



Substitute House Bill No. 7181

Public Act No. 25-166

AN ACT CONCERNING THE REGULATION OF TOBACCO, CANNABIS, HEMP AND RELATED PRODUCTS, CONDUCT AND ESTABLISHMENTS.

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

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 Subsections (a) to (c), inclusive, of section 12-287 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) Each person engaging in, or intending to engage in, the business of selling cigarettes in this state as a dealer, and each person engaging in or intending to engage in, the business of selling taxed tobacco products at retail, shall secure a dealer's license from the Commissioner of Revenue Services before engaging in such business or continuing to engage therein. The department shall not issue an initial license to an applicant until such applicant has complied with the provisions of subsection (b) of this section. Subject to the provisions of section 12-286, such license shall be renewable annually, provided that prior to renewal the commissioner shall consider and respond to any comments received pursuant to section 12-287a, as amended by this act.

(b) (1) Upon filing an application, an applicant shall, in a form and manner prescribed by the department, give notice of such application to

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the clerk of the municipality where the business is to be located. Such notice shall contain the name and residential address of the applicant and the location of the place of business for which such license is to be issued. Upon receipt of such notice, the clerk shall post and maintain such notice on the Internet web site of the municipality for at least two weeks.

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

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

(c) (1) Any ten persons who are at least eighteen years of age and who are residents of the town in which the place of business is intended to be operated under the license or renewal applied for, may file with the department, not later than three weeks after the last date of the posting of notice pursuant to subdivision (1) of subsection (b) of this section for an initial license, and, in the case of renewal of an existing license, at least twenty-one days before the renewal date of such license, a

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remonstrance containing any objection to the suitability of such applicant or proposed place of business. [, provided any such issue is not controlled by local zoning.] Upon the filing of such remonstrance, the department, upon written application, shall hold a hearing and provide such notice as it deems reasonable of the time and place at least five days before such hearing. The remonstrants shall designate one or more agents for service, who shall serve as the recipient or recipients of all notices issued by the department. At any time prior to the issuance of a decision by the department, a remonstrance may be withdrawn by the remonstrants or by such agent or agents acting on behalf of such remonstrants and the department may cancel the hearing or withdraw the case. The decision of the department on such application shall be final with respect to the remonstrance.

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

Sec. 2. Section 12-287a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

A municipality may adopt an ordinance requiring that each person who files an application to renew a license pursuant to section 12-287, as amended by this act, shall simultaneously give written notice of such renewal application to the chief law enforcement official, or such chief law enforcement official's designee, of the town in which any place of business to be operated under such license is located. Such chief law enforcement official, or such chief law enforcement official's designee, [may] shall respond in writing, not later than fifteen days after receipt of such notice, to the Commissioner of Revenue Services, with comments regarding the renewal application that is the subject of such notice. [The] Prior to approving or denying such application, the commissioner shall (1) consider any written comments offered by such

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chief law enforcement official, or such chief law enforcement official's designee, [prior to approving such application] and (2) send a written response to such chief law enforcement official, or such chief law enforcement official's designee, providing a detailed response to such written comments.

Sec. 3. (NEW) (*Effective July 1, 2025*) (a) As used in this section:

(1) "Cannabis" has the same meaning as provided in section 21a-420 of the general statutes, as amended by this act;

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

(3) "Comprehensive compliance initiative" means a coordinated effort by multiple government agencies to conduct unannounced compliance checks on not fewer than two business entities per day to ensure compliance with the provisions of chapters 420f, 420h, 420i, 420j and 424 of the general statutes;

(4) "Division" means the Cannabis Control Division established in subsection (b) of this section;

(5) "Infused beverage" has the same meaning as provided in section 21a-425 of the general statutes, as amended by this act;

(6) "Manufacturer hemp product" has the same meaning as provided in section 22-61l of the general statutes; and

(7) "Moderate-THC hemp product" has the same meaning as provided in section 21a-426 of the general statutes.

(b) There shall be within the Department of Consumer Protection a Cannabis Control Division to oversee cannabis and manufacturer hemp product licensing and enforcement activities on a state-wide basis for the purpose of ensuring the effective and cooperative enforcement of

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the laws of this state concerning the cultivation, manufacturing, distribution, transportation, display, purchase, sale, dispensing, possession and use of cannabis, cannabis products, manufacturer hemp products, infused beverages and moderate-THC hemp products. The Commissioner of Consumer Protection may, within available appropriations, appoint a director and such other personnel as the commissioner deems necessary to perform the duties of the division, in addition to utilizing existing department staff assigned to cannabis and manufacturer hemp product licensing and enforcement activities.

(c) The division shall be authorized to conduct any investigation authorized by this section at any place within this state as may be deemed necessary. The division may request and receive from any federal, state or local agency cooperation and assistance in the performance of the division's duties. The division may enter into mutual assistance and cooperation agreements with other states pertaining to cannabis, cannabis product, manufacturer hemp product, infused beverage and moderate-THC hemp product law enforcement matters extending across state boundaries, and may consult and exchange information and personnel with agencies of other states concerning cannabis, cannabis product, manufacturer hemp product, infused beverage and moderate-THC hemp product law enforcement problems of mutual concern.

(d) (1) The division shall organize and conduct comprehensive compliance initiatives concerning the cultivation, manufacturing, distribution, transportation, display, purchase, sale, dispensing, possession and use of cannabis, cannabis products, manufacturer hemp products, infused beverages and moderate-THC hemp products in this state. To effectuate such comprehensive compliance initiatives, the commissioner or the commissioner's designee shall coordinate with the Attorney General, the Chief State's Attorney, the Commissioner of Emergency Services and Public Protection, the Commissioner of Public

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Health, the Commissioner of Revenue Services and municipal officials.

(2) Not later than April 1, 2026, and annually thereafter, the Department of Consumer Protection shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding and consumer protection. Such report shall contain the following information for the preceding calendar year: (A) The number of comprehensive compliance initiatives that the division conducted during such calendar year; (B) the number of businesses that were involved in such initiatives during such calendar year; (C) the types of alleged violations that were discovered in the course of such initiatives during such calendar year; and (D) the agencies and departments that were involved in such initiatives during such calendar year.

Sec. 4. (NEW) (*Effective July 1, 2025*) (a) There shall be a State-Wide Cannabis and Hemp Enforcement Policy Board consisting of the Attorney General, the Chief State's Attorney, the Commissioner of Consumer Protection, the Commissioner of Emergency Services and Public Protection, the Commissioner of Mental Health and Addiction Services, the Commissioner of Public Health, the Commissioner of Revenue Services and the executive director of the Social Equity Council, or their designees.

(b) The policy board shall convene quarterly to (1) identify areas of need and enforcement opportunities concerning illegal cannabis sales and intoxicating hemp product sales, (2) examine scientific developments and public health studies concerning cannabis and hemp, (3) examine developments in national trends and best practices concerning cannabis and hemp regulation and enforcement, and (4) examine developments in the cannabis and hemp industries.

Sec. 5. Section 21a-415 of the general statutes is repealed and the

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following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) As used in this chapter and section [53-344] 6 of this act:

(1) "Authorized owner" means the owner or authorized designee of a business entity that is applying for a registration or is registered with the Department of Consumer Protection pursuant to this chapter;

(2) "Business entity" means any corporation, limited liability company, association, partnership, sole proprietorship, government, governmental subdivision or agency, business trust, estate, trust or any other legal entity;

(3) "Cigarette" has the same meaning as provided in subsection (b) of section 12-285;

[(3)] (4) "Dealer registration" means an electronic nicotine delivery system certificate of dealer registration issued by the Commissioner of Consumer Protection pursuant to this section;

(5) "Deliver" or "delivering" means transferring, or offering or attempting to transfer, physical possession or control of an electronic nicotine delivery system or vapor product by any person, whether done as principal, proprietor, agent, servant or employee;

[(4)] (4) "Manufacturer registration" means an electronic nicotine delivery system certificate of manufacturer registration issued by the Commissioner of Consumer Protection pursuant to section 21a-415a to any person who mixes, compounds, repackages or resizes any nicotine-containing electronic nicotine delivery system or vapor product;]

(6) "Drug paraphernalia" has the same meaning as provided in section 21a-240;

[(5)] (7) "Electronic cigarette liquid" means a liquid that, when used in an electronic nicotine delivery system or vapor product, produces a

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vapor that may or may not include nicotine and is inhaled by the user of such electronic nicotine delivery system or vapor product;

[(6)] (8) "Electronic nicotine delivery system" means an electronic device used in the delivery of nicotine or other substances to [a person] an individual inhaling from the device, and includes, but is not limited to, an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe or electronic hookah and any related device and any cartridge or other component of such device, including, but not limited to, electronic cigarette liquid;

(9) "Manufacturer registration" means an electronic nicotine delivery system certificate of manufacturer registration issued by the Commissioner of Consumer Protection pursuant to section 21a-415a to any person who mixes, compounds, repackages or resizes any nicotine-containing electronic nicotine delivery system or vapor product;

(10) "Sale" or "sell" means transferring, or offering or attempting to transfer, for consideration, including bartering or exchanging, or offering to barter or exchange by any person, whether done as principal, proprietor, agent, servant or employee;

(11) "Tobacco products" has the same meaning as provided in section 12-330a; and

[(7)] (12) "Vapor product" means any product that employs a heating element, power source, electronic circuit or other electronic, chemical or mechanical means, regardless of shape or size, to produce a vapor that may include nicotine and is inhaled by the user of such product. "Vapor product" does not include a medicinal or therapeutic product that is (A) used by a licensed health care provider to treat a patient in a health care setting, (B) used by a patient, as prescribed or directed by a licensed health care provider in any setting, or (C) any drug or device, as defined in the federal Food, Drug and Cosmetic Act, 21 USC 321, as amended

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from time to time, any combination product, as described in said act, 21 USC 353(g), as amended from time to time, or any biological product, as described in 42 USC 262, as amended from time to time, and 21 CFR 600.3, as amended from time to time, authorized for sale by the United States Food and Drug Administration. [;]

[(8) "Sale" or "sell" means an act done intentionally by any person, whether done as principal, proprietor, agent, servant or employee, of transferring, or offering or attempting to transfer, for consideration, including bartering or exchanging, or offering to barter or exchange; and

(9) "Deliver" or "delivering" means an act done intentionally by any person, whether as principal, proprietor, agent, servant or employee, of transferring, or offering or attempting to transfer, physical possession or control of an electronic nicotine delivery system or vapor product.]

(b) (1) No person in this state may sell [, offer for sale] or possess with intent to sell an electronic nicotine delivery system or a vapor product unless such person is employed by, an agent of or directly affiliated with a business entity that maintains a dealer registration issued by the Commissioner of Consumer Protection pursuant to this section. A separate dealer registration shall be required for each place of business where such system or product is sold, offered for sale or possessed with the intent to sell. A dealer registration shall allow the sale of electronic nicotine delivery systems or vapor products at such place of business. A holder of a dealer registration shall post such registration in a prominent location adjacent to electronic nicotine delivery system products or vapor products offered for sale.

(2) The holder of a dealer registration shall maintain a sign, in a form and manner prescribed by the commissioner and posted on the Department of Consumer Protection's Internet web site, on all external entry doors of the location operated under such dealer registration, which shall clearly disclose that cannabis may not be sold at such

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location.

(3) Each holder of a dealer registration that derives at least fifty per cent of its annual gross revenue from sales of cigarettes, drug paraphernalia, electronic nicotine delivery systems, nicotine products, synthetic nicotine, tobacco products and vapor products shall verify, with a valid government-issued driver's license or identity card, the age of each individual entering the location operated under such dealer registration, and shall prohibit any individual younger than twenty-one years of age from entering such location.

(4) Each holder of a dealer registration shall maintain a complete set of records required pursuant to this section, and all financial records necessary to verify whether such holder derives at least fifty per cent of its annual gross revenue from sales of cigarettes, drug paraphernalia, electronic nicotine delivery systems, nicotine products, synthetic nicotine, tobacco products and vapor products, for the then current tax year and the three immediately preceding tax years. Such holder shall make such records immediately available to the department, upon a request made by the department, for inspection and copying by the department. Such holder shall produce such records to the department not later than three days after the department requests such records. Such holder shall produce such records to the department in an electronic format, unless it is commercially impractical to produce such records to the department in an electronic format. No person shall use any foreign language, code or symbol in maintaining the records required under this section.

(c) (1) Any applicant for a dealer registration or a renewal of a dealer registration shall apply to the Department of Consumer Protection, in a form and manner prescribed by the Commissioner of Consumer Protection, which application shall include, at a minimum: [, the]

(A) The name, address and electronic mail address of the applicant;

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[, the]

(B) The location [of the business entity] that is to be operated under such dealer registration; [, the]

(C) The name of, [an authorized owner and such authorized owner's contact information, the] and contact information for, each individual who has a direct or indirect financial interest in such applicant, unless (i) such applicant is a publicly traded company listed on a national stock exchange, or (ii) the financial interest held by such individual owner and such individual's spouse, parents and children, in the aggregate, does not exceed ten per cent of the total ownership or interest rights in such applicant;

(D) A third-party local and national criminal background check for each owner listed on such application, which background check shall (i) be conducted by a third-party consumer reporting agency or background screening company that is in compliance with the federal Fair Credit Reporting Act and accredited by the Professional Background Screening Association, (ii) include a multistate and multijurisdiction criminal record locator or other similar commercial nation-wide database with validation and such other background screening as the commissioner may require, and (iii) be requested by such applicant not more than sixty days prior to submission of such application;

(E) The name of the individual who shall serve as the fiduciary agent and guarantor for such applicant, which individual shall be personally liable in the event of any noncompliance that results in a debt owed to the department;

(F) A disclosure of any enforcement action against, and any negotiated settlement entered into by, such applicant or any owner disclosed pursuant to this subsection, which action or settlement is

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related to the sale of cigarettes, electronic nicotine delivery systems, tobacco products or vapor products;

(G) The name of a manager or supervisor who is or will be physically present at [the] such applicant's location or proposed location; [,] and [a]

(H) A certification that an authorized owner or named designee of [the] such applicant has successfully completed the online prevention education program administered by the Department of Mental Health and Addiction Services pursuant to section 17a-719.

(2) The Department of Consumer Protection: (A) May require that an applicant submit documents sufficient to establish that state and local building, fire and zoning requirements will be met at the location of any sale; (B) may, in the department's discretion, conduct an investigation to determine whether a dealer registration shall be issued to an applicant; and (C) shall not issue a dealer registration or a renewal of a dealer registration to an applicant unless the applicant certifies that an authorized owner or named designee of the applicant has successfully completed the online prevention education program administered by the Department of Mental Health and Addiction Services pursuant to section 17a-719.

[(2)] (3) The commissioner shall issue a dealer registration to any such applicant not later than thirty days after the date of application unless the commissioner finds: (A) The applicant has [wilfully] made a materially false or misleading statement in such application or in any other application made to the commissioner; (B) the applicant has neglected to pay any taxes due to this state; [or] (C) the authorized owner or named designee of the applicant has not successfully completed the online prevention education program administered by the Department of Mental Health and Addiction Services pursuant to section 17a-719; (D) the applicant has a criminal history that is a sufficient basis for denial under section 46a-80; or (E) the applicant has

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violated any other provision of this section.

