

General Law Committee

JOINT FAVORABLE REPORT

Bill No.: HB-6930

AN ACT CONCERNING THE SOCIAL EQUITY COUNCIL'S
RECOMMENDATIONS REGARDING SOCIAL EQUITY PLANS, STRATEGIC
PLANNING, ETHICS, LICENSE RENEWAL FEES AND FINANCIAL

Title: ASSISTANCE APPLICATIONS.

Vote Date: 3/21/2025

Vote Action: Joint Favorable

PH Date: 2/19/2025

File No.:

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SPONSORS OF BILL:

General Law Committee (per request of the Social Equity Council)

REASONS FOR BILL:

The General Law Committee raised this bill to implement several changes proposed by the Social Equity Council. Brandon L. McGee, Jr., Chief Executive Officer, Social Equity Council (SEC) submitted [detailed written testimony](#) explaining the proposed changes and why they would improve the social equity program's effectiveness. Overall, the proposals are intended to further the SEC's mission of promoting equitable economic prosperity by supporting Social Equity Entrepreneurs and reinvesting in communities most impacted by the war on drugs.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Brandon McGee, Chief Executive Officer, Social Equity Council](#) testified to explain the changes the Council is seeking to the Responsible and Equitable Regulation of Adult-Use Cannabis Act. He notes that many of these proposals originate from the Office of the State Comptroller's special examination of the SEC. Mr. McGee explains the four changes the SEC is requesting:

- (1) In order to emphasize that equity is not just a one-time consideration, SEC would like to require all cannabis establishments to maintain social equity plans for as long as they are in operation and to issue annual social equity reports.
- (2) The SEC would like to clarify that if a social equity applicant's establishment is sold to a non-social equity applicant, then the establishment would no longer have social equity status. This change would preserve the intent of social equity legislation.

- (3) Instituting a 120-day application timeframe for the Canna-Business Revolving Loan Program will ensure timely processing of applications and assist business owners in planning.
- (4) Requiring the Council to adopt a strategic plan, create an ethical code of conduct, and undergo ethics training will improve the operations of the SEC.

[Sean Scanlon, State Comptroller, Office of the State Comptroller](#) supports this bill, stating that his office has found significant issues with the social equity plan process, extended wait times, and fractured working relationships between Council members and staff. This bill would not only improve processes but build back the trust of the public. Comptroller Scanlon suggests that further recommendations that align with the initial report from his office be added to the legislation.

NATURE AND SOURCES OF SUPPORT:

[Carl Tirella, Co-founder, Budr Cannabis](#) supports this bill, stating that it would hold cannabis establishments accountable by guaranteeing that social equity plans have created positive impacts on disproportionately impacted areas. This way, there can be substantial evidence of the benefit of having these establishments in the community. He adds that if the SEC gets the ability to propose revisions, they should take into consideration the voice of the communities impacted directly so a standard of transparency can be created.

[Lou Rinaldi, Data and Policy Analyst](#) supports this legislation, summarizing multiple license transfer loopholes in the language and proposing solutions to these workarounds.

[Josiah Schlee, Medical Cannabis Advocate, CT Cannawarriors](#) supports this bill, specifically the provisions eliminating licensing fee reductions for establishments sold to non-social equity applicants. He also explains the personal reasons he supports other changes to the Social Equity Council that are outside the scope of this legislation.

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Nicole Chambrello

Date: March 25, 2025