OLR Bill Analysis sHB 6855

## AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION'S RECOMMENDATIONS REGARDING DRUG CONTROL AND CANNABIS, HEMP AND INFUSED BEVERAGE REGULATION.

## TABLE OF CONTENTS:

## **SUMMARY**

## <u>§§ 1, 21 & 22 — HEMP FLOWER, MODERATE THC PRODUCTS, AND</u> MANUFACTURER HEMP PRODUCT REQUIREMENTS

Allows individuals or entities who are not moderate-THC hemp product vendors or cannabis establishments to sell hemp flower under certain conditions (e.g., verify purchaser is at least age 21); allows moderate-THC hemp producers to use hemp flower sales for purposes of the required minimum sales threshold; applies existing law's prohibition on manufacturer hemp products claiming health benefits in advertising to moderate-THC hemp products and hemp flower

### §§ 2 & 3 — NON-RESIDENT PHARMACY INSPECTION REPORTS

Requires non-resident pharmacies that offer sterile compounding to submit to DCP inspection reports from certain entities showing the pharmacy complies with the most recent U.S. Pharmacopeia standards

## § 4 — CONTROLLED SUBSTANCES

Requires DCP to (1) redesignate marijuana's controlled substance classification if there is a change in its federal classification and (2) designate additional items as controlled substances

## § 5 — MEDICAL MARIJUANA CERTIFICATIONS

Allows a (1) written certification to have additional durations of six months, 18 months, or two years and (2) caregiver and a person with medical decision-making authority to hear the risks and benefits on behalf of a qualifying patient

## § 5 — MEDICAL MARIJUANA TEMPORARY EXTENSION OR CERTIFICATION

Allows a licensed dispensary to give a 90-day extension for an expired written certification previously issued by a provider; allows a licensed dispensary to issue a 90-day temporary certification without a provider's involvement, sets criteria for these certifications, allows a fee of up to \$25, and requires certain documentation subject to DCP requests

## <u>§§ 6, 8 & 18 — TEMPORARY CANNABIS OPERATOR LICENSE AND</u> <u>AUTHORIZED REPRESENTATIVES</u>

Establishes a temporary cannabis operator license for a court appointee to operate a cannabis establishment up to 60 days or more upon DCP approval; requires certain individuals appointed as an authorized representative to be licensed as a key employee

### <u>§§ 6 & 9 — SIGNAGE</u>

Requires DCP to develop standardized signage to allow anyone to determine if a cannabis establishment is licensed; requires establishments to display this signage; prohibits certain actions related to the signs and makes violations a CUTPA violation

## <u>§§ 6 & 10 — NONRENEWAL NOTICES AND REINSTATEMENTS</u>

Requires cannabis establishments to submit a nonrenewal notice to DCP at least 30 days before the license expires; allows DCP to reinstate licenses for 90 days after the license expires, upon payment of the renewal and late fees

### § 7 — BANK EXCLUSION

*Excludes certain financial institutions that provide non-equity financing and do not directly control or manage a cannabis establishment from being considered a backer* 

## § 11 — CERTIFICATE OF OCCUPANCY

Specifies that the evidence required for a final license (1) must be evidenced by certain local building official approvals and (2) only applies to security requirements related to the premises

### <u>§§ 12-14 — SELLING, TRANSPORTING, OR TRANSFERRING</u> CANNABIS

Expands the entities certain cannabis establishments may sell, transport, or transfer cannabis or cannabis products to include all cannabis establishments rather than just certain specified ones

### <u>§§ 15-17 — ELIMINATION OF MINIMUM SEPARATION</u> REQUIREMENTS

Allows equity joint ventures to be located within 20 miles of each other even if they share certain backers or owners.

# <u>§§ 19 & 20 — TECHNICAL CHANGES</u>

Makes technical changes

#### <u>§§ 23 & 24 — CANNABIS REPORTS</u>

Modifies currently required reports DCP must give the governor and the General Law Committee quarterly until October 1, 2026

## BACKGROUND

#### SUMMARY

This bill makes various changes to laws on adult-use cannabis, medical marijuana, other controlled substances, hemp, and sterile compounding pharmacies.

EFFECTIVE DATES: Various, see below.