[(3)] (4) A dealer registration issued under this section shall be renewed annually and may be suspended or revoked at the discretion of the Department of Consumer Protection. [Any applicant or business entity aggrieved by a denial of an application, refusal to renew a dealer registration or suspension or revocation of a dealer registration may appeal in the manner prescribed for permits under section 30-55.] A dealer registration shall not constitute property, nor shall it be subject to attachment and execution, nor shall it be alienable. Each holder of a dealer registration shall annually attest in each renewal application as to whether such holder derived at least fifty per cent of its annual gross revenue from sales of cigarettes, drug paraphernalia, electronic nicotine delivery systems, nicotine products, synthetic nicotine, tobacco products and vapor products.

[(4)] (5) The applicant shall pay to the department a nonrefundable application fee of [seventy-five] one thousand dollars, which fee shall be in addition to the annual fee prescribed in subsection (d) of this section. An application fee shall not be charged for an application to renew a dealer registration.

(d) The annual fee for a dealer registration shall be eight hundred dollars. [, except that the annual fee shall be four hundred dollars for any person holding a dealer registration who also holds any additional dealer registrations issued by the department under this chapter.]

(e) The [department] Department of Consumer Protection may renew a dealer registration issued under this section that has expired if the applicant pays to the department any late fee imposed by the [commissioner] Commissioner of Consumer Protection pursuant to subsection [(c)] (d) of section 21a-4, which late fee shall be in addition to the fees prescribed in this section for the dealer registration applied for. [The provisions of this subsection shall not apply to any dealer

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registration which is the subject of administrative or court proceedings.]

(f) (1) Any business entity in the state that sells, offers for sale or possesses with intent to sell an electronic nicotine delivery system or vapor product without a dealer registration as required under this section shall, after a hearing conducted pursuant to chapter 54, be fined not more than [fifty] five thousand dollars [for each day of such] per violation. [, except that the commissioner may waive all or any part of such fine if it is proven to the commissioner's satisfaction that the failure to obtain or renew such dealer registration was due to reasonable cause.]

(2) Notwithstanding the provisions of subdivision (1) of this subsection, any business entity with a dealer registration that has expired for a period of ninety calendar days or less and that, during such ninety-day period, sells, offers for sale or possesses with intent to sell an electronic nicotine delivery system or vapor product shall [have committed an infraction and shall] be fined [ninety] not more than five hundred dollars for each day such business entity is in violation of the provisions of this subdivision.

[(3) Notwithstanding the provisions of subdivisions (1) and (2) of this subsection, no penalty shall be imposed under this subsection unless the commissioner sends written notice of any violation to the authorized owner of the business entity is subject to a penalty under subdivision (1) or (2) of this subsection and allows such business entity sixty days from the date such notice was sent to cease such violation and comply with the requirements of this section.]

(3) A person holding a dealer registration shall update, through the Department of Consumer Protection's online licensing system, any application information such person has provided to the department pursuant to this section, including, but not limited to, any contact information, ownership information or criminal histories of the individual owners of the business entity, not later than thirty days after

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any change in such information.

(g) (1) For sufficient cause found as set forth in subdivision (2) of this subsection, the Commissioner of Consumer Protection may suspend or revoke a dealer registration, issue fines of not more than ten thousand dollars per violation, accept an offer in compromise or refuse to grant or renew a dealer registration, or place the registrant on probation, place conditions on such registrant or take other actions authorized by law. No information derived from an inspection or investigation conducted by the Department of Consumer Protection related to an administrative complaint or case shall be subject to disclosure under the Freedom of Information Act, as defined in section 1-200, unless the department has entered into a settlement agreement, or otherwise concluded its investigation or inspection as evidenced by case closure. Nothing in this subdivision shall be construed to prevent the department from sharing any information with another state or federal agency or law enforcement insofar as such information relates to an investigation of any suspected violation of applicable law.

(2) Any of the following shall constitute sufficient cause for the purposes of subdivision (1) of this subsection:

(A) Furnishing any false or fraudulent information in an application or any failure to comply with the representations made in an application;

(B) A civil judgment against, or conviction of, an owner or applicant, after review and application of the denial criteria set forth in section 46a-80;

(C) Any failure to maintain effective controls against diversion, theft or loss of electronic nicotine delivery systems and vapor products;

(D) Any denial, suspension or revocation of a license or registration related to the sale of cigarettes, electronic nicotine delivery systems,

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tobacco products or vapor products, or any denial of a renewal of a license or registration related to the sale of cigarettes, electronic nicotine delivery systems, tobacco products or vapor products, by any federal, state or local government or a foreign jurisdiction;

(E) Any false, misleading or deceptive representation made to the public or to the department;

(F) Any involvement in a fraudulent or deceitful practice or transaction;

(G) The possession, offer or sale of any illegal or controlled substance, unless otherwise permitted by applicable law;

(H) Any failure to register a trade name of the business entity with the town in which the registrant engages in business;

(I) Any failure to notify the department of any change in the information concerning the business entity, owners, ownership information or designated manager or supervisor;

(J) Any adverse administrative decision or delinquency assessment against the registrant by the Department of Revenue Services;

(K) Any failure to cooperate, provide unfettered access to the location or provide information to the department, local law enforcement authorities or any other enforcement agency concerning any matter arising out of conduct in connection with a licensee or registrant;

(L) Advertising an electronic nicotine delivery system or vapor product in any manner that (i) is designed to appeal to individuals who are younger than twenty-one years of age by, among other things, (I) making use of any spokesperson or celebrity who appeals to individuals who are under the legal age to purchase electronic nicotine delivery systems or vapor products, (II) depicting any individual who is younger

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than twenty-five years of age using an electronic nicotine delivery system or vapor product, (III) including any object, such as a toy, character or cartoon character, that suggests the presence of an individual who is younger than twenty-one years of age, or (IV) making use of any other depiction or method that is designed in any manner to be appealing to an individual who is younger than twenty-one years of age, or (ii) claims or implies that (I) any electronic nicotine delivery system or vapor product has any curative or therapeutic effect, or (II) any medical claim is true;

(M) Allowing an employee to promote any electronic nicotine delivery system or vapor product for a wellness purpose; or

(N) Any failure to comply with any provision of this chapter or any regulation adopted pursuant to this chapter.

(h) Upon refusal to issue or renew a dealer registration, the Commissioner of Consumer Protection shall notify the applicant of the denial and of the applicant's right to request a hearing not later than ten days after the applicant receives the notice of denial. If the applicant requests a hearing within such ten-day period, the commissioner shall give notice of the grounds for the commissioner's refusal and shall conduct a hearing concerning such refusal in accordance with the provisions of chapter 54 concerning contested cases. If the commissioner's denial is sustained after such hearing, the applicant shall not apply for a new dealer registration for a period of one year after the date on which such denial was sustained.

(i) No person whose dealer registration has been revoked, including the owners of such registrant, shall apply for a dealer registration under this section for a period of one year after the date of such revocation.

(j) The voluntary surrender of a dealer registration, or the failure to renew a dealer registration, shall not prevent the Commissioner of

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Consumer Protection from suspending or revoking such dealer registration or imposing other penalties permitted by applicable law.

(k) All fees, settlement amounts and fines collected under this section shall be deposited in the consumer protection enforcement account established in section 21a-8a.

Sec. 6. (NEW) (*Effective October 1, 2025*) (a) No person engaged in the business of shipping or transporting electronic nicotine delivery systems or vapor products shall ship or transport, or cause to be shipped or transported, any electronic nicotine delivery system or vapor product to any person in this state except to (1) a person who holds a dealer registration or a manufacturer registration, or (2) a person who is an officer, employee or agent of the United States government, this state or a department, agency, instrumentality or political subdivision of the United States or of this state, when such person is acting in accordance with such person's official duties. The Commissioner of Consumer Protection shall publish, on the Department of Consumer Protection's Internet web site, a list of each person who holds a dealer registration or a manufacturer registration.

(b) No common or contract carrier shall knowingly transport any electronic nicotine delivery system or vapor product to a residential dwelling or to any person in this state who the common or contract carrier reasonably believes is not a person described in subdivision (1) or (2) of subsection (a) of this section. No person other than a common or contract carrier shall knowingly transport any electronic nicotine delivery system or vapor product to any person in this state who is not a person described in subdivision (1) or (2) of subsection (a) of this section.

(c) When a person engaged in the business of selling or delivering electronic nicotine delivery systems or vapor products ships or transports, or causes to be shipped or transported, any electronic

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nicotine delivery system or vapor product to any person described in subdivision (1) or (2) of subsection (a) of this section, other than in the electronic nicotine delivery system or vapor product manufacturer's original container or wrapping, the container or wrapping shall be plainly and visibly marked with the words "electronic nicotine delivery system" or "vapor product", as applicable. Any person engaged in the business of selling or delivering electronic nicotine delivery systems or vapor products who ships, or causes to be shipped, any electronic nicotine delivery system or vapor product to any person described in subdivision (1) or (2) of subsection (a) of this section (1) shall require, as a condition of such sale or delivery, such person to sign an acknowledgment of receipt and provide proper proof of age, and (2) may not sell or deliver such electronic nicotine delivery system or vapor product to such person unless such person provides proper proof of age.

(d) Any electronic nicotine delivery system or vapor product shipped or transported in violation of this section is a common nuisance and is subject to immediate seizure by the state or local police. The authorized officer shall hold such electronic nicotine delivery system or vapor product subject to confiscation and destruction by order of a court of competent jurisdiction. All costs of such seizure, confiscation and destruction shall be borne by the shipper or transporter.

(e) The Commissioner of Consumer Protection may impose a civil penalty of not more than ten thousand dollars for each violation of subsections (a) to (d), inclusive, of this section. For purposes of this subsection, each shipment or transport of electronic nicotine delivery systems or vapor products shall constitute a separate violation. The Attorney General, upon request of the commissioner, may bring an action in the superior court for the judicial district of Hartford to collect such civil penalty and for any injunctive or equitable relief. In any action brought by the Attorney General to enforce the provisions of this section, the state shall be entitled to recover, when the state is the

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prevailing party, the costs of investigation, expert witness fees, costs of the action and reasonable attorneys' fees.

(f) A violation of subsections (a) to (d), inclusive, of this section shall be an unfair or deceptive act or practice pursuant to subsection (a) of section 42-110b of the general statutes.

Sec. 7. Subdivision (1) of section 21a-420 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(1) "Responsible and Equitable Regulation of Adult-Use Cannabis Act" or "RERACA" means this section, sections 2-56j, 7-294kk, 7-294ll, 12-330ll to 12-330nn, inclusive, 14-227p, 21a-278b, 21a-278c, 21a-279c, 21a-279d, 21a-420a to 21a-420j, inclusive, as amended by this act, 21a-420l to 21a-421r, inclusive, 21a-421aa to 21a-421ff, inclusive, 21a-421aaa to 21a-421hhh, inclusive, as amended by this act, 21a-422 to 21a-422c, inclusive, 21a-422e to 21a-422g, inclusive, 21a-422j to 21a-422s, inclusive, 22-61n, 23-4b, 47a-9a, 53-247a, 53a-213a, 53a-213b, 54-33p, 54-56q, 54-56r, 54-125k and 54-142u, sections 23, 60, 63 to 65, inclusive, 124, 144 and 165 of public act 21-1 of the June special session, and the amendments in public act 21-1 of the June special session to sections 7-148, 10-221, 12-30a, 12-35b, 12-412, 12-650, 12-704d, 14-44k, 14-111e, 14-227a to 14-227c, inclusive, 14-227j, 15-140q, 15-140r, 18-100h, 19a-342, 19a-342a, 21a-267, 21a-277, 21a-279, 21a-279a, 21a-408 to 21a-408f, inclusive, 21a-408h to 21a-408p, inclusive, 21a-408r to 21a-408w, inclusive, 21a-420aa, 21a-421s, 30-89a, 31-40q, 32-39, 46b-120, 51-164n, 53-394, 53a-39c, 54-1m, 54-33g, 54-41b, 54-56e, 54-56g, 54-56i, 54-56k, 54-56n, 54-63d, 54-66a and 54-142e, section 20 of public act 23-79 and sections 8 to 10, inclusive, and 41 of this act;

Sec. 8. (NEW) (*Effective July 1, 2025*) (a) (1) During the period beginning July 1, 2025, and ending December 31, 2026, a social equity applicant that has submitted an application to the department for a

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cultivator license, or has received a provisional cultivator license, pursuant to subsection (a) of section 21a-420o of the general statutes, as amended by this act, may withdraw such application and apply for a micro-cultivator license pursuant to this section if:

(A) The Social Equity Council has verified that the applicant meets the criteria for a social equity applicant pursuant to subdivision (1) of subsection (a) of section 21a-420o of the general statutes, as amended by this act;

(B) The social equity applicant is eligible to receive a provisional cultivator license pursuant to subsection (a) of section 21a-420o of the general statutes, as amended by this act; and

(C) The social equity applicant submits to the department, in a form and manner prescribed by the commissioner, a written statement by the social equity applicant withdrawing the social equity applicant's application submitted, or provisional cultivator license issued, under subsection (a) of section 21a-420o of the general statutes, as amended by this act.

(2) No social equity applicant that withdraws an application or provisional cultivator license in the manner set forth in subdivision (1) of this subsection shall be eligible to receive a refund for any fee paid in connection with such withdrawn application.

(b) During the period beginning July 1, 2025, and ending March 31, 2027, the department shall issue a provisional micro-cultivator license to a social equity applicant pursuant to this section:

(1) If the social equity applicant meets the eligibility criteria established in subdivision (1) of subsection (a) of this section;

(2) If during the period beginning July 1, 2025, and ending December 31, 2026, the social equity applicant submits to the department, in a form

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and manner prescribed by the commissioner:

(A) A completed micro-cultivator license application and other documentation required to determine eligibility as set forth in subsections (e) to (l), inclusive, of section 21a-420g of the general statutes, as amended by this act;

(B) A written statement by the social equity applicant disclosing whether any change occurred in the ownership or control of the social equity applicant after the Social Equity Council verified that the applicant met the criteria for a social equity applicant pursuant to subdivision (1) of subsection (a) of section 21a-420o of the general statutes, as amended by this act; and

(C) The application fee required under subdivision (1) of subsection (c) of this section; and

(3) If any change described in subparagraph (B) of subdivision (2) of this subsection has occurred:

(A) Such change in ownership or control is allowed under (i) section 21a-420g of the general statutes, as amended by this act, and (ii) any regulation adopted, or policy or procedure issued, pursuant to section 21a-420g of the general statutes, as amended by this act, or 21a-420h of the general statutes, as amended by this act; and

(B) Pursuant to subsection (d) of this section, (i) the Social Equity Council has determined that the social equity applicant continues to meet the criteria for a social equity applicant, and (ii) the department has received a written notice from the Social Equity Council affirming that the Social Equity Council has determined that the social equity applicant continues to meet the criteria for a social equity applicant.

(c) (1) A social equity applicant that has not obtained a provisional cultivator license under subsection (a) of section 21a-420o of the general

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statutes, as amended by this act, and submits a micro-cultivator license application pursuant to subsection (b) of this section shall submit to the department an application fee in the amount of five hundred thousand dollars. The three-million-dollar fee paid by the social equity applicant pursuant to section 21a-420o of the general statutes, as amended by this act, to receive a provisional cultivator license shall be considered the application fee to convert to a micro-cultivator license pursuant to this section. All application fees collected pursuant to this subdivision shall be deposited in the consumer protection enforcement account established in section 21a-8a of the general statutes.

