, 21a-279, 21a-
601 279a, 21a-408 to 21a-408f, inclusive, 21a-408h to 21a-408p, inclusive, 21a-
602 408r to 21a-408w, inclusive, 21a-420aa, 21a-421s, 30-89a, 31-40q, 32-39,
603 46b-120, 51-164n, 53-394, 53a-39c, 54-1m, 54-33g, 54-41b, 54-56e, 54-56g,
604 54-56i, 54-56k, 54-56n, 54-63d, 54-66a and 54-142e, section 20 of public
605 act 23-79 and section 13 of this act;

606 Sec. 13. (NEW) (*Effective July 1, 2025*) (a) During the period beginning
607 July 1, 2025, and ending December 31, 2026, the department shall issue
608 a cultivator license or micro-cultivator license to a social equity
609 applicant:

610 (1) If prior to July 1, 2025, the social equity applicant submitted to the
611 department a completed cultivator license application pursuant to
612 subsection (a) of section 21a-420o of the general statutes, and:

613 (A) The Social Equity Council verified, pursuant to subdivision (1) of
614 subsection (a) of section 21a-420o of the general statutes, that the
615 applicant met the criteria established for a social equity applicant; or

616 (B) The department issued a provisional cultivator license, but not a
617 final cultivator license, to the social equity applicant pursuant to section
618 21a-420o of the general statutes;

619 (2) If during the period beginning July 1, 2025, and ending March 31,
620 2026, the social equity applicant submits to the department, in a form
621 and manner prescribed by the commissioner:

622 (A) A completed application for a cultivator license or micro-
623 cultivator license;

624 (B) A copy of an agreement, between the social equity applicant and
625 a hemp producer that has been continually licensed under section 22-
626 61l of the general statutes since January 1, 2024, which provides:

627 (i) For the use of the hemp producer's cultivation lot, which may be
628 located outside of a disproportionately impacted area; and

629 (ii) That if the department issues a provisional cultivator license or a
630 provisional micro-cultivator license to the social equity applicant
631 pursuant to this section:

632 (I) Such provisional cultivator license or provisional micro-cultivator
633 license shall immediately be deemed to have automatically replaced
634 both the provisional cultivator license application the social equity
635 applicant submitted and any provisional cultivator license the
636 department issued to the social equity applicant pursuant to subsection
637 (a) of section 21a-420o of the general statutes, and such previously
638 submitted provisional cultivator license application and previously
639 issued provisional cultivator license shall immediately be deemed to
640 have been automatically withdrawn or surrendered, as applicable, as set
641 forth in subparagraph (C)(i) of this subdivision; and

642 (II) The hemp producer shall immediately be deemed to have
643 automatically surrendered such hemp producer's license under section
644 22-61l of the general statutes, as set forth in subparagraph (D) of this
645 subdivision;

646 (C) An acknowledgment by the social equity applicant that, if the
647 department issues a provisional cultivator license or provisional micro-
648 cultivator license to the social equity applicant pursuant to this section:

649 (i) Such provisional cultivator license or provisional micro-cultivator
650 license shall immediately be deemed to have automatically replaced
651 both the provisional cultivator license application the social equity
652 applicant submitted and any provisional cultivator license the
653 department issued to the social equity applicant pursuant to subsection
654 (a) of section 21a-420o of the general statutes, and such previously
655 submitted provisional cultivator license application and previously
656 issued cultivator license shall immediately be deemed to have been
657 automatically withdrawn or surrendered, as applicable; and

658 (ii) The social equity applicant shall be (I) eligible to create not more
659 than one equity joint venture after such social equity applicant receives
660 a cultivator license under this section and commences cultivation
661 activities under such cultivator license, as provided in subsection (e) of
662 this section, or (II) ineligible to create an equity joint venture after such
663 social equity applicant receives a micro-cultivator license under this
664 section, as provided in subsection (e) of this section;

665 (D) An acknowledgment by the hemp producer which is a party to
666 the agreement described in subparagraph (B) of this subdivision that, if
667 the department issues a provisional cultivator license or provisional
668 micro-cultivator license to the social equity applicant pursuant to this
669 section, the hemp producer shall immediately be deemed to have
670 automatically surrendered such hemp producer's license under section
671 22-61l of the general statutes;

672 (E) Evidence that is sufficient for the department to verify that the
673 hemp producer which is a party to the agreement described in
674 subparagraph (B) of this subdivision has been continually licensed
675 under section 22-61l of the general statutes since January 1, 2024;

676 (F) A written statement by the social equity applicant disclosing
677 whether any change occurred in the ownership or control of the social

678 equity applicant after the Social Equity Council verified that the social
679 equity applicant met the criteria for a social equity applicant pursuant
680 to subdivision (1) of subsection (a) of section 21a-420o of the general
681 statutes; and

682 (G) The application fee required under subsection (b) of this section;

683 (3) Provided any change described in subparagraph (F) of
684 subdivision (2) of this subsection that has occurred is:

685 (A) Allowed under (i) section 21a-420g of the general statutes, as
686 amended by this act, and (ii) any regulation adopted, or policy or
687 procedure issued, pursuant to section 21a-420g of the general statutes,
688 as amended by this act, or 21a-420h of the general statutes; and

689 (B) Allowed under subdivision (1) of subsection (c) of this section,
690 whereby (i) the Social Equity Council has determined that the social
691 equity applicant continues to meet the criteria for a social equity
692 applicant, and (ii) the department has received a written notice from the
693 Social Equity Council affirming that the Social Equity Council has
694 determined that the social equity applicant continues to meet the criteria
695 for a social equity applicant;

696 (4) If pursuant to subdivision (2) of subsection (c) of this section, (A)
697 the Social Equity Council has reviewed the agreement described in
698 subparagraph (B) of subdivision (2) of this subsection, and (B) the
699 department has received a written notice from the Social Equity Council
700 affirming that the Social Equity Council has determined that the social
701 equity applicant continues to meet the criteria for a social equity
702 applicant; and

703 (5) If all hemp, as defined in section 22-61l of the general statutes, has
704 been harvested from the cultivation lot described in subparagraph (B)(i)
705 of subdivision (2) of this subsection.

706 (b) (1) A social equity applicant seeking a cultivator license under this
707 section shall submit to the department a three-million-dollar application
708 fee unless the social equity applicant has (A) received a provisional

709 cultivator license under subsection (a) of section 21a-420o of the general
710 statutes, and (B) paid the fee required under subdivision (3) of
711 subsection (a) of section 21a-420o of the general statutes.

712 (2) A social equity applicant seeking a micro-cultivator license under
713 this section shall submit to the department a five-hundred-thousand-
714 dollar application fee unless the social equity applicant has (A) received
715 a provisional cultivator license under subsection (a) of section 21a-420o
716 of the general statutes, and (B) paid the fee required under subdivision
717 (3) of subsection (a) of section 21a-420o of the general statutes.

718 (3) The fee to renew a final cultivator license or final micro-cultivator
719 license issued pursuant to this section shall be the same as the fee to
720 renew a final cultivator license or final micro-cultivator license as set
721 forth in section 21a-420e of the general statutes, as amended by this act.

722 (4) All fees collected by the department under this section shall be
723 deposited in the Cannabis Social Equity and Innovation Fund
724 established in subsection (c) of section 21a-420f of the general statutes.

725 (c) (1) If any change described in subparagraph (F) of subdivision (2)
726 of subsection (a) of this section has occurred, the Social Equity Council
727 shall (A) determine whether the social equity applicant continues to
728 meet the criteria for a social equity applicant, and (B) submit to the
729 department, in a form and manner prescribed by the commissioner, a
730 written notice disclosing such determination.

731 (2) The Social Equity Council shall (A) review the agreement
732 described in subparagraph (B) of subdivision (2) of subsection (a) of this
733 section, and (B) submit to the department, in a form and manner
734 prescribed by the commissioner, a written notice disclosing whether the
735 social equity applicant continues to meet the criteria for a social equity
736 applicant.

737 (d) All harvested hemp described in subdivision (5) of subsection (a)
738 of this section shall continue to be deemed hemp until the department
739 issues a final cultivator license or final micro-cultivator license to the

740 social equity applicant pursuant to this section. After the department
741 issues a final cultivator license or final micro-cultivator license to the
742 social equity applicant pursuant to this section, such harvested hemp
743 shall be deemed to be cannabis and shall be subject to all cannabis
744 cultivation, testing, labeling, tracking, reporting and manufacturing
745 provisions of RERACA as such provisions apply to cultivators and
746 micro-cultivators. For the purposes of this subsection, "hemp" has the
747 same meaning as provided in section 22-61l of the general statutes.

748 (e) No social equity applicant that receives a cultivator license under
749 this section shall be eligible to create more than one equity joint venture,
750 and no such social equity applicant shall create any equity joint venture
751 unless such social equity applicant has received a cultivator license
752 under this section and commenced cultivation activities under such
753 cultivator license. No social equity applicant that receives a micro-
754 cultivator license under this section shall be eligible to create an equity
755 joint venture.