## §§ 1, 21 & 22 — HEMP FLOWER, MODERATE THC PRODUCTS, AND MANUFACTURER HEMP PRODUCT REQUIREMENTS

Allows individuals or entities who are not moderate-THC hemp product vendors or cannabis establishments to sell hemp flower under certain conditions (e.g., verify purchaser is at least age 21); allows moderate-THC hemp producers to use hemp flower

sales for purposes of the required minimum sales threshold; applies existing law's prohibition on manufacturer hemp products claiming health benefits in advertising to moderate-THC hemp products and hemp flower

# Hemp Flower (§ 1)

The bill allows any person (e.g., individual or entity) who is not a moderate-THC hemp product vendor or licensed cannabis establishment to sell hemp flower under certain conditions. The person must exclusively sell it through (1) a direct, in-person exchange on commercial premises or (2) delivery, including through online or mail order sales.

In-person sales must:

- 1. require the person's assistance, or the person's agent or employee's assistance, to access hemp flower, and
- 2. maintain all hemp flower behind a sales counter that is inaccessible to consumers, or in a locked container (i.e. an object that is offered, intended for sale, or sold to a consumer and directly contains hemp flower, and does not include an object or packaging that indirectly contains, or contains in bulk for transportation purposes, hemp flower).

The bill requires these sellers to ensure that the individual purchasing and receiving the hemp flower is age 21 or older before the purchase and delivery. Verification must be done with a valid government-issued driver's license or identity card.

Under the bill, "hemp flower" is the flower, including any abnormal or immature flower, of hemp. It does not include the hemp leaves or stem.

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

# Moderate-THC Hemp (§ 21)

Researcher: DC

**Definitions.** By law, a "moderate-THC hemp product vendor" is a person with a Department of Consumer Protection (DCP) registration to sell moderate-THC hemp products at retail (and who is not a licensed cannabis establishment).

"Moderate-THC hemp products" are manufacturer hemp products (i.e. generally those intended for human ingestion, inhalation, absorption, or other internal consumption) with a total THC of between .5 mg and 5 mgs, on a per-container basis and does not include infused beverages. The bill specifies that the total THC thresholds in a moderate-THC hemp product refers to the concentration.

**Vendors.** The bill allows moderate-THC hemp product vendors to sell and offer to sell hemp flowers at their retail location to consumers.

Current law generally requires a person seeking a registration as a moderate-THC hemp product vendor to submit to DCP an application showing, among other things, (1) for an existing retail location, at least 85% of the location's average monthly gross revenue in the prior year was from retail sales of moderate-THC hemp products to consumers or (2) for a proposed retail location, it is reasonably likely that at least 85% of the average monthly gross revenue will be from these sales. It also has the same sales threshold requirement for renewals. The bill allows these percentages to include hemp flower sales.

As under existing law, the DCP commissioner is generally prohibited from issuing the certificate unless he has determined that the applicant satisfies, or is reasonably likely to satisfy, the minimum sales threshold.

*Manufacturer Exemption.* Current law exempts from the minimum sales threshold vendors that manufacture moderate-THC hemp products where they sell, or propose selling, these products to consumers. The bill also requires them to be operating as a manufacturer.

**Age Verification.** The bill prohibits vendors from selling hemp flower to anyone younger than age 21. As under existing law for moderate-THC hemp products, before selling hemp flower to an individual, a cannabis establishment, moderate-THC vendor, or their agents or employees, must first verify the buyer's age with a valid government-issued driver's license or identity card.

Even if a vendor sells moderate-THC hemp products or hemp flowers in another way (e.g., Internet or mail order), the vendor must still ensure the receiver's age is verified when purchased and verified upon delivery by the same identification as above.

# Manufacturer Hemp Product Health Claims (§ 22)

Existing law prohibits manufacturer hemp products (wherever made) from claiming health impacts, medical effects, or physical or mental benefits on any advertising, labeling, or marketing. The bill applies this prohibition to moderate-THC hemp products and hemp flower, regardless of where they were manufactured or cultivated.

It deems a violation a Connecticut Unfair Trade Practices Act (CUTPA, see BACKGROUND) violation.

EFFECTIVE DATE: October 1, 2025

# §§ 2 & 3 — NON-RESIDENT PHARMACY INSPECTION REPORTS

Requires non-resident pharmacies that offer sterile compounding to submit to DCP inspection reports from certain entities showing the pharmacy complies with the most recent U.S. Pharmacopeia standards

Under current law, a non-resident sterile compounding pharmacy must provide DCP with proof that it passed an inspection in its home state based on U.S. Pharmacopeia standards (Chapters 797, 800, 825).