(2) The fee to renew a final micro-cultivator license issued pursuant to this section shall be the same as the fee to renew a final micro-cultivator license as set forth in section 21a-420e of the general statutes, as amended by this act. All renewal fees collected pursuant to this subdivision shall be paid to the State Treasurer and credited to the General Fund.

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

(e) No social equity applicant that receives a micro-cultivator license under this section shall be eligible to apply for a provisional license and a final license to create more than one equity joint venture to be approved by the Social Equity Council under section 21a-420d of the general statutes, as amended by this act, and no such social equity applicant shall operate any such equity joint venture unless such social equity applicant has received a micro-cultivator license under this section, commenced cultivation activities under such micro-cultivator license and submitted to the department both the application fee

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required under subdivision (1) of subsection (c) of this section and a conversion fee in the amount of five hundred thousand dollars. The conversion fee collected pursuant to this subsection shall be deposited in the social equity and innovation account established in section 21a-420f of the general statutes. The three-million-dollar fee paid by the social equity applicant pursuant to section 21a-420o of the general statutes, as amended by this act, to receive a provisional cultivator license shall be considered the conversion fee to convert to a micro-cultivator license pursuant to this section. Cultivators that paid the three-million-dollar fee under section 21a-420o of the general statutes, as amended by this act, and received license conversion approval under section 21a-420aa of the general statutes may create not more than two equity joint ventures. No such cultivator shall apply for, or create, any additional equity joint venture if, on July 1, 2025, such cultivator has created at least two equity joint ventures that have each received a provisional license.

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

(g) A micro-cultivator licensed under this section, including the backer of such micro-cultivator, shall not increase its ownership in an equity joint venture in excess of fifty per cent during the seven-year period beginning on the date on which a final micro-cultivator license is issued by the department under this section.

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

(1) Each application submitted pursuant to subsection (b) of this section shall be processed as any other micro-cultivator application that

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has been selected through the lottery; and

(2) Each social equity applicant, application submitted pursuant to subsection (b) of this section and micro-cultivator license issued pursuant to this section shall be subject to subsections (e) to (l), inclusive, of section 21a-420g of the general statutes, as amended by this act.

Sec. 9. (NEW) (*Effective from passage*) (a) During the period beginning January 1, 2026, and ending December 31, 2027, the department shall issue a cultivator license or micro-cultivator license to a social equity applicant, which permits such applicant to locate such applicant's cultivator or micro-cultivator facility outside of a disproportionately impacted area, provided:

(1) On or before July 1, 2026, the social equity applicant submits to the department a complete application for a provisional cultivator or micro-cultivator license pursuant to subsection (a) of section 21a-420o of the general statutes, as amended by this act;

(2) On or before June 30, 2027, the Social Equity Council verifies, pursuant to subdivision (1) of subsection (a) of section 21a-420o of the general statutes, as amended by this act, that such applicant meets the criteria established for a social equity applicant;

(3) On or before June 30, 2027, the department issues a provisional cultivator or micro-cultivator license to the social equity applicant pursuant to section 21a-420o of the general statutes, as amended by this act; and

(4) On or before July 1, 2027, the provisional licensee submits to the department a complete application for a final cultivator or micro-cultivator license, as prescribed in section 21a-420g of the general statutes, as amended by this act, which application shall include:

(A) A copy of a fully executed lease agreement between the

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provisional licensee and a hemp producer, which hemp producer has been continually licensed under section 22-61l of the general statutes since January 1, 2024, and which agreement provides:

(i) For the use of the hemp producer's lot, as defined in section 22-61l of the general statutes, that is on record with the Department of Agriculture on January 1, 2024, and may be located outside of a disproportionately impacted area; and

(ii) That the hemp producer does not currently hold a position of ownership, control or management of the provisional licensee, and if a final cultivator or micro-cultivator license is issued to the provisional licensee pursuant to this section, the hemp producer shall not hold a position of ownership, control or management of the licensee for a period of seven years commencing on the date on which such final license is issued pursuant to this section; and

(iii) An express acknowledgment by the parties that if the department issues a final cultivator or micro-cultivator license to the provisional licensee pursuant to this section, the hemp producer shall immediately be deemed to have automatically surrendered such hemp producer's license;

(B) Evidence sufficient for the department to verify that the hemp producer that is a party to the lease has been continually licensed as a hemp producer since January 1, 2024;

(C) An acknowledgment by the provisional licensee that, if the department issues a final cultivator or micro-cultivator license to such provisional licensee pursuant to this section, such licensee shall (i) in the case of a final cultivator license, be eligible to create not more than one equity joint venture after such licensee receives such license and commences cultivation activities under such license, or (ii) in the case of a final micro-cultivator license, be ineligible to create an equity joint

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venture after such licensee receives such license; and

(D) An attestation by the provisional licensee that (i) the hemp producer from which such provisional licensee is leasing land shall have no ownership interest in, or managerial control over, such licensee, other than any ownership interest or control previously disclosed to the Social Equity Council for the purpose of determining that the social equity applicant meets the criteria for a social equity applicant pursuant to subdivision (1) of subsection (a) of section 21a-420o of the general statutes, as amended by this act, and (ii) all hemp has been harvested from the lot subject to the lease between the provisional licensee and the hemp producer.

(b) During the seven-year period commencing on the date on which a final cultivator license or final micro-cultivator license is issued pursuant to this section, the cultivator or micro-cultivator issued such final license shall:

(1) Not enter into any business arrangement with the hemp producer, other than for the lease of the hemp producer's lot, or any affiliate, subsidiary or entity controlled by the hemp producer if such business arrangement may result in such hemp producer, affiliate, subsidiary or entity holding a position of ownership, control or management of the cultivator or micro-cultivator; and

(2) Disclose any direct or indirect business interest or relationship between the cultivator or micro-cultivator and the hemp producer or any affiliate, subsidiary or entity controlled by the hemp producer or any key participant, as defined in section 22-61l of the general statutes.

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

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(d) All hemp located on the lot subject to the lease agreement between the provisional licensee and the hemp producer shall continue to be deemed hemp until the department issues a final cultivator license or final micro-cultivator license to such licensee. After the department issues a final cultivator license or final micro-cultivator license pursuant to this section, such hemp shall be deemed to be cannabis and shall be subject to all cannabis cultivation, testing, labeling, tracking, reporting and manufacturing provisions of RERACA as such provisions apply to cultivators and micro-cultivators.

(e) No provisional licensee that receives a final cultivator license under this section shall be eligible to create more than one equity joint venture, and no such licensee shall create any equity joint venture unless such licensee has received a final cultivator license under this section and commenced cultivation activities under such cultivator license. No provisional licensee that receives a micro-cultivator license under this section shall be eligible to create an equity joint venture.

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

Sec. 10. (NEW) (*Effective October 1, 2025*) (a) The Department of Consumer Protection shall develop signage containing a quick response code, or a comparable electronic identifier, that verifies whether the person displaying such signage holds an active cannabis establishment license issued by the department. Such signage shall be displayed in the form and manner prescribed by the Commissioner of Consumer Protection.

(b) No person shall display the signage developed by the Department of Consumer Protection pursuant to subsection (a) of this section, or any substantially similar signage, unless such person holds an active

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cannabis establishment license issued by the department.

(c) No cannabis establishment shall display the signage developed by the Department of Consumer Protection pursuant to subsection (a) of this section in any form or manner other than the form and manner prescribed by the Commissioner of Consumer Protection pursuant to subsection (a) of this section.

(d) Any violation of the provisions of subsection (b) or (c) of this section shall be deemed an unfair or deceptive trade practice under subsection (a) of section 42-110b of the general statutes. Any cannabis establishment that violates the provisions of subsection (c) of this section may be subject to additional enforcement action pursuant to section 21a-421p of the general statutes, as amended by this act.

Sec. 11. Section 21a-420c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) As used in this section:

(1) "Cigarette" has the same meaning as provided in section 4-28h;

(2) "Electronic cigarette liquid" has the same meaning as provided in section 21a-415, as amended by this act;

(3) "Electronic nicotine delivery system" has the same meaning as provided in section 21a-415, as amended by this act;

(4) "Immediate threat to public health and safety" includes, but is not limited to, the presence of (A) any cannabis or cannabis product in connection with a violation of this section, or (B) any cigarette, tobacco product, electronic cigarette liquid, electronic nicotine delivery system or liquid nicotine container stored or displayed adjacent or proximate to any cannabis or cannabis product or otherwise being sold unlawfully;

(5) "Liquid nicotine container" has the same meaning as provided in

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section 19a-342a; and

(6) "Tobacco product" has the same meaning as provided in section 12-330a.

[(a)] (b) Except as provided in RERACA and chapter 420b or 420f, (1) no person, other than a retailer, hybrid retailer, micro-cultivator or delivery service, or an employee thereof in the course of such employee's employment, may sell or offer any cannabis or cannabis product to a consumer, and (2) no person, other than a hybrid retailer, dispensary facility or a delivery service, or an employee thereof in the course of such employee's employment, may sell or offer any cannabis or cannabis product to a qualifying [patients and caregivers] patient or caregiver.

[(b)] (c) No person except a delivery service, or an employee of a delivery service, subject to the restrictions set forth in section 21a-420z, as amended by this act, acting in the course of such employee's employment, may deliver any cannabis or cannabis product to [consumers, patients or caregivers] a consumer, qualifying patient or caregiver.

[(c)] (d) Any violation of the provisions of this section shall be deemed an unfair or deceptive trade practice under subsection (a) of section 42-110b.

[(d)] (e) (1) Any municipality may, by vote of its legislative body, prohibit the operation of any business within such municipality that is found to be in violation of the provisions of this section or if such operation poses an immediate threat to public health and safety.

(2) If the chief executive officer of a municipality determines that a business within the municipality is operating in violation of the provisions of this section or poses an immediate threat to public health and safety, the chief executive officer may apply to the Superior Court

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for an order under subdivision (3) of this subsection and, upon making such application, submit a written copy of such application to the Attorney General and the Commissioner of Consumer Protection.

(3) Upon an application under subdivision (2) of this subsection, the Superior Court, upon a finding that a business within the municipality is operating in violation of the provisions of this section or poses an immediate threat to public health and safety, may issue forthwith, ex parte and without a hearing, an order that shall direct the chief law enforcement officer of the municipality to take from such business possession and control of any merchandise related to such violation or immediate threat to public health and safety, which merchandise shall include, but need not be limited to, (A) any cannabis or cannabis product, (B) any cigarette, tobacco, [or] tobacco product, electronic cigarette liquid, electronic nicotine delivery system or liquid nicotine container, (C) any merchandise related to the merchandise described in subparagraphs (A) and (B) of this subdivision, and (D) any proceeds related to the merchandise described in subparagraphs (A) to (C), inclusive, of this subdivision.

(4) As used in this subsection, [(A) "cigarette" has the same meaning as provided in section 4-28h, (B) "immediate threat to public health and safety" includes, but is not limited to, the presence of (i) any cannabis or cannabis product in connection with a violation of this section, or (ii) any cigarette or tobacco product alongside any cannabis or cannabis product, and (C)] "operation" and "operating" mean engaging in the sale of [, or otherwise offering for sale,] goods and services to the general public, including, but not limited to, through indirect retail sales.

[(e)] (f) (1) Any person who violates any provision of this section shall be assessed a civil penalty of thirty thousand dollars for each violation. Each day that such violation continues shall constitute a separate offense.

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(2) Any person who aids or abets any violation of the provisions of this section shall be assessed a civil penalty of thirty thousand dollars for each violation. Each day that such person aids or abets such violation shall constitute a separate offense. For the purposes of this subdivision, no person shall be deemed to have aided or abetted a violation of the provisions of this section unless (A) such person was the owner, officer, controlling shareholder or in a similar position of authority that allowed such person to make command or control decisions regarding the operations and management of another person who (i) is prohibited from selling or offering any cannabis or cannabis product under this section, and (ii) sold or offered any cannabis or cannabis product in violation of this section, (B) such person knew that such other person (i) is prohibited from selling or offering any cannabis or cannabis product under this section, and (ii) sold or offered any cannabis or cannabis product in violation of this section, (C) such person provided substantial assistance or encouragement in connection with the sale or offer of such cannabis or cannabis product in violation of this section, and (D) such person's conduct was a substantial factor in furthering the sale or offer of such cannabis or cannabis product in violation of this section.

(3) Any person who manages or controls a commercial property, or who manages or controls a commercial building, room, space or enclosure, in such person's capacity as an owner, lessee, agent, employee or mortgagor, who knowingly leases, rents or makes such property, building, room, space or enclosure available for use, with or without compensation, for the purpose of any sale or offer of any cannabis or cannabis product in violation of this section shall be assessed a civil penalty of ten thousand dollars for each violation. Each day that such violation continues shall constitute a separate offense.

(4) No person other than the Attorney General, upon complaint of the Commissioner of Consumer Protection, or a municipality in which the violation of this section occurred shall assess any civil penalty under this

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subsection or institute a civil action to recover any civil penalty imposed under this subsection. If a municipality institutes a civil action to recover any civil penalty imposed under this subsection, such penalty shall be paid [first] to the municipality. [to reimburse such municipality for the costs incurred in instituting such action. One-half of the remainder, if any, shall be payable to the treasurer of such municipality and one-half of such remainder shall be payable to the Treasurer and deposited in the General Fund.]

[(f)] (g) Nothing in this section shall be construed to prohibit the imposition of any criminal penalty on any person who (1) is prohibited from selling or offering any cannabis or cannabis product under this section, and (2) sells or offers any cannabis or cannabis product in violation of this section.

Sec. 12. Subsections (h) to (k), inclusive, of section 21a-420d of the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):

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

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

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- (2) Specifying additional qualifications for social equity applicants;
- (3) Providing for expedited or priority license processing for each license as a retailer, hybrid retailer, cultivator, micro-cultivator, product manufacturer, food and beverage manufacturer, product packager, transporter and delivery service license for social equity applicants;
- (4) Establishing minimum criteria for any cannabis establishment licensed on or after January 1, 2022, [that is not owned by a social equity applicant,] to comply with an approved workforce development plan to reinvest or provide employment and training opportunities for individuals in disproportionately impacted areas;
- (5) Establishing criteria for a social equity plan for any cannabis establishment licensed on or after January 1, 2022, to further the principles of equity, as defined in section 21a-420, as amended by this act;
- (6) Recruiting individuals from communities that have been disproportionately harmed by cannabis prohibition and enforcement to enroll in the workforce training program established pursuant to section 21a-421g;
- (7) Potential uses for revenue generated under RERACA to further equity;
- (8) Encouraging participation of investors, cannabis establishments [.] and entrepreneurs in the cannabis business accelerator program established pursuant to section 21a-421f;
- (9) Establishing a process to best ensure that social equity applicants have access to the capital and training needed to own and operate a cannabis establishment; and
- (10) Developing a vendor list of women-owned and minority-owned

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businesses that cannabis establishments may contract with for necessary services, including, but not limited to, office supplies, information technology infrastructure and cleaning services.

