OLR Bill Analysis sHB 7181

AN ACT CONCERNING ENFORCEMENT OF THE STATE'S CANNABIS, HEMP AND TOBACCO LAWS.

SUMMARY

This bill creates a Statewide Cannabis and Hemp Enforcement Taskforce within the Department of Consumer Protection (DCP) to enforce the state's laws on cannabis and cannabis products, infused beverages, hemp and hemp products, and moderate-THC hemp products. It allows the Department of Emergency Services and Public Protection (DESPP) commissioner to temporarily appoint certain municipal police personnel as special state police officers to carry out the taskforce's duties. These police officers, while assigned to the taskforce, have the same powers, duties, privileges, and immunities as a state police officer.

The bill also places additional requirements and restrictions on selling, shipping, and transporting cannabis, cannabis products, tobacco, electronic nicotine delivery systems, vapor products (i.e. ecigarettes), and synthetic cannabinoids. It does so by, among other things, incorporating additional items into existing requirements and prohibitions and by modifying and adding penalties.

EFFECTIVE DATE: October 1, 2025, except the taskforce provisions are effective July 1, 2025.

§§ 1-6 — STATEWIDE CANNABIS AND HEMP ENFORCEMENT TASKFORCE

Taskforce Powers and Duties

The bill establishes a Statewide Cannabis and Hemp Enforcement Taskforce within DCP for the effective and cooperative enforcement of Connecticut's laws on the cultivation, manufacturing, distribution, transportation, display, purchase, sale, dispensing, possession, and use of cannabis and cannabis products, infused beverages, hemp and hemp products, and moderate-THC hemp products (see BACKGROUND).

The bill allows the taskforce to:

- 1. conduct any investigation needed in the state;
- 2. request and receive any federal, state, or local agency cooperation and assistance in performing its duties, including temporarily assigned personnel as needed;
- 3. enter into mutual assistance and cooperation agreements with other states on law enforcement matters related to these products that extend across state lines; and
- 4. consult and exchange information and personnel with other states' agencies on law enforcement problems of mutual concern with these products.

Additionally, the bill allows the DCP commissioner, within available appropriations, to appoint a director and other personnel as he deems needed for the taskforce's duties.

Statewide Cannabis and Hemp Enforcement Task Force Policy Board

The bill also establishes a Statewide Cannabis and Hemp Enforcement Task Force Policy Board, within DCP for administrative purposes only, consisting of the DCP, DESPP, and Department of Revenue Services commissioners, the state attorney general, and the chief state's attorney.

The policy board must direct and supervise the formulation of policies and operating procedures and coordinate the taskforce's activities with law enforcement agencies in and outside of Connecticut. The board may apply for and administer any federal, state, local, or private appropriations or grant funds made available to operate the taskforce.

Temporary Special State Police Officers

Upon the taskforce's request, the DESPP commissioner may select certain municipal police personnel to temporarily act as special state police officers to carry out the taskforce's duties that the commissioner, in consultation with the taskforce, deems needed. Municipal police personnel appointed to the taskforce must be selected from a list recommended by municipal police chiefs and approved by the Statewide Cannabis and Hemp Enforcement Task Force Policy Board.

Under the bill, each municipality is responsible for fully compensating the municipal police personnel temporarily assigned to the taskforce, and the compensation is payable while the personnel is on duty with the taskforce.

For indemnification purposes, the municipal police personnel are deemed to be acting as state employees against any losses, damages, or liabilities from the service and activities of the taskforce. This is only while the municipal police personnel are assigned to and performing taskforce duties.

Under the bill, any municipal police officer, while assigned to duty with the taskforce and working at the DESPP commissioner's or taskforce director's direction, has the same powers, duties, privileges, and immunities as a state police officer, when acting within the scope of his or her authority.