The bill instead requires these non-resident pharmacies, or nonresident pharmacies that sell, deliver, or offer sterile compounded products for sale in Connecticut, to submit an inspection report from a government agency with regulatory oversight or third-party entity with expertise in sterile compounding showing the pharmacy complies with the most recent U.S. Pharmacopeia standards (Chapter 797).

**Recent Inspection Reports.** Existing law requires non-resident sterile compounding pharmacies to submit to DCP a copy of the most recent inspection report with its initial application. The bill specifies that

the report must be dated by the inspector with evidence that the inspection was done within six months of the initial application's submission.

**Uniform Submission Date.** The bill also sets uniform deadlines for when inspection reports must be submitted. Under current law, a copy of the pharmacy's most recent inspection report must be submitted every two years after the initial application. The bill instead requires these pharmacies to submit a new inspection report by June 30 of each even-numbered calendar year after the initial application. This inspection must have occurred during that calendar year and show that the pharmacy remains compliant with the most recent U.S. Pharmacopeia standards.

**Elimination of Alternative.** The bill eliminates an alternative under current law to providing inspections based on U.S. Pharmacopeia standards. It does so by eliminating the provision allowing non-resident pharmacies in a state that does not do inspections based on these standards to give satisfactory proof to DCP that the pharmacy complies with the standards.

**One Inspection per Year.** The bill specifies that a non-resident pharmacy is not required to submit more than one inspection report during any calendar year after it is issued an initial registration.

EFFECTIVE DATE: January 1, 2026

# § 4 — CONTROLLED SUBSTANCES

*Requires DCP to (1) redesignate marijuana's controlled substance classification if there is a change in its federal classification and (2) designate additional items as controlled substances* 

# Marijuana

Federal law classifies marijuana (cannabis) as a schedule I controlled substance; Connecticut classifies it in schedule II. Under the bill, if marijuana is federally reclassified as a schedule III, IV, or V controlled substance under the Controlled Substances Act, or if it is unscheduled by the Drug Enforcement Administration or a successor agency, then the DCP commissioner must adopt the federal schedule.

# Additional Substances

The bill requires the DCP commissioner to amend its regulations to designate the following substances as controlled substances and classify each in the appropriate schedule. The bill specifies that the designation may be by whatever official, common, usual, chemical, or trade name applies to the substances. The substances are:

- 1. 7-hydroxymitragynine;
- 2. bromazolam;
- 3. flubromazolam;
- 4. mitragyna speciosa (kratom), including its leaves, stem, and any extracts;
- 5. nitazenes, including isotonitazene;
- 6. tianeptine; and
- 7. phenibut.

EFFECTIVE DATE: Upon passage

# Background — Schedule of Controlled Substances

Controlled substances are grouped in Schedules I through V, according to their decreasing tendency to promote abuse or dependency. Schedule I substances, most of which do not have any approved medical use, are the most strictly controlled because of their high potential for abuse. State and federal laws authorize prescribing drugs on Schedules II through V.

# § 5 — MEDICAL MARIJUANA CERTIFICATIONS

Allows a (1) written certification to have additional durations of six months, 18 months, or two years and (2) caregiver and a person with medical decision-making authority to hear the risks and benefits on behalf of a qualifying patient

# Written Certifications

The bill allows a written certification for medical marijuana use to have durations of six months, one year, 18 months, or two years, as determined by the physician, physician assistant (PA), or advanced practice registered nurse (APRN) issuing the certification. Current law only allows certifications to last one year.

## Caregiver and Person With Medical Decision-making Authority

Existing law requires a physician, PA, or APRN to explain the potential risks and benefits of medical marijuana to certain individuals on behalf of a patient who lacks legal capacity. The bill expands the list to include the qualifying patient's caregiver and a person with medical decision-making authority for the qualifying patient.

EFFECTIVE DATE: January 1, 2026

# § 5 — MEDICAL MARIJUANA TEMPORARY EXTENSION OR CERTIFICATION

Allows a licensed dispensary to give a 90-day extension for an expired written certification previously issued by a provider; allows a licensed dispensary to issue a 90-day temporary certification without a provider's involvement, sets criteria for these certifications, allows a fee of up to \$25, and requires certain documentation subject to DCP requests

Under current law, only a physician, PA, or APRN may issue a written certification for a patient's medical marijuana use. The bill allows a licensed dispensary (i.e. pharmacist employed by a dispensary facility or hybrid retailer) to give a temporary extension, of up to 90 days, for an expired certification issued by one of these providers. The dispensary may do so as part of his or her employment on the dispensary facility or hybrid retailer's premises.