756 (f) Each application submitted to the department pursuant to
757 subsection (a) of this section, and all information included in, or
758 submitted with, any application submitted pursuant to said subsection,
759 shall be subject to the provisions of subsection (g) of section 21a-420e of
760 the general statutes.

761 (g) Notwithstanding any other provision of RERACA, and except as
762 otherwise provided in subsections (a) to (f), inclusive, of this section:

763 (1) Each application submitted pursuant to subsection (a) of this
764 section shall be processed as any other cultivator application or micro-
765 cultivator application that has been selected through the lottery; and

766 (2) Each social equity applicant, application submitted pursuant to
767 subsection (a) of this section, cultivator license issued pursuant to this
768 section and micro-cultivator license issued pursuant to this section shall
769 be subject to subsections (e) to (l), inclusive, of section 21a-420g of the
770 general statutes.

771 Sec. 14. Section 21a-420p of the general statutes is repealed and the
772 following is substituted in lieu thereof (*Effective July 1, 2025*):

773 (a) [On and after July 1, 2021, the] The department may issue or renew
774 a license for a person to be a micro-cultivator. No person may act as a
775 micro-cultivator or represent that such person is a licensed micro-
776 cultivator unless such person has obtained a license from the
777 department pursuant to this section.

778 (b) A micro-cultivator is authorized to cultivate, grow, propagate,
779 manufacture and package the cannabis plant at an establishment
780 containing not less than two thousand square feet and not more than ten
781 thousand square feet of grow space, prior to any expansion authorized
782 by the commissioner, provided such micro-cultivator complies with the
783 provisions of any regulations adopted under section 21a-420q
784 concerning grow space. A micro-cultivator business shall meet physical
785 security controls set forth and required by the commissioner.

786 (c) A micro-cultivator may apply for expansion of its grow space, in
787 increments of five thousand square feet, on an annual basis, from the
788 date of initial licensure, if such licensee is not subject to any pending or
789 final administrative actions or judicial findings. If there are any pending
790 or final administrative actions or judicial findings against the licensee,
791 the department shall conduct a suitability review to determine whether
792 such expansion shall be granted, which determination shall be final and
793 appealable only to the Superior Court. The micro-cultivator may apply
794 for an expansion of its business annually upon renewal of its credential
795 until such licensee reaches a maximum of twenty-five thousand square
796 feet of grow space. If a micro-cultivator desires to expand beyond
797 twenty-five thousand square feet of grow space, the micro-cultivator
798 licensee may apply for a cultivator license one year after its last
799 expansion request. The micro-cultivator licensee shall not be required to
800 apply through the lottery application process to convert its license to a
801 cultivator license. If a micro-cultivator maintains its license and meets
802 all of the application and licensure requirements for a cultivator license,
803 including payment of the cultivator license fee established under section

804 21a-420e, as amended by this act, the micro-cultivator licensee shall be
805 granted a cultivator license.

806 (d) A micro-cultivator may label, manufacture, package and perform
807 extractions on any cannabis cultivated, grown and propagated at its
808 licensed establishment provided it meets all licensure and application
809 requirements for a food and beverage manufacturer, product
810 manufacturer or product packager, as applicable.

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

820 (f) (1) [Subject to the requirements of this subsection and subsection
821 (b) of section 21a-420c, a] A micro-cultivator may sell [its own] cannabis
822 [, including, but not limited to, its own cannabis seedlings,] seedlings
823 cultivated at its micro-cultivator establishment directly to consumers,
824 excluding qualifying patients and caregivers, solely through delivery by
825 either utilizing a delivery service or its own employees, subject to the
826 requirements of subsection (b) of section 21a-420c. No cannabis
827 establishment other than a micro-cultivator shall sell cannabis seedlings
828 to consumers, and no cannabis establishment other than a delivery
829 service or a micro-cultivator utilizing its own employees shall deliver
830 cannabis seedlings cultivated and sold by a micro-cultivator to
831 consumers.

832 (2) No micro-cultivator shall sell a cannabis seedling to a consumer
833 unless:

834 (A) The micro-cultivator cultivated the cannabis seedling in this state
835 from seed or clone;

836 (B) The cannabis seedling (i) has a standing height of not more than
837 six inches measured from the base of the stem to the tallest point of the
838 plant, (ii) does not contain any bud or flower, and (iii) has been tested
839 for pesticides and heavy metals in accordance with the laboratory
840 testing standards established in the policies and procedures issued, and
841 final regulations adopted, by the commissioner pursuant to section 21a-
842 421j, as amended by this act; and

843 (C) A label or informational tag is affixed to the cannabis seedling
844 disclosing the following in legible English, black lettering, Times New
845 Roman font, flat regular typeface, on a contrasting background and in
846 uniform size of not less than one-tenth of one inch, based on a capital
847 letter "K":

848 (i) The name of the micro-cultivator;

849 (ii) A product description for the cannabis seedling;

850 (iii) One of the following chemotypes anticipated after flowering: (I)
851 "High THC, Low CBD"; (II) "Low THC, High CBD"; or (III) "50/50 THC
852 and CBD";

853 (iv) The results of the testing required under subparagraph (B)(iii) of
854 this subdivision;

855 (v) Directions for optimal care of the cannabis seedling;

856 (vi) Unobscured symbols, in a size of not less than one-half inch by
857 one-half inch and in a format approved by the commissioner, which
858 symbols shall indicate that the cannabis seedling contains THC and is
859 not legal or safe for individuals younger than twenty-one years of age;
860 and

861 (vii) A unique identifier generated by a cannabis analytic tracking
862 system maintained by the department and used to track cannabis under
863 the policies and procedures issued, and final regulations adopted, by
864 the commissioner pursuant to section 21a-421j, as amended by this act.

865 (3) Notwithstanding section 21a-421j, as amended by this act, no
866 cannabis seedling shall be required to be sold in child-resistant
867 packaging.

868 (4) No micro-cultivator shall knowingly sell more than three cannabis
869 seedlings to a consumer in any six-month period.

870 (5) No micro-cultivator shall accept any returned cannabis seedling.

871 (g) (1) A micro-cultivator that has obtained a final license from the
872 department pursuant to this section and maintains an exclusively
873 indoor grow facility may submit an application to the department, in a
874 form and manner prescribed by the commissioner, for a retailer or
875 hybrid retailer endorsement to such final license under this subsection.
876 Such endorsement, if issued, shall authorize the micro-cultivator to
877 operate a retailer or hybrid retailer pursuant to this subsection. An
878 applicant micro-cultivator shall submit a complete application for an
879 endorsement under this subsection, along with the endorsement
880 application fee, to the department not later than one year after the date
881 on which the applicant micro-cultivator obtained a final micro-
882 cultivator license from the department pursuant to this section or June
883 30, 2026, whichever is later. The department shall not accept an
884 application submitted pursuant to this subsection after such time period
885 has expired. The amount of the application fee for an endorsement
886 under this subsection shall be the same as the fee imposed to receive a
887 final retailer license or a final hybrid retailer license set forth in
888 subsections (c) and (d) of section 21a-420e, as amended by this act. The
889 annual renewal fee for an endorsement issued under this subsection
890 shall be the same as the renewal fee for a final retailer license or a final
891 hybrid retailer license set forth in subsections (c) and (d) of section 21a-
892 420e, as amended by this act.

893 (2) The department shall issue an endorsement to a micro-cultivator
894 pursuant to this subsection if the micro-cultivator:

895 (A) Submits a timely and complete endorsement application to the
896 department, in the form and manner prescribed by the commissioner;

897 (B) Attests that the retailer or hybrid retailer created pursuant to the
898 endorsement shall be operated in compliance with all requirements
899 established in this chapter for a licensed retailer or a licensed hybrid
900 retailer; and

901 (C) Acknowledges and attests that such micro-cultivator shall not
902 engage in any outdoor cultivation of cannabis.

903 (3) Each micro-cultivator that is issued an endorsement under this
904 subsection shall have twenty-four months from the date such
905 endorsement is issued to (A) satisfy the requirements established in
906 section 21a-420g, as amended by this act, for a retailer or hybrid retailer
907 that has been issued a final license, and (B) seek and obtain a written
908 statement from the department, in a form and manner prescribed by the
909 commissioner, confirming that such micro-cultivator satisfies such
910 requirements and is authorized to engage in the activities of a retailer or
911 hybrid retailer.

912 (4) An endorsement issued pursuant to this subsection shall expire
913 and shall not be eligible for reapplication or renewal if the micro-
914 cultivator (A) fails to satisfy the requirements established in subdivision
915 (3) of this subsection, or (B) allows such endorsement to lapse.

916 (5) The facility of a retailer or hybrid retailer established pursuant to
917 an endorsement issued pursuant to this subsection shall be located (A)
918 on the same premises as the micro-cultivator, or (B) on a tract of land or
919 parcel that abuts such premises, provided such abutting tract of land or
920 parcel is located within one hundred feet of such premises measured
921 from the point on such tract of land or parcel that is closest to such
922 premises.