As under existing law for the statewide narcotics taskforce and the statewide organized crime investigative task force, the bill allows a municipal police officer who is a special state police officer assigned to the statewide cannabis and hemp enforcement taskforce and who is acting under the direct authority of the State Police to be an investigative officer for wiretapping and electronic surveillance purposes.

Under existing law, an investigative officer may, among other things, be authorized to intercept wire communications, with a court order (CGS § 54-41b).

§§ 7-10 — PROHIBITIONS ON DISTRIBUTING CANNABIS AND CANNABIS PRODUCTS

Prohibitions on Selling, Offering, or Delivering Cannabis or Cannabis Products

In general, existing law limits who can sell, offer, or deliver cannabis to certain licensees. Current law generally prohibits anyone other than:

- 1. retailers, hybrid retailers, micro-cultivators, delivery services, or their employees from selling or offering cannabis to consumers;
- 2. hybrid retailers, dispensary facilities, delivery services, or their employees from selling or offering cannabis to qualifying medical marijuana patients and caregivers; and
- 3. delivery services or their employees from delivering cannabis to consumers, patients, or caregivers.

The bill adds cannabis products as items only these licensees and employees may sell, offer, or deliver. As under existing law, a violation is deemed a Connecticut Unfair Trade Practices Act (CUTPA) violation.

Municipal Prohibition and Seizure

Existing law allows municipalities to take certain actions if any business (1) is found to violate any of the above sale, offer, or delivery prohibitions or (2) poses an "immediate threat to public health and safety." They may, by legislative vote, prohibit these businesses from operating in the municipality and apply to the Superior Court for an order directing the municipality's chief law enforcement officer to take possession and control of any related merchandise from the business, including any cannabis, cannabis product, cigarette, tobacco or tobacco product, any merchandise associated with those items, and any proceeds from them.

The bill broadens the circumstances under which a municipality may prohibit a business by adding additional items to what is considered an "immediate threat to public health and safety." Under existing law, the term includes the presence of any (1) cannabis or cannabis product in connection with a violation of any of the above sale, offer, or delivery

prohibitions or (2) cigarette or tobacco product alongside any cannabis or cannabis product. The bill adds the presence of the following alongside any cannabis or cannabis product: any electronic cigarette liquid, electronic nicotine delivery system, or liquid nicotine container (see BACKGROUND).

Correspondingly, the bill allows law enforcement to take these additional items, any merchandise associated with these items, and any proceeds from these items, upon a court order. It also requires the chief executive to submit a written copy of his or her court order application to the state attorney general upon making it.

Civil Fines

By law, a violator of the above laws must be assessed a civil fine of \$30,000 for each violation. Additionally, anyone who aids or abets these violations must also be assessed a \$30,000 civil fine for each violation. The law also imposes a \$10,000 civil fine for each violation by anyone who manages or controls certain commercial property and knowingly makes the area available for use in these violations. In all three cases, each day a violation continues is a separate offense.

Under current law, if a municipality institutes a civil action to recover an imposed civil fine, the fine must be paid to the municipality first to reimburse it for the costs for instituting the action, with half of the remainder, if any, paid to the municipality's treasurer and the other half to the state treasurer for deposit into the General Fund. The bill instead allows the municipality to keep all of the fine.

§§ 11, 12 & 15 — E-CIGARETTES

The bill places substantially similar restrictions on and requirements for shipping, transporting, and selling electronic nicotine delivery systems and vapor products (i.e. e-cigarettes) as under existing law for cigarettes.

Shipping. The bill only allows businesses to ship or transport ecigarettes to a (1) DCP-registered e-cigarette dealer or manufacturer or (2) local, state, or federal government employee, officer, or agent acting

within his or her official duties. It relatedly requires the DCP commissioner to publish on the department's website a list of each person holding a dealer or manufacturer registration.