Subject to certain requirements, the bill also allows a licensed dispensary to issue his or her own temporary certification for up to 90 days. As under existing law for PA- or APRN-issued certifications, the bill prohibits a licensed dispensary from issuing a temporary written certification to a person for glaucoma.

EFFECTIVE DATE: January 1, 2026

# **Dispensary-Issued Temporary Certifications**

**Criteria.** The dispensary may issue a temporary written certification for a patient's medical marijuana use if the dispensary has:

- 1. reasonably determined, after reviewing the person's medical history, that they are at least age 18, and have a debilitating medical condition (other than glaucoma);
- 2. done an in-person assessment at the dispensary facility or hybrid retailer that employs the dispensary; and
- 3. reviewed the electronic prescription drug monitoring program and verified that no other licensed dispensary prescribed or dispensed marijuana to the person during the prior year.

**Form.** Under the bill, each temporary written certification must be in a DCP-prescribed form and include a statement, signed and dated by the licensed dispensary, saying that it is his or her professional opinion that the:

- 1. person gave sufficient proof that he or she has a debilitating medical condition, and
- 2. potential benefits the person would derive from medical marijuana likely outweigh the health risks.

**Fee.** The bill allows a licensed dispensary or the dispensary facility or hybrid retailer that employs them to impose a fee of up to \$25 for a temporary written certification. It prohibits them from imposing any other fee connected to these certifications.

**Documentation.** A licensed dispensary that issues a temporary written certification must keep all related patient assessment and eligibility documentation for at least three years after issuing the certification. The documentation must be organized and maintained in (1) hard copy at the premises where the in-person assessment was done, or (2) an electronic system the licensed dispensary can readily access.

The bill requires these dispensaries to ensure that all patient assessment and eligibility documentation is made readily available to DCP, and must submit any documentation to the department, in a DCPset form and manner, within 48 hours after the department requests it. **Protection From Punishment.** The bill prohibits a licensed dispensary from being arrested, prosecuted, or otherwise penalized, including being subject to civil penalties, or denied any right or privilege, including being disciplined by the pharmacy commission or other professional licensing board, for giving a temporary written certification. The dispensary is immunized if he or she:

- 1. reasonably determined, after reviewing the person's medical history, that the person is age 18 or older and has a debilitating medical condition (other than glaucoma); and
- 2. explained the potential risks and benefits of medical marijuana to the person and, if the person lacks legal capacity, to a parent, guardian or person having legal custody of, or legally authorized to make medical decisions for, the person.

# §§ 6, 8 & 18 — TEMPORARY CANNABIS OPERATOR LICENSE AND AUTHORIZED REPRESENTATIVES

Establishes a temporary cannabis operator license for a court appointee to operate a cannabis establishment up to 60 days or more upon DCP approval; requires certain individuals appointed as an authorized representative to be licensed as a key employee

The bill provides additional procedures for instances when an unlicensed third party, such as a receiver, takes over management of a cannabis establishment. It establishes a temporary cannabis operator license and requires certain other individuals appointed as an authorized representative to be licensed as a key employee.

EFFECTIVE DATE: July 1, 2025

# Temporary Cannabis Operator License

The bill allows DCP, upon receiving a complete application and fee payment, to issue a temporary cannabis operator license to a court appointee to operate a cannabis establishment for up to 60 days. The DCP commissioner may allow a longer period if he deems it reasonably necessary to allow the orderly disposition of (1) the establishment in a court supervised proceeding or (2) any delinquencies or deficiencies the court identifies.

DCP Recommendation. Under the bill, DCP may recommend a

Researcher: DC

person to any state court to be appointed or designated as the court appointee for any court supervised proceeding. Each court appointee licensed as a temporary cannabis operator must comply with all applicable provisions in state law, regulations, policies, and procedures.

**Application.** The bill requires a court appointee to apply to DCP, in a commissioner-prescribed form and manner, for a temporary cannabis operator license. The application must include:

- 1. the court appointee's contact information;
- 2. proof that the appointee has been appointed or designated to exercise court oversight of the relevant cannabis establishment's property, assets, management, or operations;
- 3. the requested duration of the temporary license; and
- 4. a summary of the circumstances that led to the application.

Regardless of any other state law, the bill specifies that a court appointee who applies for a temporary cannabis operator license is not required to submit to or pass a criminal history records check or financial history check.