923 (6) Upon receipt of a written statement from the department as set
924 forth in subparagraph (B) of subdivision (3) of this subsection, the
925 micro-cultivator shall:

926 (A) Be authorized to sell cannabis (i) to consumers only if such
927 cannabis is cultivated indoors by the micro-cultivator, and (ii) in the case

928 of a hybrid retailer endorsement, to consumers, qualifying patients and
929 caregivers;

930 (B) Acknowledge and agree that such micro-cultivator is not eligible
931 to expand to a cultivator license, as provided in section 21a-420p, as
932 amended by this act; and

933 (C) Maintain the retailer's or hybrid-retailer's activities and facility in
934 accordance with the requirements established in this chapter, chapter
935 420f and the regulations, policies and procedures adopted or issued
936 pursuant to said chapters, as applicable.

937 (7) A micro-cultivator that is issued an endorsement under this
938 subsection may sell cannabis cultivated by the micro-cultivator directly
939 to consumers by utilizing a delivery service or its own employees,
940 subject to the provisions of subsection (b) of section 21a-420c, provided
941 such micro-cultivator shall exclusively sell cannabis cultivated by such
942 micro-cultivator.

943 (8) Notwithstanding the provisions of this section, a micro-cultivator
944 with an active endorsement issued under this subsection shall not
945 exceed twenty-five thousand square feet of grow space and shall not be
946 eligible to convert to a cultivator unless the micro-cultivator
947 permanently surrenders such endorsement and ceases all retailer and
948 hybrid retailer activities at the cannabis establishment.

949 (9) An endorsement issued under this subsection shall not impact any
950 right a micro-cultivator may have to create an equity joint venture.

951 Sec. 15. Subsection (c) of section 21a-420e of the general statutes is
952 repealed and the following is substituted in lieu thereof (*Effective July 1,*
953 *2025*):

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

956 (1) For a retailer license, the fee to enter the lottery shall be five
957 hundred dollars, the fee to receive a provisional license shall be five

958 thousand dollars and the fee to receive a final license or a renewal of a
959 final license shall be twenty-five thousand dollars.

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

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

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

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

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

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

988 (B) For a food and beverage manufacturer seeking authorization to

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

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

1000 (B) For a product packager seeking authorization to expand the
1001 product packager's authorized activities to include the authorized
1002 activities of a product manufacturer, the application fee for such
1003 expanded authorization shall be thirty thousand dollars and the fee to
1004 renew such expanded authorization shall be twenty-five thousand
1005 dollars. The [fees] renewal fee due under this subparagraph shall be in
1006 lieu of the [fees] renewal fee due under subparagraph (A) of this
1007 subdivision.

1008 (8) (A) For a delivery service or transporter license, the fee to enter
1009 the lottery shall be two hundred fifty dollars, the fee to receive a
1010 provisional license shall be one thousand dollars and the fee to receive
1011 a final license or a renewal of a final license shall be five thousand
1012 dollars.

1013 (B) For a transporter seeking authorization to expand the
1014 transporter's authorized activities to include the authorized activities of
1015 a product packager, the application fee for such expanded authorization
1016 shall be twenty-five thousand dollars, and the fee to renew such
1017 expanded authorization shall be twenty-five thousand dollars. The
1018 renewal fee due under this subparagraph shall be in lieu of the renewal
1019 fee due under subparagraph (A) of this subdivision. In the event a
1020 transporter elects to cease the authorized activities of a product
1021 packager, such transporter shall notify the department in writing prior

1022 to reverting to the authorized activities of a transporter. Such
1023 transporter shall remain authorized to perform the authorized activities
1024 of a product packager until the end of the license period in which such
1025 written notice was provided.

1026 (9) For an initial or renewal of a backer license, the fee shall be one
1027 hundred dollars.

1028 (10) For an initial or renewal of a key employee license, the fee shall
1029 be one hundred dollars.

1030 (11) For an initial or renewal of a registration of an employee who is
1031 not a key employee, the fee shall be fifty dollars.

1032 (12) The license conversion fee for a dispensary facility to become a
1033 hybrid retailer shall be one million dollars, except as provided in section
1034 21a-420u, as amended by this act.

1035 (13) The license conversion fee for a producer to engage in the adult
1036 use cannabis market shall be three million dollars, except as provided in
1037 section 21a-420l.

1038 (14) For a dispensary facility license, the fee to enter the lottery shall
1039 be five hundred dollars, the fee to receive a provisional license shall be
1040 five thousand dollars and the fee to receive a final license or a renewal
1041 of a final license shall be five thousand dollars.

1042 (15) For a producer license, the fee to enter the lottery shall be one
1043 thousand dollars, the fee to receive a provisional license shall be twenty-
1044 five thousand dollars and the fee to receive a final license or a renewal
1045 of a final license shall be seventy-five thousand dollars.

1046 Sec. 16. Section 21a-420z of the general statutes is repealed and the
1047 following is substituted in lieu thereof (*Effective July 1, 2025*):

1048 (a) On and after July 1, 2021, the department may issue or renew a
1049 license for a person to be a delivery service or a transporter. No person
1050 may act as a delivery service or transporter or represent that such person

1051 is a licensed delivery service or transporter unless such person has
1052 obtained a license from the department pursuant to this section.

1053 (b) Upon application for a delivery service or transporter license, the
1054 applicant shall indicate whether the applicant is applying to transport
1055 cannabis (1) between cannabis establishments, in which case the
1056 applicant shall apply for a transporter license, or (2) from certain
1057 cannabis establishments to consumers or qualifying patients and
1058 caregivers, or a combination thereof, in which case the applicant shall
1059 apply for a delivery service license.

1060 (c) A delivery service may (1) deliver cannabis from a micro-
1061 cultivator, retailer, or hybrid retailer directly to a consumer, and (2)
1062 deliver cannabis and medical marijuana products from a hybrid retailer
1063 or dispensary facility directly to a qualifying patient, caregiver, or
1064 hospice or other inpatient care facility licensed by the Department of
1065 Public Health pursuant to chapter 368v that has protocols for the
1066 handling and distribution of cannabis that have been approved by the
1067 Department of Consumer Protection. A delivery service may not store
1068 or maintain control of cannabis or medical marijuana products for more
1069 than twenty-four hours between the point when a consumer, qualifying
1070 patient, caregiver or facility places an order, until the time that the
1071 cannabis or medical marijuana product is delivered to such consumer,
1072 qualifying patient, caregiver or facility.

1073 (d) A transporter may deliver cannabis between cannabis
1074 establishments, research programs and cannabis testing laboratories
1075 and shall not store or maintain control of cannabis for more than twenty-
1076 four hours from the time the transporter obtains the cannabis from a
1077 cannabis establishment, research program or cannabis testing
1078 laboratory until the time such cannabis is delivered to the destination.

1079 (e) The commissioner shall adopt regulations, in accordance with
1080 chapter 54, to implement the provisions of RERACA. Notwithstanding
1081 the requirements of sections 4-168 to 4-172, inclusive, in order to
1082 effectuate the purposes of RERACA and protect public health and
1083 safety, prior to adopting such regulations the commissioner shall issue

1084 policies and procedures to implement the provisions of this section that
1085 shall have the force and effect of law. The commissioner shall post all
1086 policies and procedures on the department's Internet web site, and
1087 submit such policies and procedures to the Secretary of the State for
1088 posting on the eRegulations System, at least fifteen days prior to the
1089 effective date of any policy or procedure. Any such policy or procedure
1090 shall no longer be effective upon the earlier of either adoption of such
1091 policy or procedure as a final regulation under section 4-172 or forty-
1092 eight months from July 1, 2021, if such final regulations have not been
1093 submitted to the legislative regulation review committee for
1094 consideration under section 4-170. The commissioner shall issue policies
1095 and procedures, and thereafter adopt final regulations, requiring that:
1096 (1) The delivery service and transporter meet certain security
1097 requirements related to the storage, handling and transport of cannabis,
1098 the vehicles employed, the conduct of employees and agents, and the
1099 documentation that shall be maintained by the delivery service,
1100 transporter and its drivers; (2) a delivery service that delivers cannabis
1101 to consumers maintain an online interface that verifies the age of
1102 consumers ordering cannabis for delivery and meets certain
1103 specifications and data security standards; and (3) a delivery service that
1104 delivers cannabis to consumers, qualifying patients or caregivers, and
1105 all employees and agents of such licensee, to verify the identity of the
1106 qualifying patient, caregiver or consumer and the age of the consumer
1107 upon delivery of cannabis to the end consumer, qualifying patient or
1108 caregiver, in a manner acceptable to the commissioner. The individual
1109 placing the cannabis order shall be the individual accepting delivery of
1110 the cannabis except, in the case of a qualifying patient, the individual
1111 accepting the delivery may be the caregiver of such qualifying patient.

1112 (f) A delivery service shall not gift or transfer cannabis at no cost to a
1113 consumer or qualifying patient or caregiver as part of a commercial
1114 transaction.