The bill also prohibits common and contract carriers from knowingly delivering e-cigarettes to a residence or to someone in Connecticut they reasonably believe is not one of the entities authorized to receive them. It additionally prohibits anyone other than a common or contract carrier from knowingly delivering e-cigarettes to someone in Connecticut they reasonably believe is not one of the entities authorized to receive them.

Requirements. Current law requires e-cigarette dealers who sell e-cigarettes and ship them directly to in-state consumers (e.g., through online sales) to (1) get the signature of a person aged 21 or older at the shipping address prior to delivery and (2) require the signer to provide a driver's license or identification card as proof of age. It also requires the seller to ensure that the shipping label on these packages conspicuously states the following: "CONTAINS AN ELECTRONIC NICOTINE DELIVERY SYSTEM OR VAPOR PRODUCT - SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY."

The bill eliminates this law and replaces it with different procedures for delivery to authorized individuals, which do not allow direct sales to consumers (see above). Specifically, it requires anyone selling or delivering e-cigarettes to plainly and visibly mark their packages with the words "electronic nicotine delivery system" or "vapor product," as applicable when they do not ship them in the e-cigarette manufacturer's original container or wrapping. It also requires those shipping e-cigarettes to make delivery to an authorized recipient conditional on the recipient's signing an acknowledgement of receipt and presenting proper proof of age.

Seizure. Under the bill, any e-cigarette shipped or transported in violation of these provisions is a common nuisance and subject to immediate seizure by the DCP commissioner or any authorized department agent or employee or any peace officer the commissioner

has directed to make the seizure. These individuals must hold the ecigarettes subject to confiscation and destruction by a court order. The shipper or transporter is liable for all seizure, confiscation, and destruction costs.

Penalties. The DCP commissioner may impose a maximum civil penalty of \$10,000 for each violation, where each shipment or transport constitutes a separate offense. The attorney general, upon the DCP commissioner's request, may bring an action in the Hartford Superior Court to collect the civil penalty and for any injunctive or equitable relief. In any enforcement action the attorney general brings where the state wins, the state may recover the investigation costs, expert witness fees, costs of the action, and reasonable attorney's fees.

The bill also deems a violation of these provisions a CUTPA violation.

§§ 13 & 14 — PENALTIES AGAINST CANNABIS ESTABLISHMENTS FOR ILLEGAL SALES TO UNDERAGED INDIVIDUALS AND SYNTHETIC CANNABINOIDS

The bill modifies the penalties for a cannabis establishment licensee (or their servants or agents) selling or delivering cannabis or cannabis paraphernalia to someone under age 21. It increases the penalty for illegally selling or delivering cannabis from a class A misdemeanor, which is punishable by up to 364 days imprisonment, up to a \$2,000 fine, or both, to a class E felony, which is punishable by up to three years imprisonment, up to a \$3,500 fine, or both. It decreases the penalty for illegally selling or delivering cannabis paraphernalia, from a class A misdemeanor to a class C misdemeanor, which is punishable by up to three months imprisonment, up to a \$500 fine, or both.

Existing law prohibits cannabis establishments from selling synthetic cannabinoids, which are classified as schedule I drugs (i.e. a drug with no current accepted medical use and a high potential for abuse) (CGS § 21a-243). The bill makes it a class E felony for a cannabis establishment (or their servants or agents) to sell or deliver synthetic cannabinoids to anyone.

By law, "synthetic cannabinoids" are any substance converted by a

chemical process to create a cannabinoid or cannabinoid-like substance that has (1) structural features that allow interaction with at least one of the known cannabinoid-specific receptors or (2) any physiological or psychotropic response on at least one cannabinoid specific receptor. It includes hexahydrocannabinol (HHC and HXC) and hydrox4phc (PHC) but does not include manufactured cannabinoids.

BACKGROUND

Legislative History

The House referred the bill (File 632) to the Judiciary Committee, which reported out a substitute that eliminated provisions (1) restricting tobacco product shipments, (2) imposing CUTPA penalties for tobacco and tobacco product shipment violations, and (3) imposing criminal penalties on e-cigarette shipment violations. The substitute also reduces the penalties for illegally selling cannabis paraphernalia.