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

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

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

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

(C) Include census tracts in the order of rank described in subparagraph (B) of this subdivision until including the next census tract would cause the total population of all included census tracts to

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exceed twenty-five per cent of the state's population.

(j) After developing criteria for workforce development plans as described in subdivision (4) of subsection (h) of this section, the Social Equity Council shall review and approve or deny in writing any such plan submitted by [a producer under section 21a-420l or a hybrid-retailer under section 21a-420u] an applicant for a final license. If the Social Equity Council does not approve a workforce development plan for a cannabis establishment on or before July 1, 2025, the cannabis establishment shall submit a workforce development plan to the council not later than October 1, 2025, or sixty days prior to the next renewal date for such cannabis establishment's license, whichever is earlier. Not later than sixty days after the cannabis establishment submits the workforce development plan to the council, the council shall send notice to the cannabis establishment disclosing whether such workforce development plan has been approved, rejected or requires modification.

(k) The Social Equity Council shall develop criteria for evaluating the ownership and control of any equity joint venture created under section 21a-420m, as amended by this act, 21a-420u, as amended by this act, 21a-420j, as amended by this act, [or] 21a-420aa, section 8 of this act or section 9 of this act and shall review and approve or deny in writing such equity joint venture prior to such equity joint venture being licensed under section 21a-420m, as amended by this act, 21a-420u, as amended by this act, 21a-420j, as amended by this act, [or] 21a-420aa, section 8 of this act or section 9 of this act. The council shall not approve any equity joint venture applicant which shares with an equity joint venture any individual owner who meets the criteria established in subparagraphs (A) and (B) of subdivision (51) of section 21a-420, other than an individual owner in their capacity as a backer licensed under section 21a-420o, as amended by this act.

Sec. 13. Subsection (c) of section 21a-420e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1,*

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2025):

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

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

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

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

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

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

(B) For a product manufacturer seeking authorization to expand the product manufacturer's authorized activities to include the authorized activities of a food and beverage manufacturer, the application fee for such expanded authorization shall be five thousand dollars and the fee to renew such expanded authorization shall be five thousand dollars.

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The fees due under this subparagraph shall be in addition to the fees due under subparagraph (A) of this subdivision.

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

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

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

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

(8) For a delivery service or transporter license, the fee to enter the lottery shall be two hundred fifty dollars, the fee to receive a provisional

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license shall be one thousand dollars and the fee to receive a final license or a renewal of a final license shall be five thousand dollars.

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

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

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

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

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

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

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

Sec. 14. Subsections (b) to (j), inclusive, of section 21a-420g of the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) Except as provided in sections 21a-420o, as amended by this act, and 21a-420aa and sections 8 and 9 of this act, prior to the first date that

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

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

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

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

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

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

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

(B) Rank all applications in each lottery numerically according to the order in which they were drawn, including those that exceed the number to be considered, and identify for the department all applications to be considered.

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

(2) No applicant shall apply more than once in any application period to the social equity lottery round, if applicable, or the general lottery round. The department shall review the list of all lottery applicants in the social equity lottery round and the general lottery round, independently for each such round, to determine whether any applicant has submitted more than one application under the same applicant name. Except as provided in subdivision (3) of this subsection, if the department determines that any applicant has submitted more than one application in the social equity lottery round or the general lottery round, all applications submitted in such round by such applicant shall be disqualified and the department shall remove all such applications from the pool of eligible applications the department provides to the third-party lottery operator for selection in such round.

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

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

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

(e) (1) Upon receipt of an application for social equity consideration or, in the case where a social equity lottery is conducted, after such lottery applicants are selected, the department shall provide to the Social Equity Council the documentation received by the department during the application process that is required under subsection (a) of this section. No identifying information beyond what is necessary to establish social equity status shall be provided to the Social Equity Council. The Social Equity Council shall review the social equity applications to be considered as identified by the third-party lottery operator to determine whether the applicant meets the criteria for a social equity applicant. If the Social Equity Council determines that an applicant does not qualify as a social equity applicant, the application shall not be reviewed further for purposes of receiving a license designated for social equity applicants. The application shall be entered into the general lottery for the applicable license type and may be reviewed further if selected through such lottery, provided the applicant pays the additional amount necessary to pay the full fee for entry into such lottery within five business days of being notified by the Social Equity Council that such applicant does not qualify as a social equity applicant. Not later than thirty days after the Social Equity Council notifies an applicant of the Social Equity Council's determination that the applicant does not meet the criteria for a social equity applicant, the applicant may appeal from such determination to the Superior Court in accordance with section 4-183.

(2) Upon determination by the Social Equity Council that an

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

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

(4) Any application entered into, but not selected through, the social equity lottery shall not be reviewed as a social equity application, but shall be entered into the general lottery for the applicable license type.

(5) After receiving the list of selected social equity applications reviewed and approved by the Social Equity Council, the department shall notify the third-party lottery operator, which shall then conduct the independent general lottery for all remaining applicants for each license type, rank all general lottery applications numerically including those that exceed the number to be considered, and identify for the department all of the selected applications to be reviewed. The number of applications to be reviewed by the department shall consist of the applications ranked numerically one through the maximum number necessary to ensure that fifty per cent of the applications for each license type identified through the lottery process are selected from the social equity lottery and approved by the Social Equity Council.

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

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(f) The department shall review each application to be considered, as identified by the third-party lottery operator or Social Equity Council, as applicable, to confirm such application is complete and to determine whether any application: (1) Includes a backer with a disqualifying conviction; (2) exceeds the cap set forth in section 21a-420i; or (3) has a backer who individually or in connection with a cannabis business in another state or country has an administrative finding or judicial decision that may substantively compromise the integrity of the cannabis program, as determined by the department, or that precludes its participation in this state's cannabis program.

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

(h) If an applicant is disqualified on the basis of any of the criteria set forth in subsection (f) of this section, the entire application shall be denied, and such denial shall be a final decision of the department unless the applicant removes from such application all backers that would cause such denial not later than thirty days after the department sends notice to the applicant disclosing such denial. Any change to a social equity applicant shall be reviewed and approved by the Social Equity Council before such change is reviewed by the department. Not later than thirty days after the department sends notice to the applicant disclosing such denial, the applicant may appeal such denial to the

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Superior Court.

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

(j) All applicants selected in the lottery and not denied shall be provided a provisional license application, which shall be submitted in a form and manner prescribed by the commissioner. Lottery applicants shall have sixty days from the date they receive their provisional application to complete the application. The right to apply for a provisional license is nontransferable. Upon receiving a provisional application from an applicant, the department shall review the application for completeness and to confirm that all information provided is acceptable and in compliance with this section and any regulations adopted under this section. If a provisional application does not meet the standards set forth in this section, the applicant shall not be provided a provisional license. A provisional license issued by the

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

Sec. 15. Section 21a-420h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The Social Equity Council shall adopt regulations, in accordance with the provisions of chapter 54, to prevent the sale or change in ownership or control of a cannabis establishment license awarded to a social equity applicant to someone other than another qualifying social equity applicant during the period of provisional licensure, and for three years following the issuance of a final license, unless the backer of such licensee has died or has a condition, including, but not limited to, a physical illness or loss of skill or deterioration due to the aging process, emotional disorder or mental illness that would interfere with the backer's ability to operate. If the council approves any sale or change in

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ownership or control of a cannabis establishment license awarded to a social equity applicant during the three-year period following issuance of a final license, and such sale or change in ownership or control is made to anyone other than another qualifying social equity applicant, the cannabis establishment licensee shall be treated as a cannabis establishment licensee without social equity status beginning on the date of such approval and such cannabis licensee shall no longer be eligible to pay a reduced license renewal fee. Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, in order to effectuate this section, prior to adopting such regulations and not later than October 1, 2021, the council shall issue policies and procedures to implement the provisions of this section that shall have the force and effect of law. The council shall post all policies and procedures on its Internet web site and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. Any such policy or procedure shall no longer be effective upon the earlier of either the adoption of the policy or procedure as a final regulation under section 4-172 or [forty-eight] sixty-three months from July 1, 2021. [, if such regulations have not been submitted to the legislative regulation review committee for consideration under section 4-170.] Any violation of such policies and procedures or any violation of such regulations related to the sale or change in ownership may be referred by the Social Equity Council to the department for administrative enforcement action, which may result in a fine of not more than ten million dollars or action against the establishment's license.

Sec. 16. Subsection (d) of section 21a-420j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(d) [A] (1) Except as provided in subdivision (2) of this subsection, a cultivator licensed under section 21a-420o, as amended by this act,

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

(2) A cultivator licensed under section 21a-420o, as amended by this act, who satisfies the criteria established in subparagraph (A) of subdivision (2) of subsection (b) of section 21a-420o, as amended by this act, including the backer of such cultivator, shall not increase its ownership in an equity joint venture in excess of fifty per cent during the seven-year period beginning on the date on which a final license is issued by the department under subdivision (2) of subsection (b) of section 21a-420o, as amended by this act.

Sec. 17. Subsection (g) of section 21a-420m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

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

Sec. 18. Subsection (b) of section 21a-420n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) (1) A cultivator is authorized to cultivate, grow and propagate cannabis at an establishment containing not less than fifteen thousand square feet of grow space, provided such cultivator complies with the provisions of any regulations adopted under section 21a-420q, as

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amended by this act, concerning grow space. A cultivator establishment shall meet physical security controls and protocols set forth and required by the commissioner.

(2) (A) Notwithstanding the provisions of subdivision (1) of this subsection, during the period beginning on June 6, 2024, through December 31, [2025] 2027, the department may grant a final cultivator license to the holder of a provisional cultivator license issued under section 21a-420o, as amended by this act, who has not developed the capability to cultivate, grow and propagate cannabis at an establishment containing at least fifteen thousand square feet of grow space, and such holder may carry out the functions of a cultivator, if such holder submits to the department, in a form and manner prescribed by the commissioner:

(i) A completed application for a final cultivator license; and

(ii) Evidence that (I) such holder's licensed cultivation facility contains at least five thousand square feet of grow space, (II) such holder, and such holder's licensed cultivation facility, are in compliance with the provisions of this chapter and the regulations adopted, and policies and procedures issued, under this chapter, (III) such holder has a detailed business plan and buildout schedule to cultivate, grow and propagate cannabis at a licensed establishment containing at least fifteen thousand square feet of grow space on or before December 31, [2025] 2027, and (IV) such holder has paid the three-million-dollar fee required under subdivision (3) of subsection (a) of section 21a-420o, as amended by this act.

(B) If the department issues a final cultivator license under this subdivision, and the licensee fails to cultivate, grow and propagate cannabis at a licensed establishment containing at least fifteen thousand square feet of grow space on or before December 31, [2025] 2027, such licensee shall pay to the department, in a form and manner prescribed

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by the commissioner, an extension fee in the amount of five hundred dollars for each day that such licensee's licensed establishment fails to satisfy such minimum grow space requirement. The department may, in addition to imposing such extension fee, exercise the department's enforcement authority under section 21a-421p, as amended by this act, if the licensee fails to satisfy such minimum grow space requirement on or before December 31, [2025] 2027.

Sec. 19. Section 21a-420o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Thirty days after the Social Equity Council posts the criteria for social equity applicants on its Internet web site, the department shall open up a three-month application period for cultivators during which a social equity applicant may apply to the department for a provisional cultivator license and final license for a cultivation facility located in a disproportionately impacted area, or at another location described in subparagraph (B) of subdivision (1) of subsection (b) of this section, without participating in a lottery or request for proposals. Such application for a provisional license shall be granted upon: (1) Verification by the Social Equity Council that the applicant meets the criteria for a social equity applicant; (2) the applicant submitting to and passing a criminal background check; and (3) payment of a three-million-dollar fee to be deposited in the Cannabis Social Equity and Innovation Fund established in section 21a-420f. Upon granting such provisional license, the department shall notify the applicant of the project labor agreement requirements of section 21a-421e. The department shall not grant an application for a provisional cultivator license under this subsection after December 31, [2025] 2026.

(b) (1) To obtain a final cultivator license under this section, the social equity applicant shall provide evidence of [; (1) A] (A) a contract with an entity providing an approved electronic tracking system as described in section 21a-421n, [; (2)] (B) a right to exclusively occupy the location

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at which the cultivation facility will be located, which location shall be situated [(A)] (i) in a disproportionately impacted area, [(B)] (ii) on any reservation, as defined in section 47-63, of the Schaghticoke, Paucatuck Eastern Pequot or Golden Hill Paugussett indigenous tribe recognized by this state under subsection (b) of section 47-59a, provided such reservation includes at least ten acres of contiguous land and such land comprised part of such reservation on July 1, 2024, [(C)] (iii) on any parcel of land owned in fee simple by any indigenous tribe recognized by this state under subsection (b) of section 47-59a, provided such parcel includes at least ten acres of contiguous land and is located in a municipality that, prior to July 1, 2024, contained any portion of a disproportionately impacted area, [or (D)] (iv) in the case of an exclusively outdoor grow, in a municipality containing any portion of a disproportionately impacted area, provided [(i)] (I) such outdoor grow is conducted on land that such municipality has approved for agricultural or farming uses, and [(ii)] (II) all cultivation complies with the provisions of the regulations adopted, and policies and procedures issued, pursuant to section 21a-421j, as amended by this act, permitting the outdoor cultivation of cannabis, [; (3)] or (v) at a location within this state outside of a disproportionately impacted area, provided the Social Equity Council has verified that such social equity applicant satisfies the criteria established in subdivision (2) of this subsection, (C) any necessary local zoning approval and building permits for the cultivation facility, [; (4)] (D) a business plan, [; (5)] (E) a social equity plan and a workforce development plan approved by the [Social Equity Council; (6)] council, (F) written policies for preventing diversion and misuse of cannabis and sales of cannabis to underage persons, [;] and [(7)] (G) blueprints of the facility and all other security requirements of the department.

(2) (A) Beginning on or after October 1, 2025, a social equity applicant that obtains a final cultivator license pursuant to subdivision (1) of this subsection may conduct all activities authorized in section 21a-420n, as

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amended by this act, except for manufacturing or extraction of cannabis, at a location within this state outside of a disproportionately impacted area as set forth in subparagraph (B)(v) of subdivision (1) of this subsection, provided the social equity applicant agrees to comply with the provisions of this subdivision and submits a written request for verification of compliance to the Social Equity Council, and the council determines and verifies based on evidence deemed sufficient by the council, that (i) in the event such social equity applicant engages in manufacturing or extraction of cannabis, such applicant shall engage in such manufacturing or extraction exclusively at a location situated in a disproportionately impacted area in accordance with the provisions of this chapter and the regulations adopted, and policies and procedures issued, under this chapter, (ii) at least fifty per cent of the employees employed by such social equity applicant to engage in manufacturing or extraction of cannabis shall reside in a disproportionately impacted area, (iii) of the employees employed by such social equity applicant to engage in any activity other than manufacturing or extraction of cannabis, (I) at least twenty-five per cent of such employees shall reside in a disproportionately impacted area during the first year after such social equity applicant obtains a final cultivator license and commences cultivation activities under such license, (II) at least fifty per cent of such employees shall reside in a disproportionately impacted area during the second year after such social equity applicant obtains a final cultivator license and commences cultivation activities under such license, and (III) at least seventy-five per cent of such employees shall reside in a disproportionately impacted area during each year beginning with the third year after such social equity applicant obtains a final cultivator license and commences cultivation activities under such license, (iv) such social equity applicant shall, at such social equity applicant's expense, (I) make transportation available to each of its employees who resides in a disproportionately impacted area in order to transport such employee from such employee's residence to such employee's place of work and from such employee's place of work to such employee's

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residence, or (II) make advance payment to each of its employees who resides in a disproportionately impacted area for the cost of traveling from such employee's residence to such employee's place of work and from such employee's place of work to such employee's residence, and (v) such social equity applicant shall periodically pay to the Social Equity Council, in a form and manner prescribed by the council, on payment dates established by the council and for deposit in the social equity and innovation account established in section 21a-420f, (I) for the first year after such social equity applicant obtains a final cultivator license and commences cultivation activities under such license, one-half per cent of the licensee's gross revenue derived from such licensee's sales to unaffiliated third parties for such year, (II) for the second year after such social equity applicant obtains a final cultivator license and commences cultivation activities under such license, one per cent of the licensee's gross revenue derived from such licensee's sales to unaffiliated third parties for such year, and (III) for each year beginning with the third year after such social equity applicant obtains a final cultivator license and commences cultivation activities under such license, one and one-half per cent of the licensee's gross revenue derived from such licensee's sales to unaffiliated third parties for such year.