1115 (g) A delivery service that employs twelve or more individuals to
1116 deliver cannabis pursuant to subsection (c) of this section may only use
1117 individuals employed on a full-time basis, not less than thirty-five hours

1118 a week, to deliver cannabis pursuant to subsection (c) of this section.
1119 Any delivery service employees who deliver cannabis shall be
1120 registered with the department, and a delivery service shall not employ
1121 more than twenty-five such delivery employees at any given time.

1122 (h) No provision of this section shall be construed to excuse any
1123 delivery service from the requirement that such delivery service enter
1124 into a labor peace agreement with a bona fide labor organization under
1125 section 21a-421d.

1126 (i) (1) A transporter may expand the transporter's authorized
1127 activities to include the authorized activities of a product packager if:
1128 (A) The transporter submits to the department (i) a completed license
1129 expansion application on a form and in a manner prescribed by the
1130 commissioner, and (ii) the fee prescribed in subparagraph (B) of
1131 subdivision (8) of subsection (c) of section 21a-420e, as amended by this
1132 act; and (B) the commissioner authorizes the transporter, in writing, to
1133 expand such transporter's authorized activities to include the
1134 authorized activities of a product packager.

1135 (2) A transporter that expands the transporter's authorized activities
1136 to include the authorized activities of a product packager under this
1137 subsection shall comply with all provisions of this chapter, and all
1138 regulations, policies and procedures prescribed pursuant to this
1139 chapter, concerning product packagers. In the event of a conflict
1140 between any provision of this chapter, or any regulation, policy or
1141 procedure prescribed pursuant to this chapter, concerning transporters
1142 and any such provision, regulation, policy or procedure concerning
1143 product packagers, the provision, regulation, policy or procedure
1144 imposing the more stringent public health and safety standard shall
1145 prevail.

1146 Sec. 17. Section 21a-422f of the general statutes is repealed and the
1147 following is substituted in lieu thereof (*Effective July 1, 2025*):

1148 (a) As used in this section, "municipality" means any town, city or
1149 borough, consolidated town and city or consolidated town and

1150 borough, and a district establishing a zoning commission under section
1151 7-326.

1152 (b) Any municipality may, by amendment to such municipality's
1153 zoning regulations or by local ordinance, (1) prohibit the establishment
1154 of a cannabis establishment, (2) except as provided in subsection (f) of
1155 this section, establish reasonable restrictions regarding the hours and
1156 signage within the limits of such municipality, or (3) establish
1157 restrictions on the proximity of cannabis establishments to any of the
1158 establishments listed in subdivision (1) of subsection (a) of section 30-
1159 46. The chief zoning official of a municipality shall report, in writing,
1160 any zoning changes adopted by the municipality regarding cannabis
1161 establishments pursuant to this subsection to the Secretary of the Office
1162 of Policy and Management and to the department not later than
1163 fourteen days after the adoption of such changes.

1164 (c) Unless otherwise provided for by a municipality through its
1165 zoning regulations or ordinances, a cannabis establishment shall be
1166 zoned as if for any other similar use, other than a cannabis
1167 establishment, would be zoned.

1168 (d) Any restriction regarding hours, zoning and signage of a cannabis
1169 establishment adopted by a municipality shall not apply to an existing
1170 cannabis establishment located in such municipality if such cannabis
1171 establishment does not convert to a different license type, for a period
1172 of five years after the adoption of such prohibition or restriction.

1173 (e) For purposes of ensuring compliance with this section, a special
1174 permit or other affirmative approval shall be required for any retailer or
1175 micro-cultivator seeking to be located within a municipality. When
1176 awarding final licenses for a retailer or micro-cultivator, the Department
1177 of Consumer Protection may assume that, if an applicant for such final
1178 license has obtained zoning approval, the approval of a final license for
1179 such applicant shall not result in a violation of this section or any
1180 municipal restrictions on the number or density of cannabis
1181 establishments.

1182 (f) No retailer or hybrid retailer shall engage in any direct or indirect
1183 retail sale of cannabis (1) on Sunday before ten o'clock a.m. or after six
1184 o'clock p.m., or (2) on any day other than Sunday before eight o'clock
1185 a.m. or after ten o'clock p.m.

1186 Sec. 18. Subsection (e) of section 21a-425a of the general statutes is
1187 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1188 *2025*):

1189 (e) (1) [Beginning on October 1, 2024, no] No infused beverage that is
1190 sold or offered for sale in this state shall include (A) any additive that (i)
1191 is psychotropic, or (ii) could increase the potency, toxicity or addictive
1192 properties of the infused beverage, including, but not limited to, caffeine
1193 other than caffeine naturally occurring in chocolate, or (B) total THC that
1194 exceeds three milligrams per container.

1195 (2) (A) [Beginning on October 1, 2024, each] Each lot of an infused
1196 beverage in final form shall be tested by a cannabis testing laboratory.
1197 A statistically significant number of samples shall be collected from such
1198 lot and submitted to the cannabis testing laboratory for final product
1199 testing in a manner approved by the Department of Consumer
1200 Protection. Such sampling and final product testing shall be conducted
1201 by using a representative sample of such lot and by collecting a
1202 minimum number of sample increments relative to the size of such lot.

1203 (B) [Beginning on October 1, 2024, no] No infused beverage shall be
1204 sold or offered for sale in this state unless the infused beverage meets (i)
1205 the laboratory testing standards for cannabis established in, and any
1206 regulations, policies and procedures adopted or issued pursuant to,
1207 section 21a-421j, as amended by this act, or (ii) such other testing
1208 standards as may be approved by the Department of Consumer
1209 Protection and posted on the department's Internet web site.

1210 (3) [Beginning on October 1, 2024, no] No infused beverage sold or
1211 offered for sale in this state shall be packaged, labeled or advertised in
1212 any manner that is likely to mislead an individual by incorporating any
1213 statement, brand, design, representation, picture, illustration or other

1214 depiction that:

1215 (A) Bears a reasonable resemblance to trademarked or characteristic
1216 packaging of (i) cannabis offered for sale (I) in this state by a cannabis
1217 establishment licensed in this state, or (II) on tribal land by a tribal-
1218 credentialed cannabis entity, or (ii) a commercially available product
1219 other than a cannabis product; or

1220 (B) Appeals to individuals who are younger than twenty-one years of
1221 age by, among other things, (i) making use of any spokesperson or
1222 celebrity who appeals to such individuals, (ii) depicting any individual
1223 who is younger than twenty-five years of age consuming cannabis or an
1224 infused beverage, (iii) including any object, such as a toy, character or
1225 cartoon character, which suggests the presence of any individual who is
1226 younger than twenty-one years of age, or (iv) making use of any other
1227 method that is designed to appeal to any individual who is younger
1228 than twenty-one years of age.

1229 (4) [Beginning on October 1, 2024, each] Each infused beverage
1230 container sold or offered for sale in this state shall prominently display
1231 (A) a symbol [, in a size of not less than one-half inch by one-half inch
1232 and in a format approved by the Commissioner of Consumer Protection,
1233 that indicates] in accordance with American Society of Testing and
1234 Materials or "ASTM" standard D8441/D8441M-22, and (B) a label
1235 indicating that such infused beverage is not legal or safe for individuals
1236 younger than twenty-one years of age.

1237 Sec. 19. Subsections (a) to (c), inclusive, of section 12-287 of the
1238 general statutes are repealed and the following is substituted in lieu
1239 thereof (*Effective July 1, 2025*):

1240 (a) Each person engaging in, or intending to engage in, the business
1241 of selling cigarettes in this state as a dealer, and each person engaging
1242 in or intending to engage in, the business of selling taxed tobacco
1243 products at retail, shall secure a dealer's license from the Commissioner
1244 of Revenue Services before engaging in such business or continuing to
1245 engage therein. The department shall not issue an initial license to an

1246 applicant until such applicant has complied with the provisions of
1247 subsection (b) of this section. Subject to the provisions of section 12-286,
1248 such license shall be renewable annually, provided that prior to renewal
1249 the commissioner shall consider and respond to any comments received
1250 pursuant to section 12-287a, as amended by this act.

1251 (b) (1) Upon filing an application, an applicant shall, in a form and
1252 manner prescribed by the department, give notice of such application to
1253 the clerk of the municipality where the business is to be located. Such
1254 notice shall contain the name and residential address of the applicant
1255 and the location of the place of business for which such license is to be
1256 issued. Upon receipt of such notice, the clerk shall post and maintain
1257 such notice on the Internet web site of the municipality for at least two
1258 weeks.

1259 (2) Not later than the day following the date an applicant provides
1260 notice pursuant to subdivision (1) of this subsection, the applicant shall
1261 affix a copy of such notice, which shall be maintained in a legible
1262 condition, upon the outer door of the building wherein such place of
1263 business is to be located. If an application is filed for a license for a
1264 building that has not yet been constructed, the applicant shall, not later
1265 than the day following the date an applicant provides notice pursuant
1266 to subdivision (1) of this subsection, erect and maintain in a legible
1267 condition on the site where the business is to be located, a sign that (A)
1268 is not less than six feet by four feet, (B) contains the license applied for
1269 and the name of the proposed licensee, and (C) is clearly visible from
1270 the public highway.