The bill requires each application submitted to DCP to be accompanied by a nonrefundable \$500 fee. These fees DCP collects are paid to the state treasurer and credited to the General Fund.

**Extension.** The bill allows a court appointee to submit an extension request to DCP, in a commissioner-prescribed form and manner. The department may grant an extension if the commissioner determines, in his discretion, that the extension is reasonably necessary to allow for resolution of the court supervised proceeding.

**Reasons for Not Issuing, Extending, or Revoking License.** Under the bill, the commissioner may refuse to issue or extend, or revoke, a temporary cannabis operator license:

1. if the court appointee does not begin operating the establishment

immediately after the license is issued (or does not propose to do so), unless the commissioner, in his discretion and in writing, waives the requirement and extends the period for the appointee to begin operating it;

- 2. for sufficient cause, as set by the laws governing adult-use cannabis (e.g., furnishing false or fraudulent information in an application);
- 3. if the court appointee operates the establishment in violation of any applicable state law, regulation, policy, or procedure; or
- 4. if the temporary license's term has expired.

# Authorized Representatives

The bill requires certain authorized representatives who temporarily engage in the control, management, or operation of a cannabis establishment to get a key employee license. This applies when a bank or certain other entities that provided nonequity financing to the establishment but are not "backers" of it (see § 7 below) appoint this representative due to a failure to comply with the terms of a security instrument created by the security interest.

The authorized representative must apply for a key employee license, except that he or she is not required to submit to a criminal history records check.

These requirements do not apply to court appointed authorized representatives.

# §§ 6 & 9 — SIGNAGE

Requires DCP to develop standardized signage to allow anyone to determine if a cannabis establishment is licensed; requires establishments to display this signage; prohibits certain actions related to the signs and makes violations a CUTPA violation

The bill requires DCP to develop standardized signage with a quick response code or comparable electronic identifier that allows any person to determine whether the cannabis establishment displaying the sign has an active DCP-issued license. Under the bill, each cannabis establishment must display this standardized signage in a department-prescribed form and manner.

The bill prohibits (1) establishments from displaying the sign in any other way and (2) any other person or establishment from displaying the standardized sign or substantially similar signs that incorrectly indicate the person or establishment holds an active DCP cannabis license.

The bill deems violations a violation of CUTPA. Additionally, a cannabis establishment that violates the signage provision is subject to additional license penalties (e.g., suspension or revocation).

EFFECTIVE DATE: July 1, 2025

# §§ 6 & 10 — NONRENEWAL NOTICES AND REINSTATEMENTS

Requires cannabis establishments to submit a nonrenewal notice to DCP at least 30 days before the license expires; allows DCP to reinstate licenses for 90 days after the license expires, upon payment of the renewal and late fees

## Nonrenewal Notices

Under the bill, if a cannabis establishment decides not to renew its license, it must submit a nonrenewal notice to DCP, in a commissionerprescribed form and manner, to coordinate efforts to dispose of any cannabis the establishment may possess when the license expires. The cannabis establishment must submit this notice at least 30 days before the license expires.

The bill prohibits a lapsed cannabis establishment license holder from (1) engaging in any activity where a license is required, or (2) possessing any cannabis on the lapsed cannabis establishment premises.

## Reinstatement

Under the bill, if DCP does not receive a complete license renewal application from a cannabis establishment before its license expires, DCP may accept a license reinstatement application from the establishment for 90 days following the expiration date. If DCP accepts a reinstatement application, the applicant must:

1. pay to the department the current year's license renewal fee and

a 10% late fee, and

2. submit a signed statement, in a commissioner-prescribed form and manner, attesting that the applicant did not engage in any activity in Connecticut where an active cannabis establishment license was required while the license was lapsed.

DCP may, in its discretion, reinstate the lapsed license for an applicant that has satisfied the bill's reinstatement requirements. If the reinstated license was issued to a social equity applicant, the period the license was lapsed does not count toward the time the applicant was licensed for the purposes of ownership and control requirements. Existing law prohibits certain ownership changes in an equity joint venture's first seven years.

EFFECTIVE DATE: July 1, 2025

# § 7 — BANK EXCLUSION

*Excludes certain financial institutions that provide non-equity financing and do not directly control or manage a cannabis establishment from being considered a backer* 

By law, a cannabis establishment backer is generally any individual with a direct or indirect financial interest in a cannabis establishment, and backers must be licensed by DCP. The bill excludes certain financial institutions that provide non-equity financing to a cannabis establishment and do not directly participate in the establishment's control, management, or operation from being considered a backer.