(B) The evidence required to be submitted in a written request for verification as set forth in subparagraph (A) of this subdivision shall be submitted to the Social Equity Council in a form and manner prescribed by the council. Upon receipt of a written request for verification under subparagraph (A) of this subdivision, the council shall review the request to determine whether the social equity applicant satisfies the criteria set forth in subparagraph (A) of this subdivision. If the council determines that the social equity applicant does not satisfy such criteria, the council may accept an amended written request for verification or deny such request. Not later than thirty days after the council notifies the social equity applicant that the council has determined that the applicant does not satisfy the criteria set forth in subparagraph (A) of

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this subdivision, the applicant may appeal from such determination to the Superior Court in accordance with section 4-183.

(C) The Social Equity Council shall identify for the department each social equity applicant that has submitted a written request for verification as set forth in subparagraph (A) of this subdivision, qualifies as a social equity applicant and should be reviewed by the department for purposes of awarding a final cultivator license. After receiving notice from the council that a provisional licensee has been verified and identified by the council pursuant to this subdivision, the department shall proceed with review and processing of such applicant's final license. The Commissioner of Consumer Protection shall not issue a final license to a provisional licensee pursuant to this subdivision unless the council has notified the department of the results of such verification.

(D) Each cultivator issued a final license pursuant to this subdivision shall (i) attest that such cultivator satisfies the criteria set forth in subparagraph (A) of this subdivision at each license renewal, and (ii) comply with all requests for information from the Social Equity Council, and produce copies of all documents necessary for the council to confirm that such cultivator satisfies the criteria set forth in subparagraph (A) of this subdivision, in a form and manner prescribed by the council and not later than two business days after such request. In the event the council determines and verifies that the licensee does not satisfy the criteria set forth in subparagraph (A) of this subdivision, the council shall, after a cure period established by the council, provide to the department a detailed report outlining the basis for the council's determination of noncompliance and any evidence supporting such determination. The council shall concurrently produce a copy of such report to the applicable licensee. Upon receipt of the noncompliance report issued by the council, the department shall schedule a hearing on such matter within forty-five days.

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(E) Prior to engaging in any manufacturing or extraction of cannabis, a cultivator licensed pursuant to this subdivision shall apply to the department, in a form and manner prescribed by the commissioner, for an off-site manufacturing endorsement to be issued on or after October 1, 2025. The department may require the cultivator to submit to an inspection of the cultivator's facility prior to issuing such endorsement to ensure that such facility satisfies the provisions of this chapter and the regulations adopted, and policies and procedures issued, under this chapter.

(F) On and after July 1, 2026, any person that holds a final cultivator license issued pursuant to this subdivision shall (i) weigh all cannabis, excluding the leaves or stem of such plant, harvested at such facility not later than twenty-four hours after cutting or trimming such plant and (I) record such weight in an approved electronic tracking system as set forth in section 21a-421n, (II) annually reserve at least eighty per cent of all cannabis weighed pursuant to subparagraph (F)(i) of this subdivision for the purpose of manufacturing or extraction of such cannabis into a cannabis product or cannabis concentrate, and (III) annually sell not more than twenty per cent of all cannabis harvested at such facility, based on the weight recorded pursuant to subparagraph (F)(i) of this subdivision, for distribution as cannabis flower, and (ii) upon each renewal of such final cultivator license, attest that during the then preceding calendar year, such cultivator (I) caused at least eighty per cent of all cannabis weighed and recorded pursuant to subparagraph (F)(i) of this subdivision to be used for the purpose of manufacturing or extraction of such cannabis into a cannabis product or cannabis concentrate, and (II) sold not more than twenty per cent of all cannabis harvested at such facility, based on the weight recorded pursuant to subparagraph (F)(i) of this subdivision, for distribution as cannabis flower.

(c) If the department grants a provisional cultivator license to any

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person under subsection (a) of this section, such person may apply to the department, in a form and manner prescribed by the commissioner, to convert the provisional cultivator license to a micro-cultivator license, without paying any conversion fee or additional provisional license fee, provided such person has not created more than two equity joint ventures that have obtained final licensure. As part of such application, such person shall attest that such person shall:

(1) Surrender such provisional cultivator license effective immediately upon the department issuing the micro-cultivator license;

(2) Be entitled to create two equity joint ventures, which shall include any equity joint venture created prior to conversion to a micro-cultivator license;

(3) Comply with all provisions of law governing micro-cultivators; and

(4) Not have any change of ownership or control associated with the conversion to a micro-cultivator license.

(d) The department shall not issue a final license to a micro-cultivator provisional licensee unless such licensee has complied with all final licensure requirements set forth in this section and section 21a-420g, as amended by this act.

Sec. 20. Section 21a-420p of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

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

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

(c) A micro-cultivator may apply for expansion of its grow space, in increments of five thousand square feet, on an annual basis, from the date of initial licensure, if such licensee is not subject to any pending or final administrative actions or judicial findings. If there are any pending or final administrative actions or judicial findings against the licensee, the department shall conduct a suitability review to determine whether such expansion shall be granted, which determination shall be final and appealable only to the Superior Court. The micro-cultivator may apply for an expansion of its business annually upon renewal of its credential until such licensee reaches a maximum of twenty-five thousand square feet of grow space. If a micro-cultivator desires to expand beyond twenty-five thousand square feet of grow space, the micro-cultivator licensee may apply for a cultivator license one year after its last expansion request. The micro-cultivator licensee shall not be required to apply through the lottery application process to convert its license to a cultivator license. If a micro-cultivator maintains its license and meets all of the application and licensure requirements for a cultivator license, including payment of the cultivator license fee established under section 21a-420e, as amended by this act, the micro-cultivator licensee shall be granted a cultivator license.

(d) A micro-cultivator may label, manufacture, package and perform extractions on any cannabis cultivated, grown and propagated at its

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licensed establishment provided it meets all licensure and application requirements for a food and beverage manufacturer, product manufacturer or product packager, as applicable.

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

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

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

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

(B) The cannabis seedling (i) has a standing height of not more than

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six inches measured from the base of the stem to the tallest point of the plant, (ii) does not contain any bud or flower, and (iii) has been tested for pesticides and heavy metals in accordance with the laboratory testing standards established in the policies and procedures issued, and final regulations adopted, by the commissioner pursuant to section 21a-421j, as amended by this act; and

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

(i) The name of the micro-cultivator;

(ii) A product description for the cannabis seedling;

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

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

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

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

(vii) A unique identifier generated by a cannabis analytic tracking system maintained by the department and used to track cannabis under the policies and procedures issued, and final regulations adopted, by

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the commissioner pursuant to section 21a-421j, as amended by this act.

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

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

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

(g) (1) A micro-cultivator that has obtained a final license from the department pursuant to this section and maintains an exclusively indoor grow facility may submit an application to the department, in a form and manner prescribed by the commissioner, for a retailer or hybrid retailer endorsement to such final license under this subsection. Such endorsement, if issued, shall authorize the micro-cultivator to operate a retailer or hybrid retailer pursuant to this subsection. An applicant micro-cultivator shall submit a complete application for an endorsement under this subsection, along with the endorsement application fee, to the department not later than one year after the date on which the applicant micro-cultivator obtained a final micro-cultivator license from the department pursuant to this section or June 30, 2026, whichever is later. The department shall not accept an application submitted pursuant to this subsection after such time period has expired. The amount of the application fee for an endorsement under this subsection shall be the same as the fee imposed to receive a final retailer license or a final hybrid retailer license set forth in subsections (c) and (d) of section 21a-420e, as amended by this act. All application fees for an initial endorsement under this subsection shall be deposited in the consumer protection enforcement account established in section 21a-8a. The annual renewal fee for an endorsement issued under this subsection shall be the same as the renewal fee for a final retailer license or a final hybrid retailer license set

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forth in subsections (c) and (d) of section 21a-420e, as amended by this act.

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

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

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

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

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

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

(5) The facility of a retailer or hybrid retailer established pursuant to an endorsement issued pursuant to this subsection shall be located (A) on the same premises as the micro-cultivator, or (B) on a tract of land or

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parcel that abuts such premises or is located within one hundred feet of such premises measured from the point on such tract of land or parcel that is closest to such premises.

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

(A) (i) In the case of a retailer endorsement, be authorized to sell cannabis cultivated indoors by the micro-cultivator to consumers, or (ii) in the case of a hybrid retailer endorsement, be authorized to sell (I) cannabis cultivated indoors by the micro-cultivator to consumers, and (II) medical marijuana products to qualifying patients and caregivers;

(B) Acknowledge and agree that such micro-cultivator is not eligible to expand to a cultivator license, as provided in this section;

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

(D) Acknowledge and agree that in the event that an administrative agency or court of competent jurisdiction issues a suspension, revocation, cease and desist order or other order halting the micro-cultivator's operations, the micro-cultivator shall cease all public retailer or hybrid-retailer activities associated with the retailer or hybrid retailer endorsement issued pursuant to this subsection.

(7) A micro-cultivator that is issued an endorsement under this subsection may (A) in the case of a retailer endorsement, sell cannabis cultivated by the micro-cultivator directly to consumers by utilizing a delivery service or its own employees, subject to the provisions of subsection (b) of section 21a-420c, as amended by this act, provided such micro-cultivator shall exclusively sell cannabis cultivated by such

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micro-cultivator, and (B) in the case of a hybrid retailer endorsement, sell medical marijuana products directly to qualifying patients and caregivers, and cannabis cultivated by such micro-cultivator directly to consumers, by utilizing a delivery service or its own employees, subject to the provisions of subsection (b) of section 21a-420c, as amended by this act.

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

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

Sec. 21. Subsections (f) and (g) of section 21a-420p of the general statutes, as amended by section 20 of this act, are repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(f) (1) A micro-cultivator may sell cannabis seedlings cultivated at its micro-cultivator establishment directly to consumers, excluding qualifying patients and caregivers, solely through delivery by either utilizing a delivery service or its own employees, subject to the requirements of subsection [(b)] (c) of section 21a-420c, as amended by this act. No cannabis establishment other than a micro-cultivator shall sell cannabis seedlings to consumers, and no cannabis establishment other than a delivery service or a micro-cultivator utilizing its own employees shall deliver cannabis seedlings cultivated and sold by a micro-cultivator to consumers.

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

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

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

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

(i) The name of the micro-cultivator;

(ii) A product description for the cannabis seedling;

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

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

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

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

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

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

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

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

(g) (1) A micro-cultivator that has obtained a final license from the department pursuant to this section and maintains an exclusively indoor grow facility may submit an application to the department, in a form and manner prescribed by the commissioner, for a retailer or hybrid retailer endorsement to such final license under this subsection. Such endorsement, if issued, shall authorize the micro-cultivator to operate a retailer or hybrid retailer pursuant to this subsection. An applicant micro-cultivator shall submit a complete application for an endorsement under this subsection, along with the endorsement application fee, to the department not later than one year after the date on which the applicant micro-cultivator obtained a final micro-cultivator license from the department pursuant to this section or June 30, 2026, whichever is later. The department shall not accept an application submitted pursuant to this subsection after such time period has expired. The amount of the application fee for an endorsement under this subsection shall be the same as the fee imposed to receive a final retailer license or a final hybrid retailer license set forth in subsections (c) and (d) of section 21a-420e, as amended by this act. All application fees for an initial endorsement under this subsection shall be deposited in the consumer protection enforcement account

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established in section 21a-8a. The annual renewal fee for an endorsement issued under this subsection shall be the same as the renewal fee for a final retailer license or a final hybrid retailer license set forth in subsections (c) and (d) of section 21a-420e, as amended by this act.

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

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

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

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

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

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

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

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

(A) Be authorized to sell cannabis cultivated indoors by the micro-cultivator to consumers and, in the case of a hybrid retailer endorsement, consumers, qualifying patients and caregivers;

(B) Acknowledge and agree that such micro-cultivator is not eligible to expand to a cultivator license, as provided in this section;

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

(D) Acknowledge and agree that in the event that an administrative agency or court of competent jurisdiction issues a suspension, revocation, cease and desist order or other order halting the micro-cultivator's operations, the micro-cultivator shall cease all public retailer or hybrid-retailer activities associated with the retailer or hybrid retailer endorsement issued pursuant to this subsection.

(7) A micro-cultivator that is issued an endorsement under this subsection may sell cannabis cultivated by the micro-cultivator directly to consumers by utilizing a delivery service or its own employees, subject to the provisions of subsection [(b)] (c) of section 21a-420c, as amended by this act, provided such micro-cultivator shall exclusively

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sell cannabis cultivated by such micro-cultivator.

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

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

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

The commissioner shall adopt regulations, in accordance with the provisions of chapter 54, to establish the maximum grow space permitted by a cultivator and micro-cultivator. In adopting such regulations, the commissioner shall seek to ensure an adequate supply of cannabis for the market. Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, in order to effectuate this section, prior to adopting such regulations, the commissioner shall issue policies and procedures to implement the provisions of this section that shall have the force and effect of law. The commissioner shall post all policies and procedures on the department's Internet web site and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. Any such policy or procedure shall no longer be effective upon the earlier of either the adoption of the policy or procedure as a final regulation under section 4-172 or [forty-eight] sixty-three months from July 1, 2021. [if such regulations have not been submitted to the legislative regulation review committee for consideration under section 4-170.]

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Sec. 23. Subsection (d) of section 21a-420r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(d) A retailer may deliver cannabis through a delivery service or by utilizing its own employees, subject to the provisions of subsection [(b)] (c) of section 21a-420c, as amended by this act.

Sec. 24. Section 21a-420s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) [On and after July 1, 2021, the] The department may issue or renew a license for a hybrid retailer. No person may act as a hybrid retailer or represent that such person is a hybrid retailer unless such person has obtained a license from the department pursuant to this section.