1271 (3) An applicant shall make a return to the department, under oath,
1272 of compliance with the requirements of subdivisions (1) and (2) of this
1273 subsection, in such form as the department may require. The
1274 department may require additional proof of compliance. Upon receipt
1275 of sufficient evidence of such compliance, the department [may] shall
1276 hold a hearing as to the suitability of the proposed location.

1277 (c) (1) Any ten persons who are at least eighteen years of age and who
1278 are residents of the town in which the place of business is intended to

1279 be operated under the license or renewal applied for, may file with the
1280 department, not later than three weeks after the last date of the posting
1281 of notice pursuant to subdivision (1) of subsection (b) of this section for
1282 an initial license, and, in the case of renewal of an existing license, at
1283 least twenty-one days before the renewal date of such license, a
1284 remonstrance containing any objection to the suitability of such
1285 applicant or proposed place of business. [, provided any such issue is
1286 not controlled by local zoning.] Upon the filing of such remonstrance,
1287 the department, upon written application, shall hold a hearing and
1288 provide such notice as it deems reasonable of the time and place at least
1289 five days before such hearing. The remonstrants shall designate one or
1290 more agents for service, who shall serve as the recipient or recipients of
1291 all notices issued by the department. At any time prior to the issuance
1292 of a decision by the department, a remonstrance may be withdrawn by
1293 the remonstrants or by such agent or agents acting on behalf of such
1294 remonstrants and the department may cancel the hearing or withdraw
1295 the case. The decision of the department on such application shall be
1296 final with respect to the remonstrance.

1297 (2) Any ten persons who have filed a remonstrance pursuant to the
1298 provisions of subdivision (1) of this subsection and who are aggrieved
1299 by the granting of a license by the department may appeal therefrom in
1300 accordance with section 4-183.

1301 Sec. 20. Section 12-287a of the general statutes is repealed and the
1302 following is substituted in lieu thereof (*Effective July 1, 2025*):

1303 A municipality may adopt an ordinance requiring that each person
1304 who files an application to renew a license pursuant to section 12-287,
1305 as amended by this act, shall simultaneously give written notice of such
1306 renewal application to the chief law enforcement official, or such chief
1307 law enforcement official's designee, of the town in which any place of
1308 business to be operated under such license is located. Such chief law
1309 enforcement official, or such chief law enforcement official's designee,
1310 [may] shall respond in writing, not later than fifteen days after receipt
1311 of such notice, to the Commissioner of Revenue Services, with

1312 comments regarding the renewal application that is the subject of such
1313 notice. [The] Prior to approving or denying such application, the
1314 commissioner shall (1) consider any written comments offered by such
1315 chief law enforcement official, or such chief law enforcement official's
1316 designee, [prior to approving such application] and (2) send a written
1317 response to such chief law enforcement official, or such chief law
1318 enforcement official's designee, providing a detailed response to such
1319 written comments.

1320 Sec. 21. (*Effective from passage*) (a) There is established a task force to
1321 study, and make recommendations concerning, the laboratory testing
1322 standards established for cannabis and cannabis products in this state.
1323 Such study shall include, but need not be limited to, an examination of
1324 (1) such standards to ensure that such standards account for the inherent
1325 heterogeneity of cannabis and cannabis products, and (2) the feasibility
1326 of (A) substituting intermediate batch testing for final form testing in
1327 accordance with best practices in the cannabis industry, (B) modifying
1328 stability testing requirements to account for anticipated variances, (C)
1329 modifying testing requirements concerning chromium and aspergillus,
1330 and (D) clarifying the state's out-of-specification policy to prohibit the
1331 unnecessary destruction of usable biomass.

1332 (b) The task force shall consist of the following members:

1333 (1) One appointed by the House chairperson of the joint standing
1334 committee of the General Assembly having cognizance of matters
1335 relating to consumer protection;

1336 (2) One appointed by the Senate chairperson of the joint standing
1337 committee of the General Assembly having cognizance of matters
1338 relating to consumer protection;

1339 (3) One appointed by the House ranking member of the joint standing
1340 committee of the General Assembly having cognizance of matters
1341 relating to consumer protection; and

1342 (4) One appointed by the Senate ranking member of the joint standing

1343 committee of the General Assembly having cognizance of matters
1344 relating to consumer protection.

1345 (c) Any member of the task force appointed under subdivision (1),
1346 (2), (3) or (4) of subsection (b) of this section may be a member of the
1347 General Assembly.

1348 (d) All initial appointments to the task force shall be made not later
1349 than thirty days after the effective date of this section. Any vacancy shall
1350 be filled by the appointing authority.

1351 (e) The House and Senate chairpersons of the joint standing
1352 committee of the General Assembly having cognizance of matters
1353 relating to consumer protection shall select the chairpersons of the task
1354 force from among the members of the task force. The chairpersons of the
1355 task force shall schedule the first meeting of the task force, which shall
1356 be held not later than sixty days after the effective date of this section.

1357 (f) The administrative staff of the joint standing committee of the
1358 General Assembly having cognizance of matters relating to consumer
1359 protection shall serve as administrative staff of the task force.

1360 (g) Not later than January 15, 2026, the task force shall submit a report
1361 on its findings and recommendations to the joint standing committee of
1362 the General Assembly having cognizance of matters relating to
1363 consumer protection, in accordance with the provisions of section 11-4a
1364 of the general statutes. The task force shall terminate on the date that it
1365 submits such report or January 15, 2026, whichever is later.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	30-17
Sec. 3	<i>July 1, 2025</i>	21a-420g(b)
Sec. 4	<i>from passage</i>	21a-420g(j)
Sec. 5	<i>from passage</i>	21a-420j(d)
Sec. 6	<i>from passage</i>	21a-420m(e) to (g)

Sec. 7	<i>from passage</i>	21a-420u(e) to (g)
Sec. 8	<i>October 1, 2025</i>	21a-421j
Sec. 9	<i>from passage</i>	21a-421k(b)
Sec. 10	<i>from passage</i>	21a-421l
Sec. 11	<i>from passage</i>	22-61m(x)
Sec. 12	<i>from passage</i>	21a-420(1)
Sec. 13	<i>July 1, 2025</i>	New section
Sec. 14	<i>July 1, 2025</i>	21a-420p
Sec. 15	<i>July 1, 2025</i>	21a-420e(c)
Sec. 16	<i>July 1, 2025</i>	21a-420z
Sec. 17	<i>July 1, 2025</i>	21a-422f
Sec. 18	<i>July 1, 2025</i>	21a-425a(e)
Sec. 19	<i>July 1, 2025</i>	12-287(a) to (c)
Sec. 20	<i>July 1, 2025</i>	12-287a
Sec. 21	<i>from passage</i>	New section

Statement of Legislative Commissioners:

In Section 14(f)(1), "such micro-cultivator establishment" was changed to "its micro-cultivator establishment" for clarity.

GL

Joint Favorable Subst.

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

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Consumer Protection, Dept.	GF - Cost	329,000	322,000
State Comptroller - Fringe Benefits ¹	GF - Cost	124,588	124,588
Department of Revenue Services	GF - Potential Cost	170,000	170,000
State Comptroller - Fringe Benefits ²	GF - Potential Cost	69,207	69,207
Resources of the General Fund	GF - Potential Revenue Gain	See Below	See Below
Consumer Protection, Dept.	CSEIF - Potential Revenue Gain	Potential	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill makes various changes to cannabis, hemp, and tobacco statutes resulting in the fiscal impact described below.

Section 1, 13, 17 allow infused beverages for out of state sale, allow certain social equity applicants to partner with hemp producers to cultivate cannabis, and limits the hours of retail cannabis stores resulting in a cost to the state. To meet the requirements of these

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.71% of payroll in FY 26.

²The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.71% of payroll in FY 26.

sections the Department of Consumer Protection (DCP) will need to hire three additional employees for a salary and other expenses cost of \$329,000 in FY 26 and \$322,000 in FY 27, along with annual associated fringe benefit costs of \$124,588. The new employees are needed to: 1) help conduct inspections which will become more complicated and time consuming due to the manufacturing of out-of-state products with higher THC content, 2) regulate and inspect hemp farmers who can partner with social equity applicants, and 3) regulate and enforce the hours of operation for cannabis retail stores.

Section 2 allows liquor wholesalers to only wholesale infused beverages without having to wholesale liquor resulting in a potential revenue gain to the state to the extent additional liquor wholesaler permits are applied for. The annual fee for a liquor wholesaler permit is \$2,650.