Definitions

By law and under the bill, "cannabis" has the same meaning as "marijuana," which is all parts of a plant or species of the genus cannabis, whether growing or not, and including its resin, compounds, manufactures, salts, derivatives, mixtures, and preparations; high-THC hemp products; manufactured cannabinoids; or cannabinon, cannabinol, cannabidiol (CBD), and similar compounds, except CBD derived from hemp. Marijuana and cannabis do not include the following:

- 1. a plant's mature stalks; fiber made from the stalks; oil or cake made from the plant's seeds; a compound, manufacture, salt, derivative, mixture, or preparation made from the stalks other than the extracted resin;
- 2. the plant's seeds;
- 3. hemp with a total THC concentration of up to 0.3% on a dry weight basis that is not a high-THC product;
- 4. any substance the federal Food and Drug Administration approves as a drug and that is reclassified in any controlled

substance schedule, or that it unschedules; or

5. infused beverages.

A "cannabis product" is cannabis in the form of a cannabis concentrate or a product that contains cannabis and at least one other cannabis or noncannabis ingredient or component, and is intended for use or consumption. It does not include the cannabis flower.

An "infused beverage" is a beverage that (1) is not alcoholic and is intended for human consumption and (2) contains, or is advertised, labeled, or offered for sale as containing, a total THC content of less than three milligrams (mg) per container, which must be at least 12 fluid ounces.

Under state and federal law, "hemp" is the plant Cannabis sativa L. and any part of it, including seeds and derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 THC concentration of not more than 0.3% on a dry weight basis.

"Hemp products" means all manufacturer hemp products and producer hemp products. A "moderate-THC hemp product" is a manufacturer hemp product that has total THC of between 0.5 mg and 5 mgs, on a per-container basis and is not an infused beverage or legacy infused beverage. A "manufacturer hemp product" is a commodity manufactured from the hemp plant for commercial or research purposes that is intended for human ingestion, inhalation, absorption, or other internal consumption, contains a THC concentration of not more than 0.3% on a dry weight basis or per volume or weight of the product, and is not an infused beverage. A "producer hemp product" is any of the following produced in Connecticut: raw hemp product, fiber-based hemp product, or animal hemp food product that contains a THC concentration of not more than 0.3% on a dry weight basis or per volume or weight of the product.

"Electronic cigarette liquid" means a liquid that, when used in an electronic nicotine delivery system or vapor product, produces a vapor that may or may not include nicotine and is inhaled by the user.

"Electronic nicotine delivery system" means an electronic device used in the delivery of nicotine or other substances to a person inhaling from the device, and includes an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or electronic hookah and any related device and any cartridge or other component of the device, including electronic cigarette liquid.

"Liquid nicotine container" means a container that holds a liquid substance containing nicotine that is sold, marketed, or intended for use in an electronic nicotine delivery system or vapor product, except it does not include the container that the manufacturer prefills and seals and is not intended to be opened by the consumer.

"Tobacco product" means any product made from or otherwise containing tobacco, but expressly excludes cigarettes, electronic cigarettes and other electronic nicotine delivery systems, and vapor products.

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 \$5,000 for willful violations and up to \$25,000 for a restraining order violation.

Related Bills

sSB 970 (File 605), favorably reported by the General Law Committee, (1) limits unlicensed manufactured hemp product sales to low-THC hemp products and (2) modifies various definitions, including "cannabis," "marijuana," and "synthetic cannabinoids."

sHB 7275, favorably reported by the Finance, Revenue and Bonding Committee, places similar restrictions on shipping and transporting ecigarettes and vapor products.

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 22 Nay 0 (03/24/2025)

Judiciary Committee

Joint Favorable Substitute

Yea 37 Nay 0 (04/25/2025)