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

(c) In addition to conducting general retail sales, a hybrid retailer may sell cannabis and medical marijuana products [,] to qualifying patients and caregivers. Any cannabis or medical marijuana products sold to qualifying patients and caregivers shall be dispensed by a licensed pharmacist and shall be recorded in the electronic prescription drug monitoring program, established pursuant to section 21a-254, in real-time or immediately upon completion of the transaction, unless not

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reasonably feasible for a specific transaction, but in no case longer than one hour after completion of the transaction. Only a licensed pharmacist or dispensary technician may upload or access data in the prescription drug monitoring program.

(d) (1) A hybrid retailer shall maintain a licensed pharmacist on premises [at all times] for at least eight consecutive hours per calendar week when the hybrid retail location is open to the public or to qualifying patients and caregivers. At all times while a hybrid retailer location is open to the public and a licensed pharmacist is not physically present on premises and available for qualifying patient and caregiver consultations, the hybrid retailer shall ensure that a licensed pharmacist is readily available to (A) provide telehealth consultations for qualifying patients and caregivers, and (B) conduct remote order entry verification in accordance with regulations adopted by the commissioner pursuant to section 20-576, which remote order entry verification shall only be conducted by a licensed pharmacist in compliance with all remote order entry verification requirements established in regulations adopted by the commissioner pursuant to section 20-576.

(2) A hybrid retailer that offers telehealth consultations with a licensed pharmacist shall (A) employ such pharmacist for at least twenty hours per calendar week, (B) maintain technology that is capable of facilitating such consultations, and (C) make such consultations readily available and accessible to qualifying patients and caregivers, including, but not limited to, by telephone from a remote location outside of the hybrid retailer location and from the private consultation space required under subsection (e) of this section.

(3) Each hybrid retailer shall conspicuously post and maintain a sign at the main entrance of the hybrid retailer location, which sign shall (A) be at least twelve inches in height and eighteen inches in width, (B) incorporate lettering in a size and style that is clear and legible, and (C) state the name of the licensed pharmacist who is available for qualifying

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patient and caregiver consultations either in-person or through telehealth.

(4) Each hybrid retailer shall conspicuously post and maintain a sign at each register or comparable point of sale within the hybrid retailer location, and on any Internet web site maintained by such hybrid retailer, which sign shall (A) be at least eight inches in height and ten inches in width, (B) incorporate lettering in a size and style that is clear and legible, and (C) state "Pharmacist available for consultation" in a clear and legible manner.

(5) Each licensed pharmacist who consults with qualifying patients or caregivers shall annually complete not less than five contact hours of continuing professional education, as set forth in section 20-600, related to the cannabis industry, the pharmacy laws of this state or the treatment of debilitating medical conditions, as defined in section 21a-408. Such contact hours shall be included in, and not be in addition to, the fifteen contact hours required under section 20-600.

(e) The hybrid retailer location shall include a private consultation space for pharmacists to meet with qualifying patients and caregivers. Each hybrid retailer shall conspicuously display, on the exterior of the hybrid retailer location, a symbol that denotes the sale of medical marijuana products, which symbol shall be in a form and manner prescribed by the commissioner and posted on the department's Internet web site. Additionally, the hybrid retailer premises shall accommodate an expedited method of entry that allows for priority entrance into the premises for qualifying patients and caregivers.

(f) Hybrid retailers shall maintain a secure location, in a manner approved by the commissioner, at the licensee's premises where cannabis that is unable to be delivered may be returned to the hybrid retailer. Such secure cannabis return location shall meet specifications set forth by the commissioner and published on the department's

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Internet web site or included in regulations adopted by the department.

(g) Cannabis dispensed to a qualifying patient or caregiver that [are] is unable to be delivered and [are] is returned by the delivery service to the hybrid retailer shall be returned to the licensee inventory system and removed from the prescription drug monitoring program not later than forty-eight hours after receipt of the cannabis from the delivery service.

(h) A hybrid retailer may not convert its license to a retailer license. To obtain a retailer license, a hybrid retailer shall apply through the lottery application process. A hybrid retailer may convert to a dispensary facility, [if] provided the hybrid retailer complies with all applicable provisions of chapter 420f [,] and [upon] has received written approval [by] from the department.

(i) A retailer may apply to the department to convert its license to a hybrid retailer license, without applying through the lottery application system. To convert a retailer license to a hybrid retailer license, a retailer shall submit a complete application to the department, in a form and manner prescribed by the commissioner. Prior to issuing a hybrid retailer license pursuant to this section, the department shall conduct an inspection of the converting retailer establishment. Upon a satisfactory inspection, the department shall deactivate the converting retailer license and issue a new hybrid retailer license to the applicant.

~~[(i)]~~ (j) Manufacturer hemp products, as defined in section 22-61l, may be sold within a hybrid retailer facility, provided such manufacturer hemp products are:

- (1) Stored separately from cannabis and cannabis products;
- (2) Separated, by a physical separation, from cannabis and cannabis products in any display area;
- (3) Displayed with signage approved by the department;

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(4) Tested by a laboratory that meets the standards for accreditation and testing, and sampling methods, set forth for an independent testing laboratory in section 22-61m, as amended by this act, which laboratory may be located outside of this state;

(5) Clearly labeled to distinguish the product as (A) a manufacturer hemp product, (B) subject to different testing standards than cannabis, and (C) not cannabis or a cannabis product; [and]

(6) Sold in accordance with this chapter, chapter 424 and any regulations adopted pursuant to said chapters; and

(7) Derived from hemp grown by a United States Department of Agriculture hemp producer licensee under an approved state or tribal hemp production plan.

Sec. 25. Subsections (d) and (e) of section 21a-420t of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(d) [On and after September 1, 2021, a] A dispensary facility or hybrid retailer may apply to the department, in a form and in a manner prescribed by the commissioner, to provide delivery services through a delivery service or utilizing its own employees, subject to the provisions of subsection [(b)] (c) of section 21a-420c, as amended by this act, to qualifying patients, caregivers, research program subjects, as defined in section 21a-408, and hospice and other inpatient care facilities licensed by the Department of Public Health pursuant to chapter 368v that have a protocol for the handling and distribution of cannabis that has been approved by the Department of Consumer Protection. A dispensary facility or hybrid retailer may deliver cannabis or medical marijuana products only from its own inventory to qualifying patients and caregivers. If such application is approved by the commissioner, the dispensary facility or hybrid retailer may commence delivery services

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on and after January 1, 2022, provided the commissioner may authorize dispensary facilities or hybrid retailers to commence delivery services prior to January 1, 2022, upon forty-five days advance written notice, published on the department's Internet web site.

(e) Hybrid retailers may commence delivery of cannabis directly to consumers as of the date the first adult use cannabis sales are permitted by the commissioner as set forth in subsection (f) of this section, through a delivery service, or utilizing their own employees, subject to the provisions of subsection [(b)] (c) of section 21a-420c, as amended by this act.

Sec. 26. Subsection (g) of section 21a-420u of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

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

Sec. 27. Subsection (e) of section 21a-420z of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(e) The commissioner shall adopt regulations, in accordance with chapter 54, to implement the provisions of RERACA. Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, in order to

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effectuate the purposes of RERACA and protect public health and safety, prior to adopting such regulations the commissioner shall issue policies and procedures to implement the provisions of this section that shall have the force and effect of law. The commissioner shall post all policies and procedures on the department's Internet web site, and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. Any such policy or procedure shall no longer be effective upon the earlier of either adoption of such policy or procedure as a final regulation under section 4-172 or [forty-eight] sixty-three months from July 1, 2021. [, if such final regulations have not been submitted to the legislative regulation review committee for consideration under section 4-170.] The commissioner shall issue policies and procedures, and thereafter adopt final regulations, requiring that: (1) The delivery service and transporter meet certain security requirements related to the storage, handling and transport of cannabis, the vehicles employed, the conduct of employees and agents, and the documentation that shall be maintained by the delivery service, transporter and its drivers; (2) a delivery service that delivers cannabis to consumers maintain an online interface that verifies the age of consumers ordering cannabis for delivery and meets certain specifications and data security standards; and (3) a delivery service that delivers cannabis to consumers, qualifying patients or caregivers, and all employees and agents of such licensee, to verify the identity of the qualifying patient, caregiver or consumer and the age of the consumer upon delivery of cannabis to the end consumer, qualifying patient or caregiver, in a manner acceptable to the commissioner. The individual placing the cannabis order shall be the individual accepting delivery of the cannabis except, in the case of a qualifying patient, the individual accepting the delivery may be the caregiver of such qualifying patient.

Sec. 28. Section 21a-420z of the general statutes, as amended by section 27 of this act, is repealed and the following is substituted in lieu

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thereof (*Effective October 1, 2025*):

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

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

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

(d) [A] (1) Except as provided in subdivision (2) of this subsection, a transporter may deliver cannabis between cannabis establishments, research programs and cannabis testing laboratories and shall not store or maintain control of cannabis for more than twenty-four hours from

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the time the transporter obtains the cannabis from a cannabis establishment, research program or cannabis testing laboratory until the time such cannabis is delivered to the destination.

(2) (A) A transporter may expand the transporter's authorized activities to store, maintain and handle cannabis in accordance with the provisions of this subsection, provided such transporter:

(i) Possesses each unit of cannabis for a period not to exceed thirty days beginning on the date on which the transporter receives such cannabis;

(ii) Complies with all security requirements established pursuant to section 21a-421l, as amended by this act, and the policies, procedures and regulations adopted pursuant to section 21a-421j, as amended by this act;

(iii) Attests that such transporter shall not open or remove any cannabis from individual child-resistant packaging, provided nothing in this subdivision shall be construed to prohibit a transporter from consolidating or separating bulk packaged cannabis for the purposes of commercial distribution;

(iv) Attests that such transporter shall comply with all requirements set forth in section 21a-421n, and all policies, procedures and regulations adopted pursuant to section 21a-421j, as amended by this act, for the electronic tracking system concerning the receipt, storage, repackaging and distribution of cannabis;

(v) Pays to the department, in a form and manner prescribed by the commissioner, a one-time expansion authorization payment of five thousand dollars, to be deposited in the consumer protection enforcement account established in section 21a-8a;

(vi) Notifies the department, in a form and manner prescribed by the

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commissioner, at least thirty days before the date on which the transporter intends to commence the storage of cannabis for a period exceeding twenty-four hours; and

(vii) Receives written confirmation from the department that the transporter meets the security requirements described in subparagraph (A)(ii) of this subdivision.

(B) The department shall take all reasonable efforts to schedule an inspection of the cannabis establishment facility not later than sixty days after the department receives an application for transporter expansion pursuant to this subdivision. Upon completion of such inspection, the department shall promptly provide to the transporter (i) written confirmation of compliance with the security requirements set forth in subparagraph (A)(ii) of this subdivision, or (ii) notice of noncompliance with the security requirements set forth in subparagraph (A)(ii) of this subdivision.

(C) A transporter that expands the transporter's authorized activities under subparagraph (A) of this subdivision shall (i) comply with all provisions of this chapter, and all regulations, policies and procedures prescribed pursuant to this chapter, concerning product packagers, and (ii) not open or remove any cannabis from individual child-resistant packaging, provided nothing in this subdivision shall be construed to prohibit a transporter from consolidating or separating bulk packaged cannabis for the purposes of commercial distribution on a scale that is greater than commercial distribution on an individual and final packaging basis.

(D) In the event of a conflict between any provision of this chapter, or any regulation, policy or procedure prescribed pursuant to this chapter, concerning transporters and any such provision, regulation, policy or procedure concerning product packagers, the provision, regulation, policy or procedure imposing the more stringent public health and

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safety standard shall prevail.

(e) The commissioner shall adopt regulations, in accordance with chapter 54, to implement the provisions of RERACA. Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, in order to effectuate the purposes of RERACA and protect public health and safety, prior to adopting such regulations the commissioner shall issue policies and procedures to implement the provisions of this section that shall have the force and effect of law. The commissioner shall post all policies and procedures on the department's Internet web site, and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. Any such policy or procedure shall no longer be effective upon the earlier of either adoption of such policy or procedure as a final regulation under section 4-172 or sixty-three months from July 1, 2021. The commissioner shall issue policies and procedures, and thereafter adopt final regulations, requiring that: (1) The delivery service and transporter meet certain security requirements related to the storage, handling and transport of cannabis, the vehicles employed, the conduct of employees and agents, and the documentation that shall be maintained by the delivery service, transporter and its drivers; (2) a delivery service that delivers cannabis to consumers maintain an online interface that verifies the age of consumers ordering cannabis for delivery and meets certain specifications and data security standards; and (3) a delivery service that delivers cannabis to consumers, qualifying patients or caregivers, and all employees and agents of such licensee, to verify the identity of the qualifying patient, caregiver or consumer and the age of the consumer upon delivery of cannabis to the end consumer, qualifying patient or caregiver, in a manner acceptable to the commissioner. The individual placing the cannabis order shall be the individual accepting delivery of the cannabis except, in the case of a qualifying patient, the individual accepting the delivery may be the caregiver of such qualifying patient.

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

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

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

Sec. 29. Subsection (b) of section 21a-421j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The commissioner shall adopt regulations in accordance with chapter 54 to implement the provisions of RERACA. Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, in order to effectuate the purposes of RERACA and protect public health and safety, prior to adopting such regulations the commissioner shall issue policies and procedures to implement the provisions of RERACA that shall have the force and effect of law. The commissioner shall post all policies and procedures on the department's Internet web site and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. The commissioner shall also provide such policies and procedures, in a manner prescribed by the commissioner, to each licensee. Any such policy or procedure shall no

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longer be effective upon the earlier of either the adoption of the policy or procedure as a final regulation under section 4-172 or [forty-eight] sixty-three months from June 22, 2021. [, if such regulations have not been submitted to the legislative regulation review committee for consideration under section 4-170.] The commissioner shall issue policies and procedures and thereafter final regulations that include, but are not limited to, the following:

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

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

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

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

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

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

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

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

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

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

(F) Except as provided in subdivision (3) of subsection (f) of section 21a-420p, as amended by this act, (i) packaging for cannabis intended for multiple servings to be resealable in such a manner so as to render such packaging continuously child-resistant, as described in

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subparagraph (E)(i) of this subdivision, and preserve the integrity of the contents of such packaging, and (ii) if packaging for cannabis intended for multiple servings contains any edible cannabis product, for each single standardized serving to be easily discernible and (I) individually wrapped, or (II) physically demarked and delineated as required under this subsection.

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

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

(I) A net weight statement.

(J) A recommended use by or expiration date.

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

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

(M) Chemotypes, which shall be displayed as (i) "High THC, Low CBD" where the ratio of THC to CBD is greater than five to one and the total THC percentage is at least fifteen per cent, (ii) "Moderate THC, Moderate CBD" where the ratio of THC to CBD is at least one to five but

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

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

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

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

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

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

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patient or caregiver.

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

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

(V) Directions for use and storage.

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

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

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

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

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

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

"Warning: Consumption while pregnant or breastfeeding may be

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harmful."

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

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

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

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

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

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

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

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

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

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

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

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

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

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(15) Permitting the outdoor cultivation of cannabis.