Sections 3, 12 – 13 result in a potential revenue gain to the Cannabis Social Equity and Innovation Fund by allowing certain social equity cultivator applicants partnering with hemp producers to apply for either a cultivator or micro-cultivator license that allows cultivation outside a disproportionately impacted area. The bill requires a cultivator application to pay a \$3 million fee or the micro-cultivator to pay a \$500,000 fee unless the applicant received a provisional license. Applicants may apply between July 1, 2025 and March 31, 2026, which limits any revenue impact to FY 26.

The actual revenue gain will be dependent upon the number of qualified applicants received under this provision.

Section 14 allows micro-cultivators who exclusively maintain an indoor grow facility to apply for a retailer or hybrid retailer endorsement for a fee of \$25,000 resulting in a potential revenue gain to the General Fund to the extent these licensees apply for the endorsement. In FY 24 there were 3 micro-cultivator license applications and renewals.

Section 15 allows a transporter licensee to expand its authorized

activities to include a product packager for a fee of \$25,000 resulting in a potential revenue gain to the General Fund to the extent this occurs. In FY 24 there was one transporter license applied for.

Sections 19 & 20 make (1) detailed written responses by the Department of Revenue Services (DRS) commissioner mandatory upon receipt of written comments regarding cigarette dealer's license renewals, and (2) expanded DRS location suitability hearings for cigarette dealer's license applicants mandatory, rather than optional. In order to accommodate the potential volume of responses and hearings it is anticipated that DRS could require two positions at a total General Fund cost of \$239,207 (\$85,000 each for salary and \$34,604 each for fringe benefits).³

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to employee wage increases, the number of applications, and inflation. The impact to the Cannabis Social Equity and Innovation Fund noted above is limited to FY 26 only.

³ There are approximately 5,000 cigarette dealer license applications and renewals.

OLR Bill Analysis**sHB 7178****AN ACT CONCERNING CANNABIS, HEMP AND TOBACCO REGULATION.**

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Allows THC-infused beverage manufacturers to manufacture beverages with THC greater than three milligrams per container if they are not selling them in-state

§ 2 — ALCOHOLIC LIQUOR WHOLESALERS EXCLUSIVELY SELLING INFUSED BEVERAGES

Allows alcoholic liquor wholesaler permittees to only wholesale infused beverages without having to wholesale alcoholic liquor

§§ 3, 12 & 13 — SOCIAL EQUITY APPLICANTS PARTNERING WITH HEMP PRODUCERS

Allows certain social equity cultivator applicants to partner with hemp producers to receive either a cultivator or micro-cultivator license that allows cultivation outside a disproportionately impacted area, under certain conditions

§§ 4 & 7 — PROVISIONAL LICENSE EXPIRATION EXTENSION

Extends the expiration date, from 14 to 24 months, for provisional licenses DCP issued on or after July 1, 2023, other than for cultivator licenses for certain social equity applicants

§§ 5-7 — EQUITY JOINT VENTURE INCREASE IN OWNERSHIP

Allows certain cannabis establishment backers to increase their ownership in an equity joint venture to more than 50% if at least three years have passed and the Social Equity Council approves

§ 8 — FACSIMILE OF FOODS, OUTDOOR CULTIVATION, AND PACKAGING COLORS

Requires the DCP commissioner to adopt various cannabis-related regulations (1) specifying that the prohibition on products that appeal

to children includes facsimiles of foods and beverages, (2) specifying that outdoor cultivation includes growing away from an indoor cultivation facility, and (3) allowing additional colors in cannabis packaging

[§ 9 — EXPIRATION OF CANNABIS POLICIES AND PROCEDURES](#)

Extends the effective period of cannabis policies and procedures by 12 months, if regulations have not been adopted

[§ 10 — SUSPECTED CANNABIS THEFT REPORTING EXEMPTION](#)

Allows cannabis establishments to complete their investigation of suspected cannabis theft or loss of up to \$500 before reporting to DCP

[§ 11 — MANUFACTURER HEMP PRODUCT LABELING](#)

Eliminates the requirement that the manufacturer hemp product statement disclosure include warnings directed at children

[§ 14 — MICRO-CULTIVATORS](#)

Allows certain micro-cultivators to receive a retailer or hybrid retailer endorsement under certain conditions; allows micro-cultivators to sell their cannabis seedlings directly to consumers using their own employees

[§§ 15 & 16 — EXPANDING TRANSPORTER LICENSES](#)

Allows transporters seeking to expand their authorized activities to include product packager activities under specified procedures; sets the expansion and renewal fee at \$25,000

[§ 17 — HOURS FOR RETAIL CANNABIS SALES](#)

Generally limits the hours a cannabis retailer or hybrid retailer may sell cannabis to 10:00 a.m. to 6:00 p.m. on Sundays, and 8:00 a.m. to 10:00 p.m. any other day

[§ 18 — INFUSED BEVERAGE LABELING REQUIREMENTS](#)

Requires an infused beverage container to prominently display an international symbol that applies to products with intoxicating cannabinoids in keeping with an ASTM standard

[§§ 19 & 20 — CIGARETTE DEALER LICENSES AND RENEWALS](#)

Requires the local police chief to send written comments for a cigarette dealer license renewal and DRS to send a written response back, under certain circumstances; requires DRS to hold suitability hearings for new licenses; allows certain remonstrance objections on suitability to be on issues controlled by local zoning

[§ 21 — LABORATORY TESTING TASK FORCE](#)

Establishes a task force to study and make recommendations on cannabis and cannabis product laboratory testing standards and report to the General Law Committee by January 15, 2026

BACKGROUND

SUMMARY

This bill makes various unrelated changes to laws on cannabis, hemp, cigarettes, and THC-infused beverages.

EFFECTIVE DATE: Upon passage, unless otherwise noted.

§ 1 — THC-INFUSED BEVERAGES FOR OUT-OF-STATE SALES

Allows THC-infused beverage manufacturers to manufacture beverages with THC greater than three milligrams per container if they are not selling them in-state

Regardless of the infused beverage laws, the bill allows a licensed infused beverage manufacturer to manufacture beverages with a total THC of more than three milligrams per container if they will only sell them outside the state and following all applicable federal law and the laws of the state where they will be sold.

By law, an “infused beverage” is, broadly, a non-alcoholic beverage with a total THC content of less than three milligrams (mgs) per container, which must be 12 fluid ounces.

§ 2 — ALCOHOLIC LIQUOR WHOLESALERS EXCLUSIVELY SELLING INFUSED BEVERAGES

Allows alcoholic liquor wholesaler permittees to only wholesale infused beverages without having to wholesale alcoholic liquor

The bill allows an alcoholic liquor wholesaler permittee and a wholesaler permittee for beer to only sell infused beverages at wholesale. So, under the bill, they are not required to sell alcoholic liquor at wholesale in order to sell infused beverages at wholesale.

§§ 3, 12 & 13 — SOCIAL EQUITY APPLICANTS PARTNERING WITH HEMP PRODUCERS

Allows certain social equity cultivator applicants to partner with hemp producers to receive either a cultivator or micro-cultivator license that allows cultivation outside a disproportionately impacted area, under certain conditions

The bill provides an additional option for certain social equity cultivator applicants by allowing them to partner with hemp producers to cultivate outside a disproportionately impacted area.

By law, the Department of Consumer Protection (DCP) opened a three-month application period for social equity applicants to apply for a provisional and final cultivator license for a facility located in a disproportionately impacted area without participating in a lottery or request for proposals.

The bill sets a time period of between July 1, 2025, and December 31, 2026, for these social equity applicants to partner with a hemp producer to get a cultivator or micro-cultivator license and allowing them to grow outside a disproportionately impacted area, under certain conditions.

Under current policies and procedures, among other things, cultivators must have a grow space and outdoor grow space of between 15,000 and 250,000 square feet in the aggregate, and micro-cultivators must have between 2,000 and 10,000 square feet in the aggregate, before any authorized expansion.

Conditions for New License

To qualify under the bill, the social equity applicant must have submitted an application before July 1, 2025, and also reapply under the terms of the bill between July 1, 2025, and March 31, 2026.

Applied for Prior License. The bill requires a social equity applicant to have submitted a completed cultivator application to locate the cultivation facility in a disproportionately impacted area before July 1, 2025. Additionally, the applicant must have been either:

1. verified by the Social Equity Council to have met the social equity applicant criteria or
2. issued a provisional, but not final, cultivator license by DCP.

Applying for New License With Hemp Producer. The bill requires the applicant to (1) apply to DCP between July 1, 2025, and March 31,

2026, by submitting a completed application for a new cultivator or micro-cultivator license on a DCP-prescribed form and (2) meet the bill's requirements.

The bill requires the applicant to submit:

1. a copy of the agreement between the applicant and a hemp producer that has been continually licensed as a hemp producer since January 1, 2024 (see below);
2. an acknowledgement from the applicant and a separate acknowledgement from the hemp producer of the steps that take place after the license is issued (see below);
3. evidence that is sufficient for DCP to determine that the hemp producer has been continuously licensed since January 1, 2024;
4. a written statement from the applicant disclosing whether there has been a change of ownership or control since being verified by the Social Equity Council as a social equity applicant; and
5. the application fee, which unless the applicant has already received a provisional cultivator license or paid the fee, is either (a) \$3 million for a cultivator license or (b) \$500,000 for a micro-cultivator license.