Specifically the bill excludes: any bank, bank and trust company, bank holding company, Connecticut bank, Connecticut credit union, federal bank, federal branch, federal credit union, financial institution, foreign bank, holding company, out-of-state bank, out-of-state credit union, out-of-state trust company, savings and loan association, savings bank, or savings and loan holding company, or a wholly-owned subsidiary.

EFFECTIVE DATE: Upon passage

# § 11 — CERTIFICATE OF OCCUPANCY

Specifies that the evidence required for a final license (1) must be evidenced by certain local building official approvals and (2) only applies to security requirements related to the premises

Existing law requires final cannabis establishment licenses to include evidence of a right to occupy the location where the establishment operations will be located. The bill specifies that this must be evidenced by a certificate of occupancy, temporary certificate of occupancy, or a substantively similar written approval from the local building official showing that the premises is substantially complete.

Another existing requirement is providing evidence of all other DCPset security requirements based on license type. The bill specifies that the security requirements are only for those related to the premises.

EFFECTIVE DATE: July 1, 2025

# §§ 12-14 — SELLING, TRANSPORTING, OR TRANSFERRING CANNABIS

*Expands the entities certain cannabis establishments may sell, transport, or transfer cannabis or cannabis products to include all cannabis establishments rather than just certain specified ones* 

The bill expands the entities to whom certain cannabis establishments may sell, transport, or transfer cannabis or cannabis products, to include all cannabis establishments rather than just certain ones.

Under current law, the following licensees may sell, transport, or transfer cannabis or cannabis products to these specified entities:

- 1. micro-cultivators to a dispensary facility, hybrid retailer, retailer, delivery service, food and beverage manufacturer, product manufacturer, or product packager (§ 12); and
- 2. retailers and hybrid retailers to a delivery service (§§ 13 & 14).

As under existing law, these licensees may also sell, transport, or transfer cannabis or cannabis products to a cannabis testing laboratory or research program.

EFFECTIVE DATE: Upon passage

# §§ 15-17 — ELIMINATION OF MINIMUM SEPARATION REQUIREMENTS

Allows equity joint ventures to be located within 20 miles of each other even if they share certain backers or owners.

The bill allows equity joint ventures to be located within 20 miles of each other even if they share certain backers or owners. It does so by eliminating the prohibition against this under current law.

Current law prohibits equity joint ventures that are retailers or hybrid retailers from being located within 20 miles of each other if (depending on the license type) they share a common (1) cultivator backer or owner, (2) producer backer or owner, (3) dispensary facility backer or owner, or (4) hybrid retailer backer or owner.

EFFECTIVE DATE: January 1, 2026

# §§ 19 & 20 — TECHNICAL CHANGES

Makes technical changes

The bill makes technical changes, including to correct a statutory citation.

EFFECTIVE DATE: Upon passage (for the citation correction) and October 1, 2025.

# §§ 23 & 24 — CANNABIS REPORTS

Modifies currently required reports DCP must give the governor and the General Law Committee quarterly until October 1, 2026

The bill modifies currently required reports DCP must provide the governor and the General Law Committee quarterly until October 1, 2026. It does the following:

- extends by one month the due date for each report (for example, requiring the first report in 2026 by February 1 instead of January 1);
- 2. eliminates the requirement that the number of final licenses be broken down by county, but still requires it to be broken down by town;

- 3. limits the current requirement to report the mechanism DCP used to issue each license to only final licenses;
- 4. eliminates the requirement that DCP include a good faith estimate on anticipated increases in the number of cannabis establishments during the next calendar year; and
- 5. adds the requirement that DCP includes a chart for the previous four fiscal quarters showing the change in the number of cannabis establishment licenses issued for each license type per fiscal quarter.

Like current law, the bill requires DCP to submit the report to the governor and the General Law Committee, and it must also include the number of applicants that were selected from the lottery and provisional licenses, broken down by license type.

EFFECTIVE DATE: July 1, 2025, except the repealer is effective June 30, 2025.

# BACKGROUND

# CUTPA

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

# **Related Bills**

sSB 970, favorably reported by the General Law Committee, makes various changes to laws on manufacturer hemp products, including requiring them to be made from naturally manufactured hemp cannabinoids.

# **COMMITTEE ACTION**

General Law Committee

Joint Favorable Substitute Yea 22 Nay 0 (03/24/2025)