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

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

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

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

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

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

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

Sec. 30. Section 21a-421j of the general statutes, as amended by section 29 of this act, is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

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

(b) The commissioner shall adopt regulations in accordance with chapter 54 to implement the provisions of RERACA. Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, in order to effectuate the purposes of RERACA and protect public health and safety, prior to adopting such regulations the commissioner shall issue policies and procedures to implement the provisions of RERACA that shall have the force and effect of law. The commissioner shall post all policies and procedures on the department's Internet web site and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. The commissioner shall also provide such policies and procedures, in a manner prescribed by the commissioner, to each licensee. Any such policy or procedure shall no longer be effective upon the earlier of either the adoption of the policy or procedure as a final regulation under section 4-172 or sixty-three months from June 22, 2021. The commissioner shall issue policies and procedures and thereafter final regulations that include, but are not limited to, the following:

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

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

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

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

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

(A) Inclusion of universal symbols to indicate that cannabis, or a cannabis product, contains THC and is not legal or safe for individuals younger than twenty-one years of age, and prescribe how such product

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and product packaging shall utilize and exhibit such symbols.

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

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

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

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

(F) Except as provided in subdivision (3) of subsection (f) of section 21a-420p, as amended by this act, (i) packaging for cannabis intended for multiple servings to be resealable in such a manner so as to render such packaging continuously child-resistant, as described in subparagraph (E)(i) of this subdivision, and preserve the integrity of the contents of such packaging, and (ii) if packaging for cannabis intended for multiple servings contains any edible cannabis product, for each single standardized serving to be easily discernible and (I) individually wrapped, or (II) physically demarked and delineated as required under this subsection.

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

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

(I) A net weight statement.

(J) A recommended use by or expiration date.

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

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

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

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product does not fit a chemotype described in clause (i), (ii) or (iii) of this subparagraph.

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

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

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

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

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

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

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

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(V) Directions for use and storage.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(11) Placing temporary limits on the sale of cannabis in the adult-use

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market, if deemed appropriate and necessary by the commissioner, in response to a shortage of cannabis for qualifying patients.

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

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

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

(15) Requiring dispensary facilities, hybrid retailers and retailers to display the following types of cannabis in a form and manner prescribed by the department and in an area physically and visually separated from other cannabis for sale at such establishment: (A) Cannabis flower or

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other cannabis plant material with a total THC concentration greater than thirty per cent on a dry-weight basis, and (B) any cannabis product other than cannabis flower and cannabis plant material with a total THC concentration greater than sixty per cent on a dry-weight basis, excluding prefilled cartridges for use in an electronic cannabis delivery system. As used in this subdivision, "cannabis plant material" has the same meaning as provided in subsection (j) of section 21a-279a.

(16) Requiring any dispensary facility, hybrid retailer or retailer that sells any form of cannabis that exceeds the THC concentrations set forth in subdivision (15) of this subsection to include the words "Warning - High THC" next to each such form of cannabis on such cannabis establishment's menus and advertisements.

(17) Prescribing signage to be displayed at a dispensary facility, hybrid retailer or retailer informing consumers, qualifying patients and caregivers of health risks associated with cannabis in excess of the THC concentrations set forth in subdivision (15) of this subsection.

[(15)] (18) Permitting the outdoor cultivation of cannabis.

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

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

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

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[(19)] (22) Requiring that packaging and labeling for an edible cannabis product, excluding the warning labels required under this subsection and a picture of the cannabis product described in subdivision [(17)] (20) of this subsection but including, but not limited to, the logo of the cannabis establishment, shall only be comprised of black and white or a combination thereof.

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

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

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

Sec. 31. Subsection (b) of section 21a-421k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, in order to effectuate the purposes of RERACA and protect

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public health and safety, prior to adopting such regulations the commissioner shall implement policies and procedures to implement the provisions of RERACA that shall have the force and effect of law. The commissioner shall post all such policies and procedures on the department's Internet web site and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. Any such policies and procedures shall no longer be effective upon the earlier of either adoption of such policies and procedures as a final regulation under section 4-172 or [forty-eight] sixty-three months from June 22, 2021. [, if such regulations have not been submitted to the legislative regulation review committee for consideration under section 4-170.]

Sec. 32. Section 21a-421l of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

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

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

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

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

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

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

(c) In the event of any suspected diversion of cannabis from a cannabis establishment, the cannabis establishment may conduct an internal investigation prior to notifying the department, provided:

(1) The cannabis establishment has reasonably determined that the amount of cannabis involved with such suspected diversion is equal to not more than one-half ounce of raw cannabis or the equivalent as set

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forth in section 21a-279a;

(2) Not later than two business days after the suspected diversion is initially discovered, the cannabis establishment notifies the department of the diversion and any findings of the cannabis establishment's investigation;

(3) If at least two instances of cannabis diversion occur at the cannabis establishment within any six-month period, the commissioner may, in the commissioner's sole discretion, require the cannabis establishment to immediately notify the department of any subsequent suspected employee diversion;

(4) If at least three instances of cannabis diversion occur at the cannabis establishment within any twelve-month period, the cannabis establishment shall notify the department immediately upon any future discovery or suspicion of cannabis diversion;

(5) The suspected diversion does not involve any person with a financial interest in the cannabis establishment or a key employee of the cannabis establishment, and the cannabis establishment shall immediately notify the department of any such suspected diversion; and

(6) Nothing in this subsection shall be construed to prohibit the department from conducting an investigation.

Sec. 33. Subsection (a) of section 21a-421p of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For sufficient cause found pursuant to subsection (b) of this section, the commissioner may suspend or revoke a license or registration, issue fines of not more than twenty-five thousand dollars per violation, accept an offer in compromise or refuse to grant or renew

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a license or registration issued pursuant to RERACA, or place such licensee or registrant on probation, place conditions on such licensee or registrant or take other actions authorized by law. Information from inspections and investigations conducted by the department related to administrative complaints or cases shall not be subject to disclosure under the Freedom of Information Act, as defined in section 1-200, except after the department has entered into a settlement agreement, or concluded its investigation or inspection as evidenced by case closure, provided nothing in this section shall prevent the department from sharing information with other state and federal agencies and law enforcement as it relates to investigating violations of law. At the conclusion of any inspection or compliance check, the department shall provide a written statement to the licensee or registrant detailing (1) the findings and results of such inspection or compliance check, (2) any area of concern that has been identified, and (3) any corrective action that is required to address such area of concern.

Sec. 34. Subsection (a) of section 21a-421bb of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) No person, other than the holder of a cannabis establishment license issued pursuant to this chapter, [or] a person who provides professional services related to the purchase, sale or use of cannabis or a person who displays advertising or promotional materials that are solely visible within the interior of a cannabis establishment, shall advertise any cannabis or services related to cannabis in this state.

Sec. 35. Section 21a-422f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) As used in this section, "municipality" means any town, city or borough, consolidated town and city or consolidated town and borough, and a district establishing a zoning commission under section

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7-326.

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

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

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

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

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establishments.

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

Sec. 36. Section 21a-425 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

For the purposes of this section, [and] sections 21a-425a, as amended by this act, and 21a-425b, and sections 37 and 38 of this act:

(1) "Alcoholic beverage" has the same meaning as provided in section 30-1;

[(1)] (2) "Cannabis" means marijuana, as defined in section 21a-240;

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

[(3)] (4) "Cannabis product" has the same meaning as provided in section 21a-420, as amended by this act;

[(4)] (5) "Cannabis testing laboratory" has the same meaning as provided in section 21a-408;

[(5)] (6) "Commissioner" means the Commissioner of Consumer Protection;

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

[(7)] (8) "Container" (A) means an object that is offered, intended for sale or sold to a consumer and directly contains an infused beverage or

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high-THC beverage, and (B) does not include an object or packaging that indirectly contains, or contains in bulk for transportation purposes, an infused beverage or high-THC beverage;

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

[(9)] (10) "Department" means the Department of Consumer Protection;

[(10)] (11) "Dispensary facility" has the same meaning as provided in section 21a-420, as amended by this act;

[(11)] (12) "Food and beverage manufacturer" has the same meaning as provided in section 21a-420, as amended by this act;

[(12)] (13) "Hemp" has the same meaning as provided in section 22-61l;

[(13)] (14) "Hemp producer" means producer, as defined in section 22-61l;

[(14)] (15) "Hemp products" has the same meaning as provided in section 22-61l;

(16) "High-THC beverage" means a beverage that (A) is not an alcoholic beverage, (B) is intended for human consumption, (C) contains, or is advertised, labeled or offered for sale as containing, total THC that is greater than three milligrams per container, and (D) contains THC solely derived from hemp (i) grown by a United States Department of Agriculture hemp producer licensee under an approved state or tribal hemp production plan, and (ii) with a total THC concentration of not more than three-tenths per cent on a dry-weight basis or by volume, as applicable;

[(15)] (17) "Hybrid retailer" has the same meaning as provided in

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section 21a-420, as amended by this act;

[(16)] (18) "Infused beverage" means a beverage that (A) is not an alcoholic beverage, [as defined in section 30-1,] (B) is intended for human consumption, and (C) contains, or is advertised, labeled or offered for sale as containing, total THC that is not greater than three milligrams per container;

[(17)] (19) "Infused beverage manufacturer" means a person licensed by the Commissioner of Consumer Protection pursuant to section 21a-425a, as amended by this act;

(20) "Infused beverage wholesaler" (A) means a person that has been issued an infused beverage wholesaler license under section 37 of this act, and (B) does not include the holder of a wholesaler permit or a wholesaler permit for beer issued under section 30-17;

[(18)] (21) "Legacy infused beverage" means a beverage that (A) is not an alcoholic beverage, [as defined in section 30-1,] (B) is intended for human consumption, (C) contains, or is advertised, labeled or offered for sale as containing, THC, [as defined in section 21a-240,] and (D) as of June 30, 2024, is in compliance with (i) the provisions of RERACA, [as defined in section 21a-420,] and (ii) the policies and procedures issued by the Commissioner of Consumer Protection to implement, and any regulations adopted pursuant to, RERACA; [, as defined in section 21a-420;]

[(19)] (22) "Micro-cultivator" has the same meaning as provided in section 21a-420, as amended by this act;

[(20)] (23) "Manufacturer hemp product" has the same meaning as provided in section 22-61l;

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

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

[(22)] (26) "Product manufacturer" has the same meaning as provided in section 21a-420, as amended by this act;

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

[(23)] (28) "Retailer" has the same meaning as provided in section 21a-420, as amended by this act; [and]

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

[(24)] (30) "Total THC" has the same meaning as provided in section 21a-240.

Sec. 37. (NEW) (*Effective October 1, 2025*) (a) The Department of Consumer Protection may issue or renew a license for a person to be an infused beverage wholesaler. No person, other than the holder of a wholesaler permit or a wholesaler permit for beer issued under section 30-17 of the general statutes, may act as an infused beverage wholesaler or represent that such person is an infused beverage wholesaler unless such person has obtained an infused beverage wholesaler license from the department pursuant to this section. No infused beverage wholesaler shall distribute alcoholic liquor. A holder of a wholesaler permit or a wholesaler permit for beer issued under section 30-17 of the general statutes shall not be required to apply for or maintain an infused beverage wholesaler license in order to engage in the distribution of infused beverages as set forth in this section and chapter 420i of the general statutes.

(b) A person seeking an infused beverage wholesaler license under this section shall submit to the Department of Consumer Protection, in a form and manner prescribed by the Commissioner of Consumer

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Protection, a complete application. Each infused beverage wholesaler license issued pursuant to this section shall be valid for a period of one year, and shall be renewable for additional one-year periods upon submission of a renewal application in the manner set forth for an initial application under this subsection.

(c) The Department of Consumer Protection may issue an infused beverage wholesaler license to an applicant in accordance with subsection (b) of this section, provided (1) the owners of such applicant submit to, and provide to the department, a third-party local and national criminal background check pursuant to section 21a-421c of the general statutes, (2) the owners subject to such background check do not have any disqualifying convictions, as defined in section 21a-420 of the general statutes, as amended by this act, and (3) the facility to be operated as an infused beverage wholesaler facility is inspected by the department and satisfies the department's requirements pertaining to cleanliness and security.

(d) An infused beverage wholesaler shall only sell infused beverages to holders of package store permits issued under subsection (b) of section 30-20 of the general statutes, and to retailers, hybrid retailers and dispensary facilities.

(e) An infused beverage wholesaler shall ensure that any infused beverage offered or sold by the infused beverage wholesaler shall not appeal to any person who is younger than twenty-one years of age, including, but not limited to, by virtue of the name or appearance of such infused beverage, or make any health claim.

(f) Each infused beverage wholesaler shall assess a fee of one dollar on each infused beverage container sold to the holder of a package store permit issued under subsection (b) of section 30-20 of the general statutes, or to a retailer, hybrid retailer or dispensary facility. Such fee shall not be subject to any sales tax or treated as income pursuant to any

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provision of the general statutes. Beginning on October 1, 2025, and every six months thereafter, each infused beverage wholesaler shall remit payment to the Department of Consumer Protection for each infused beverage container sold during the preceding six-month period. The funds received by the department from infused beverage sales shall be deposited in the consumer protection enforcement account established in section 21a-8a of the general statutes for the purposes of (1) protecting public health and safety, (2) educating consumers and licensees, and (3) ensuring compliance with cannabis and liquor control laws.

(g) (1) Each infused beverage wholesaler shall maintain all records necessary to fully demonstrate business transactions related to infused beverages for a period covering the then current taxable year and the three taxable years immediately preceding such taxable year. Such records shall be maintained in an auditable format, and the infused beverage manufacturer, or any other person in charge or having custody of such records, shall make such records available to the department pursuant to subdivision (3) of this subsection.

(2) The Commissioner of Consumer Protection may require any infused beverage wholesaler to furnish such information as the commissioner deems necessary for the proper administration of this section and chapter 420i of the general statutes, and may require a third-party independent audit of any infused beverage wholesaler, the expense thereof to be paid by such infused beverage wholesaler.

(3) Upon request by the commissioner or any other enforcement agency or person authorized by chapter 420i of the general statutes, an infused beverage wholesaler, and any other person in charge or having custody of such records, shall make such records immediately available for inspection and copying by the commissioner or such other enforcement agency or person. The infused beverage wholesaler, or such other person, shall produce copies of such records to the

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commissioner or the commissioner's authorized representative not later than two business days after the commissioner or such representative requests such copies. Such records shall be provided to the commissioner or such representative in an electronic format, unless providing such records to the commissioner or such representative in an electronic format is commercially impractical.

(4) In complying with the provisions of this subsection, no person shall use any foreign language, code or symbol to designate any infused beverage or person.

(h) The Commissioner of Consumer Protection may, for the purposes of the supervision and enforcement of the provisions of this section and chapter 420i of the general statutes, enter any facility utilized or maintained by an infused beverage wholesaler and inspect and inventory all pertinent equipment, finished or unfinished materials, containers or labeling, and all other items in such place, including, but not limited to, records, files, financial data, sales data, shipping data, pricing data, employee data, research, papers, processes, controls and facilities.

(i) Any violation of the provisions of subsections (a) to (h), inclusive, of this section shall constitute sufficient cause for action by the Commissioner of Consumer Protection, including, but not limited to, the suspension, probation or revocation of a license, the placement of conditions on a license, the issuance of a fine in an amount not to exceed five thousand dollars per violation, the acceptance of an offer in compromise, the refusal to grant or renew an infused beverage wholesaler license issued pursuant to this section or any other action authorized by law. All information from inspections and investigations conducted by the Department of Consumer Protection related to administrative complaints or cases shall not be subject to disclosure under the Freedom of Information Act, as defined in section 1-200 of the general statutes, except after the department has entered into a

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settlement agreement, or concluded its investigation or inspection as evidenced by case closure, provided nothing in this section shall prevent the department from sharing any information with another state or federal agency or law enforcement as such information relates to an investigation conducted for a suspected violation of applicable law.