Requirements of Hemp Producer Agreement. The agreement must require the use of the hemp producer's cultivation lot, which may be located outside of a disproportionately impacted area. It must also provide that if DCP issues a provisional cultivator or micro-cultivator license to the applicant the:

1. provisional license automatically replaces both the provisional cultivator license application the applicant submitted and any provisional cultivator license DCP may have issued, and both are immediately deemed to have been automatically withdrawn or surrendered, and

2. hemp producer must immediately be deemed to have automatically surrendered his or her hemp producer license.

Acknowledgements. Under the bill, the applicant must also submit an acknowledgment by both the applicant and hemp producer that upon approval under the bill the new license replaces any existing application and license, and both are automatically considered withdrawn or surrendered (as mentioned above).

Additionally, the applicant must acknowledge that he or she will be (1) eligible to create only one equity joint venture after getting a cultivator license and beginning cultivation activities and (2) ineligible to create an equity joint venture after getting a micro-cultivator license.

Changes to Social Equity Status. Under the bill, if applicable, if the applicant gave a written statement on changes in ownership or control, the Social Equity Council must determine if the changes are allowed under the laws and regulations governing its application review process. Additionally, the council must also review the agreement between the applicant and hemp producer.

For both reviews, the council must determine whether the applicant continues to meet the social equity applicant criteria and submit to DCP a written notice disclosing its determination.

Harvesting Hemp. Before a new license may be issued, the bill requires all hemp to be harvested from the cultivation lot. All harvested hemp continues to be deemed hemp until DCP issues a final cultivator or micro-cultivator license to the applicant. (Hemp and cannabis are regulated under different laws in Connecticut.) After the final license is issued, the harvested hemp is deemed cannabis and subject to all cannabis cultivation, testing, labeling, tracking, reporting, and manufacturing laws that apply to cultivators and micro-cultivators.

License Renewal Fee

Under the bill, a renewal fee for a final cultivator and micro-cultivator license are the same as existing law (i.e. \$75,000 for cultivators and

\$1,000 for micro-cultivators). The initial and renewal fees must be deposited in the Cannabis Social Equity and Innovation Fund. By law, this fund may be used as access to capital for businesses, technical assistance for start-ups, workforce education and community investment funding, and paying costs for regulating cannabis (CGS § 21a-420f).

Equity Joint Venture

In a provision that is substantially similar to the acknowledgement requirements above, the bill only allows a social equity applicant to create one equity joint venture and it may not be created until the applicant has gotten a cultivator license and begins cultivation activities. It also prohibits social equity applicants getting a micro-cultivator license from creating an equity joint venture.

Application Information Disclosure

The bill extends existing law's prohibition on application information disclosure to these applications. Existing law generally prohibits current or former state officers or employees, or employees of anyone who had access to a submitted application, to disclose the application or any information included in or submitted with it (CGS § 21a-420e(g)).

Application Process

Regardless of any provision of the Responsible and Equitable Regulation of Adult-Use Cannabis Act and unless otherwise provided in these provisions, the bill requires each submitted application to be processed as other cultivator or micro-cultivator applications selected through the lottery and subject to the process set in existing laws.

EFFECTIVE DATE: July 1, 2025

§§ 4 & 7 — PROVISIONAL LICENSE EXPIRATION EXTENSION

Extends the expiration date, from 14 to 24 months, for provisional licenses DCP issued on or after July 1, 2023, other than for cultivator licenses for certain social equity applicants

The bill extends the expiration date, from 14 to 24 months, for provisional licenses (but those not for cultivator licenses for social equity applicants). Under current law, such licenses that are issued on

or after July 1, 2023, expire after 14 months. As under existing law, a provisional license may not be renewed.

§§ 5-7 — EQUITY JOINT VENTURE INCREASE IN OWNERSHIP

Allows certain cannabis establishment backers to increase their ownership in an equity joint venture to more than 50% if at least three years have passed and the Social Equity Council approves

Current law prohibits certain cannabis establishments and their backers from increasing their ownership in an equity joint venture to more than 50% in the seven years after the license is issued.

The bill allows cultivators, producers, and dispensary facilities, including backers, to increase their ownership in an equity joint venture to more than 50% if at least three years have passed and with the Social Equity Council's approval.

§ 8 — FACSIMILE OF FOODS, OUTDOOR CULTIVATION, AND PACKAGING COLORS

Requires the DCP commissioner to adopt various cannabis-related regulations (1) specifying that the prohibition on products that appeal to children includes facsimiles of foods and beverages, (2) specifying that outdoor cultivation includes growing away from an indoor cultivation facility, and (3) allowing additional colors in cannabis packaging

Existing law requires the DCP commissioner to adopt various cannabis-related regulations, including ones on prohibiting cannabis product types that appeal to children, allowing outdoor cannabis cultivation, and setting standards for packaging and labeling.

The bill specifies that (1) the prohibition on products that appeal to children includes facsimiles of foods, beverages, and other items that appeal to children; and (2) outdoor cultivation includes cultivating cannabis at one or more locations away from a cultivator's or micro-cultivator's indoor cultivation facility, but the cultivator's or micro-cultivator's combined indoor grow space must not, in total, exceed the maximum grow space allowed for a cultivator or micro-cultivator (see above).

The bill loosens the cannabis product packaging and labeling requirements to allow more colors by eliminating the current restrictions (1) limiting the logo to three colors, excluding black and

white and (2) requiring packaging to be just one color and not include any information, print, embossing, debossing, graphic, or hidden feather, other than a permitted or required label. It also allows a cannabis establishment to print any name, rather than just the establishment's name, and put other identifying marks on a delivery device cartridge. It also eliminates the (1) one logo with up to three colors limit and (2) requirement that the packaging and labeling for an edible cannabis product, excluding the warning, be only black and white.

Under the bill, cannabis products may still be packaged with a picture of the cannabis product. But the package may also show a colored logo or mark, which may include graphics.

EFFECTIVE DATE: October 1, 2025

§ 9 — EXPIRATION OF CANNABIS POLICIES AND PROCEDURES

Extends the effective period of cannabis policies and procedures by 12 months, if regulations have not been adopted

The bill extends the maximum effective period of cannabis policies and procedures from June 22, 2025, to June 22, 2026, if regulations have not been submitted to the Regulation Review Committee. As under existing law, the policies and procedures are no longer effective when regulations are adopted.

§ 10 — SUSPECTED CANNABIS THEFT REPORTING EXEMPTION

Allows cannabis establishments to complete their investigation of suspected cannabis theft or loss of up to \$500 before reporting to DCP

Under current policies and procedures, a licensee and any employee must immediately notify DCP in writing as soon as they are aware of any, among other actions, suspected diversion, theft, or loss of any cannabis.

The bill allows cannabis establishments to first investigate suspected diversions, thefts, or losses of cannabis valued at \$500 or less before reporting the actions to DCP.

By law, a “cannabis establishment” is a cannabis producer,

dispensary facility, cultivator, micro-cultivator, retailer, hybrid retailer (one licensed to sell both recreational cannabis and medical marijuana), food and beverage manufacturer, product manufacturer or packager, delivery service, or transporter.

§ 11 — MANUFACTURER HEMP PRODUCT LABELING

Eliminates the requirement that the manufacturer hemp product statement disclosure include warnings directed at children

Existing law requires manufacturer hemp products that are a food, beverage, oil, or other product intended for human ingestion to have certain labels on the package. Current law requires a clear and conspicuous statement disclosing that, “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.” The bill eliminates the requirement that the statement include reference to children.

§ 14 — MICRO-CULTIVATORS

Allows certain micro-cultivators to receive a retailer or hybrid retailer endorsement under certain conditions; allows micro-cultivators to sell their cannabis seedlings directly to consumers using their own employees

Retailer or Hybrid Retailer Endorsement

The bill allows a micro-cultivator with a final license that maintains an exclusively indoor grow facility to submit an application to DCP, on a commissioner-prescribed form and manner, for a retailer or hybrid retailer endorsement to the final license. The endorsement authorizes the micro-cultivator to operate as a retailer or hybrid retailer under the bill’s requirements.

Application. A micro-cultivator applicant must submit a complete endorsement application, along with the endorsement application fee, to DCP within one year of when the applicant obtained a final micro-cultivator license or June 30, 2026, whichever is later. DCP must not accept an application submitted after the time period has expired.

The application fee for an endorsement is the same as the fee for a final retailer license or a final hybrid retailer license (i.e. \$25,000). The

annual renewal fee for an endorsement is also the same as the retailers and hybrid retailers' renewal fee (i.e. \$25,000).

Conditions. Under the bill, DCP must issue an endorsement if the micro-cultivator:

1. submits a timely and complete endorsement application to the department, in the commissioner-prescribed form and manner;
2. attests that the retailer or hybrid retailer created through the endorsement will be operated following all licensed retailer or licensed hybrid retailer requirements; and
3. acknowledges and attests that the micro-cultivator will not engage in any outdoor cannabis cultivation.

Final License Requirements. Each micro-cultivator issued an endorsement has 24 months from when the endorsement is issued to (1) satisfy the requirements for a retailer or hybrid retailer that has been issued a final license (see below), and (2) seek and get a DCP written statement, in a commissioner-prescribed form and manner, confirming that the micro-cultivator satisfies the requirements and may engage in the activities of a retailer or hybrid retailer.

Existing law requires final license applications to be submitted on a form and in a manner the DCP commissioner approves and to include the legally required application information, as well as evidence of the following:

1. a contract with an entity providing an approved electronic tracking system,
2. a right to occupy the location where the cannabis establishment will be located,
3. any necessary local zoning approval for the establishment's operation,
4. a certification by the applicant that a project labor agreement will

be entered into before construction of any facility the establishment uses for operations,

5. a Social Equity Council-approved social equity plan and workforce development plan,
6. written policies for preventing diversion and misuse of cannabis and sales to underage people,
7. all other security requirements DCP sets based on the specific license type, and
8. a labor peace agreement entered into between the cannabis establishment and a bona fide labor organization (CGS § 21a-420g).

Expiration. This endorsement expires and is not eligible for reapplication or renewal if the micro-cultivator (1) fails to satisfy the requirements established above, or (2) allows the endorsement to lapse.

Location. The retailer or hybrid retailer facility must be located (1) on the same premises as the micro-cultivator, or (2) on a tract of land or parcel that is next to the premises, provided this tract of land or parcel is located within 100 feet of the premises measured from the point that is closest to the premises.

Authorization. Upon receiving DCP's written statement, the micro-cultivator must:

1. be authorized to sell cannabis only if the cannabis is cultivated indoors by the micro-cultivator;
2. acknowledge and agree that the micro-cultivator is not eligible to expand to a cultivator license; and
3. maintain the retailer's or hybrid-retailer's activities and facility following the requirements established under the cannabis and medical marijuana laws, regulations, and policies and procedures.

The bill allows a micro-cultivator with an endorsement to sell cannabis it cultivated directly to consumers using a delivery service or its own employees, subject to the delivery service requirements. The bill only allows the micro-cultivator to sell cannabis it cultivated.

Limitations. The bill limits a micro-cultivator with an endorsement from exceeding 25,000 square feet of grow space. It is not eligible to convert to a cultivator license unless the micro-cultivator permanently surrenders the endorsement and stops all retailer and hybrid retailer activities.

An endorsement does not impact any right a micro-cultivator may have to create an equity joint venture.

Seedling Delivery

Under current law, micro-cultivators may only sell cannabis seedlings through a delivery service to consumers. The bill expands the delivery options by allowing them to sell seedlings using their own employees for delivery under the same requirements as the delivery service.

EFFECTIVE DATE: July 1, 2025

§§ 15 & 16 — EXPANDING TRANSPORTER LICENSES

Allows transporters seeking to expand their authorized activities to include product packager activities under specified procedures; sets the expansion and renewal fee at \$25,000

The bill allows a transporter to expand its authorized activities to include a product packager's authorized activities. In order for this to happen the:

1. transporter must submit to DCP a completed license expansion application and a \$25,000 application fee; and
2. commissioner must authorize the transporter, in writing, to do the expanded activities of a product packager.

The bill requires a transporter that expands its authorized activities

to comply with all the laws, regulations, policies, and procedures for product packagers. If there is a conflict between the transporter requirements and the product packager requirements, the more stringent public health and safety standard prevails.

Under the bill, the renewal fee for a transporter's expanded authorization is \$25,000. This renewal fee is instead of the transporter renewal fee, which is \$5,000. If a transporter decides to stop the expanded activities, it must notify DCP in writing before reverting to the authorized activities of a transporter. The transporter remains authorized to do the expanded activities until the end of the license period during which the written notice was given.

EFFECTIVE DATE: July 1, 2025

§ 17 — HOURS FOR RETAIL CANNABIS SALES

Generally limits the hours a cannabis retailer or hybrid retailer may sell cannabis to 10:00 a.m. to 6:00 p.m. on Sundays, and 8:00 a.m. to 10:00 p.m. any other day

The bill generally limits the hours a cannabis retailer or hybrid retailer may sell cannabis to 10:00 a.m. to 6:00 p.m. on Sundays, and 8:00 a.m. to 10:00 p.m. any other day.

Current law allows municipalities to amend their zoning regulations or enact local ordinances to, among other things, reasonably restrict cannabis establishments' hours. Under the bill, municipalities may not allow a retailer or hybrid retailer to sell during a period prohibited by the bill, but can still limit the allowable times further.

EFFECTIVE DATE: July 1, 2025

§ 18 — INFUSED BEVERAGE LABELING REQUIREMENTS

Requires an infused beverage container to prominently display an international symbol that applies to products with intoxicating cannabinoids in keeping with an ASTM standard

Under existing law, each infused beverage container sold or offered for sale in Connecticut must prominently display a symbol indicating the beverage is not legal or safe for anyone under age 21. Current law requires the symbol to be at least one-half inch by one-half inch in size

and in a DCP-approved format.

The bill instead requires (1) an international symbol applicable to all products with intoxicating cannabinoids in keeping with American Society of Testing and Materials or “ASTM” standard D8441/D8441M-22 and (2) a label indicating the beverage is not legal or safe for anyone under age 21.

EFFECTIVE DATE: July 1, 2025

§§ 19 & 20 — CIGARETTE DEALER LICENSES AND RENEWALS

Requires the local police chief to send written comments for a cigarette dealer license renewal and DRS to send a written response back, under certain circumstances; requires DRS to hold suitability hearings for new licenses; allows certain remonstrance objections on suitability to be on issues controlled by local zoning

Required Written Response

Existing law allows municipalities to adopt ordinances requiring anyone applying to renew a Department of Revenue Services (DRS) cigarette dealer’s license to simultaneously give written notice of the application to the chief law enforcement official or his or her designee in the municipality where the business is located. Current law (1) allows the official or designee to send written comments on the application to the DRS commissioner within 15 days after receiving the notice and (2) requires the DRS commissioner to consider the comments before renewing the license.

The bill instead requires the official or designee to send written comments and the DRS commissioner to send a written response to them providing a detailed response to the comments before approving or denying the application.

Notice of Application for Cigarette Dealer’s License

Existing law requires a cigarette dealer’s license applicant to notify the town where their businesses will be located and post certain notices at their businesses about their license applications. Under current law, DRS may hold a hearing on the proposed location’s suitability after receiving sufficient evidence of compliance. The bill instead makes the suitability hearing mandatory.

Objections to a Proposed or Renewed Cigarette Dealer's License

Existing law allows any 10 adult town residents where the cigarette dealer's business is proposed or currently located, to file a "remonstrance" (i.e. objection) with DRS. Current law requires the remonstrance to include any objection to the suitability of the applicant or proposed business place, if the issue is not controlled by local zoning. The bill allows objections that concern local zoning.

EFFECTIVE DATE: July 1, 2025

§ 21 — LABORATORY TESTING TASK FORCE

Establishes a task force to study and make recommendations on cannabis and cannabis product laboratory testing standards and report to the General Law Committee by January 15, 2026

The bill establishes a four-person task force to study and make recommendations on the laboratory testing standards for cannabis and cannabis products in Connecticut. The study must examine the standards to ensure they account for the inherent heterogeneity of cannabis and cannabis products, and the feasibility of:

1. substituting intermediate batch testing for final form testing based on cannabis industry best practices,
2. modifying stability testing requirements to account for anticipated variances,
3. modifying testing requirements concerning chromium and aspergillus, and
4. clarifying the state's out-of-specification policy to prohibit the unnecessary destruction of usable biomass.

Membership

The General Law House and Senate chairpersons and ranking members must each appoint a task force member.

Under the bill, initial task force appointments must be made within 30 days after the bill's passage. Appointed members may be legislators

and the appointing authority fills any vacancy. The bill requires the General Law chairpersons to select the task force's chairpersons from among the membership.

Meeting and Staff

The task force chairperson must schedule and hold the first meeting within 60 days of the bill's passage. The General Law administrative staff must serve as the task force's administrative staff.

Report

The bill requires the task force, by January 15, 2026, to submit a report on its findings and recommendations to the General Law Committee. The task force ends on the day it submits the report or January 15, 2026, whichever is later.

BACKGROUND***Related Bills***

sSB 970, favorably reported by the General Law Committee, has the same provision eliminating the requirement that the manufacturer hemp product statement disclosure include warnings directed at children.

sHB 6930, favorably reported by the General Law Committee, specifies cannabis establishment licensees are not entitled to pay a reduced license renewal fee if the (1) business is sold or ownership changes during the three years after a final license is issued, and (2) sale or change is made to anyone other than a social equity applicant.

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 16 Nay 6 (03/24/2025)