Sec. 38. (NEW) (*Effective October 1, 2025*) (a) On and after January 1, 2026, no person shall manufacture a high-THC beverage in this state unless such person is an infused beverage manufacturer that has received a high-THC beverage endorsement issued by the Commissioner of Consumer Protection pursuant to this section. A high-THC beverage endorsement shall authorize the infused beverage manufacturer to manufacture high-THC beverages for sale exclusively outside of this state. No infused beverage manufacturer shall advertise, offer or sell any high-THC beverage in this state or offer or sell any high-THC beverage directly to any individual. An infused beverage manufacturer shall verify that purchasers of high-THC beverages intend to engage in the commercial resale of such beverages exclusively outside of this state.

(b) Beginning on January 1, 2026, an infused beverage manufacturer seeking a high-THC beverage endorsement under this section shall submit an application to the Department of Consumer Protection in a form and manner prescribed by the Commissioner of Consumer Protection.

(c) Each infused beverage manufacturer with a high-THC beverage endorsement shall (1) use the electronic tracking system, in a form and manner prescribed by the Commissioner of Consumer Protection, to monitor the intake, manufacturing, disposition and distribution of all hemp oil, infused beverages and high-THC beverages in such infused beverage manufacturer's possession, and the information contained therein shall be subject to section 21a-421n of the general statutes, unless otherwise specified by the commissioner as set forth in regulations,

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policies and procedures adopted pursuant to subsection (f) of this section, and (2) include a clear and conspicuous warning, in at least twelve-point font, on each high-THC beverage that reads "Not for Sale in CT".

(d) Each infused beverage manufacturer with a high-THC beverage endorsement shall comply with the hemp acquisition, manufacturing and laboratory testing requirements set forth in section 21a-425a of the general statutes, as amended by this act, except an infused beverage manufacturer shall not be required to comply with the provisions of subparagraph (A) of subdivision (3) of subsection (d) of section 21a-425a of the general statutes, subdivision (4) of subsection (e) of section 21a-425a of the general statutes or subsection (f) of section 21a-425a of the general statutes, as amended by this act, for the manufacture of high-THC beverages.

(e) Beginning on July 31, 2026, and biannually thereafter on January thirty-first and July thirty-first, each infused beverage manufacturer that has received a high-THC beverage endorsement under this section shall submit a report to the Department of Consumer Protection, in a form and manner prescribed by the Commissioner of Consumer Protection, (1) for the six-month period beginning on the preceding January first or July first, as applicable, and (2) disclosing the total number of high-THC beverages such infused beverage manufacturer sold outside of this state during the six-month period that is the subject of such report.

(f) The Commissioner of Consumer Protection shall adopt regulations in accordance with chapter 54 of the general statutes to implement the provisions of this section. Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, of the general statutes, in order to effectuate the purposes of this section and protect public health and safety, prior to adopting such regulations the commissioner shall issue policies and procedures to implement the provisions of this section that shall have the force and effect of law. The commissioner

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shall post all policies and procedures on the Department of Consumer Protection's Internet web site and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. The commissioner shall also provide such policies and procedures, in a manner prescribed by the commissioner, to each licensee. Any such policy or procedure shall no longer be effective upon the earlier of either the adoption of the policy or procedure as a final regulation under section 4-172 of the general statutes or June 30, 2029, if such regulations have not been submitted to the legislative regulation review committee for consideration under section 4-170 of the general statutes.

Sec. 39. Subsection (f) of section 21a-425a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(f) (1) [Beginning on October 1, 2024, no] No infused beverage manufacturer shall sell an infused beverage to any person in this state other than (A) a dispensary facility, (B) a hybrid retailer, (C) a retailer, [or] (D) the holder of a wholesaler permit or a wholesaler permit for beer issued under section 30-17, or (E) an infused beverage wholesaler.

(2) [Beginning on October 1, 2024, a] A dispensary facility, hybrid retailer or retailer, before selling an infused beverage to a consumer in this state, [or] a wholesaler permittee under section 30-17, before selling an infused beverage to a package store permittee under subsection (b) of section 30-20, or an infused beverage wholesaler, before selling an infused beverage to a dispensary facility, hybrid retailer or retailer or a package store permittee under subsection (b) of section 30-20, shall, based on a representative sample of the infused beverage containers included in the shipment that includes such infused beverage, (A) verify that the infused beverages included in such shipment satisfy the requirements established in subdivision (3) of subsection (e) of this section and any regulations adopted, and policies and procedures

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issued, pursuant to subsection (k) of this section, and (B) for the purpose of preserving public health and safety, verify that the infused beverages included in such shipment were manufactured in accordance with requirements that are substantially similar to the requirements established in subsections (d) and (e) of this section and any regulations adopted, and policies and procedures issued, pursuant to subsection (k) of this section if such infused beverages were manufactured (i) in a facility located in, and regulated by, another state, and (ii) by a person who is regulated as a food or nonalcoholic beverage manufacturer.

Sec. 40. Subsection (x) of section 22-61m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(x) No manufacturer hemp product that is a food, beverage, oil or other product intended for human ingestion shall be distributed or sold in this state unless such product is derived from hemp grown by a United States Department of Agriculture hemp producer licensee under an approved state or tribal hemp production plan and such product is contained within a package, or a label is affixed to such package, that includes:

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

(A) The name of such product;

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

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

(D) The concentration of cannabinoids present in such product,

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including, but not limited to, total THC and any cannabinoids or active ingredients comprising at least one per cent of such product;

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

(3) A clear and conspicuous statement disclosing that:

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

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

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

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

Sec. 41. (NEW) (*Effective October 1, 2025*) Any cannabis establishment licensee or any servant or agent of a cannabis establishment licensee who sells or delivers any synthetic cannabinoid to any person shall be guilty of a class E felony. For purposes of this section, "synthetic cannabinoid" has the same meaning as provided in section 21a-240 of the general statutes.

Sec. 42. Section 21a-421aaa of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) Any cannabis establishment licensee or any [servant or] agent of a cannabis establishment licensee who sells or delivers cannabis [or cannabis paraphernalia] to any person under twenty-one years of age shall be guilty of a class [A misdemeanor] E felony.

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(b) Any cannabis establishment licensee or any agent of a cannabis establishment licensee who sells or delivers cannabis paraphernalia to any person under twenty-one years of age shall be guilty of a class C misdemeanor. For purposes of this section, "paraphernalia" has the same meaning as provided in section 21a-420, as amended by this act.

Sec. 43. (*Effective from passage*) (a) Not later than September 1, 2025, the Social Equity Council shall convene a working group to study and develop recommendations regarding:

(1) The availability of suitable locations within disproportionately impacted areas, and the municipalities in which disproportionately impacted areas are located, for the indoor and outdoor cultivation of cannabis by cultivators and micro-cultivators;

(2) The estimated cost of developing a cultivator or micro-cultivator establishment in each disproportionately impacted area;

(3) The average cost of developing a cultivator or micro-cultivator establishment in a municipality that contains a disproportionately impacted area compared to the average cost of developing a cultivator or micro-cultivator establishment in a municipality that does not contain a disproportionately impacted area;

(4) Any challenges faced by the cannabis market in this state, and any opportunities available to promote or incentivize progress within such market;

(5) Any resources available to track municipal cannabis tax revenues and municipal moratoriums on cannabis establishments;

(6) Equity joint venture business structures and practices;

(7) Cannabis market saturation and whether there is a need to establish a quantitative cap on cannabis cultivation in this state; and

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(8) Any other matter the working group deems relevant for the purposes of this section.

(b) Not later than January 1, 2027, the working group shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the Governor and the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection. Such report shall include the results of the study conducted, and the recommendations developed, pursuant to subsection (a) of this section, as well as any legislation recommended by the working group to address the results of such study or implement such recommendations. The working group shall terminate on the date that it submits such report or January 1, 2027, whichever is later.

Sec. 44. Section 53-344b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) As used in this section:

(1) "Electronic nicotine delivery system" has the same meaning as provided in section 21a-415, as amended by this act;

(2) "Cardholder" means any person who presents a driver's license, a passport or an identity card to a seller or seller's agent or employee, to purchase or receive an electronic nicotine delivery system or a vapor product from such seller or seller's agent or employee;

(3) "Identity card" means an identification card issued in accordance with the provisions of section 1-1h;

(4) "Transaction scan" means the process by which a seller or seller's agent or employee checks, by means of a transaction scan device, the validity of a driver's license, a passport or an identity card;

(5) "Transaction scan device" means any commercial device or

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combination of devices used at a point of sale that is capable of deciphering in an electronically readable format the information encoded on the magnetic strip or bar code of a driver's license, a passport or an identity card;

(6) "Sale" or "sell" means an act done intentionally by any person, whether done as principal, proprietor, agent, servant or employee, of transferring, or offering or attempting to transfer, for consideration, an electronic nicotine delivery system or a vapor product, including bartering or exchanging, or offering to barter or exchange, an electronic nicotine delivery system or a vapor product;

(7) "Give" or "giving" means an act done intentionally by any person, whether done as principal, proprietor, agent, servant or employee, of transferring, or offering or attempting to transfer, without consideration, an electronic nicotine delivery system or a vapor product;

(8) "Deliver" or "delivering" means an act done intentionally by any person, whether as principal, proprietor, agent, servant or employee, of transferring, or offering or attempting to transfer, physical possession or control of an electronic nicotine delivery system or a vapor product;

(9) "Vapor product" has the same meaning as provided in section 21a-415, as amended by this act; and

(10) "Seller" means any person who sells, gives or delivers an electronic nicotine delivery system or a vapor product.

(b) Any person who sells, gives or delivers to any person under twenty-one years of age an electronic nicotine delivery system or a vapor product in any form shall be fined not more than [three hundred dollars for the first offense, not more than seven hundred fifty dollars for a second offense on or before twenty-four months after the date of the first offense and not more than] one thousand dollars for each [subsequent] offense, [on or before twenty-four months after the date of

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the first offense.] The provisions of this subsection shall not apply to a person under twenty-one years of age who is delivering or accepting delivery of an electronic nicotine delivery system or a vapor product (1) in such person's capacity as an employee, or (2) as part of a scientific study being conducted by an organization for the purpose of medical research to further efforts in tobacco use prevention and cessation, provided such medical research has been approved by the organization's institutional review board, as defined in section 21a-408.

(c) Any person under twenty-one years of age who misrepresents such person's age to purchase an electronic nicotine delivery system or a vapor product in any form shall be fined not more than fifty dollars for the first offense and not less than fifty dollars or more than one hundred dollars for each subsequent offense.

(d) (1) A seller or seller's agent or employee shall request that each person intending to purchase an electronic nicotine delivery system or a vapor product present a driver's license, a passport or an identity card to establish that such person is twenty-one years of age or older.

[(d) (1)] (2) A seller or seller's agent or employee may perform a transaction scan to check the validity of a driver's license, a passport or an identity card presented by a cardholder as a condition for selling, giving or otherwise delivering an electronic nicotine delivery system or a vapor product to the cardholder.

[(2)] (3) If the information deciphered by the transaction scan performed under subdivision [(1)] (2) of this subsection fails to match the information printed on the driver's license, passport or identity card presented by the cardholder, or if the transaction scan indicates that the information so printed is false or fraudulent, neither the seller nor any seller's agent or employee shall sell, give or otherwise deliver any electronic nicotine delivery system or vapor product to the cardholder.

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[(3) Subdivision (1) of this subsection does not preclude a seller or seller's agent or employee from using a transaction scan device to check the validity of a document other than a driver's license or an identity card, if the document includes a bar code or magnetic strip that may be scanned by the device, as a condition for selling, giving or otherwise delivering an electronic nicotine delivery system or vapor product to the person presenting the document.]

(e) (1) No seller or seller's agent or employee shall electronically or mechanically record or maintain any information derived from a transaction scan, except the following: (A) The name and date of birth of the person listed on the driver's license, passport or identity card presented by a cardholder; and (B) the expiration date and identification number of the driver's license, passport or identity card presented by a cardholder.

(2) No seller or seller's agent or employee shall use a transaction scan device for a purpose other than the purposes specified in subsection (d) of this section, subsection (d) of section 53-344 or subsection (c) of section 30-86.

(3) No seller or seller's agent or employee shall sell or otherwise disseminate the information derived from a transaction scan to any third party, including, but not limited to, selling or otherwise disseminating that information for any marketing, advertising or promotional activities, but a seller or seller's agent or employee may release that information pursuant to a court order.

(4) Nothing in subsection (d) of this section or this subsection relieves a seller or seller's agent or employee of any responsibility to comply with any other applicable state or federal laws or rules governing selling, giving or otherwise delivering electronic nicotine delivery systems or vapor products.

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(5) Any person who violates this subsection shall be subject to a civil penalty of not more than one thousand dollars.

(f) (1) In any prosecution of a seller or seller's agent or employee for a violation of subsection (b) of this section, it shall be an affirmative defense that all of the following occurred: (A) A cardholder attempting to purchase or receive an electronic nicotine delivery system or a vapor product presented a driver's license, a passport or an identity card; (B) a transaction scan of the driver's license, passport or identity card that the cardholder presented indicated that the driver's license, passport or identity card was valid and indicated that the cardholder was at least twenty-one years of age; and (C) the electronic nicotine delivery system or vapor product was sold, given or otherwise delivered to the cardholder in reasonable reliance upon the identification presented and the completed transaction scan.

(2) In determining whether a seller or seller's agent or employee has proven the affirmative defense provided by subdivision (1) of this section, the trier of fact in such prosecution shall consider that reasonable reliance upon the identification presented and the completed transaction scan may require a seller or seller's agent or employee to exercise reasonable diligence and that the use of a transaction scan device does not excuse a seller or seller's agent or employee from exercising such reasonable diligence to determine the following: (A) Whether a person to whom the seller or seller's agent or employee sells, gives or otherwise delivers an electronic nicotine delivery system or a vapor product is twenty-one years of age or older; and (B) whether the description and picture appearing on the driver's license, passport or identity card presented by a cardholder is that of the cardholder.

(g) Each seller of electronic nicotine delivery systems or vapor products or such seller's agent or employee shall require a person who is purchasing or attempting to purchase an electronic nicotine delivery system or a vapor product and appears to be under the age of thirty to

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exhibit proper proof of age. If a person fails to provide such proof of age, such seller or seller's agent or employee shall not sell an electronic nicotine delivery system or a vapor product to the person. As used in this subsection, "proper proof" means a motor vehicle operator's license, a valid passport or an identity card issued in accordance with the provisions of section 1-1h.

(h) The Commissioner of Consumer Protection may suspend or revoke, pursuant to chapter 420g, the dealer registration of a person who violates any provision of this section.

Sec. 45. Section 21a-418 of the general statutes is repealed. (*Effective October 1, 2025*)

Sec. 46. Section 2 of public act 25-137 is repealed. (*Effective from passage*)

Governor's Action:
Approved July 1, 2025