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## OLR Bill Analysis

### sHB 5350

## **AN ACT CONCERNING CANNABIS, HEMP AND INFUSED BEVERAGE REGULATION.**

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*Lifts the cap on THC by dry-weight-bases for cannabis flower, other plant material and concentrates and prohibits DCP from limiting their dosage, potency, or concentration; allows edibles to have six mgs of THC if the increase over current law's five mgs is due to the margin of error inherent in laboratory testing; eliminates DCP's ability to adjust certain maximum THC percentages for public health reasons or when there is a shortage*

§ 68 — STABILITY TESTING

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*Expands what is allowed on the packaging; applies the revised packaging rules broadly; eliminates the specific packaging and labeling requirements for edibles*

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*Increases the allowable THC levels, from three to five mgs, for infused beverages sold in package stores and from 3 mgs to 10 mgs, for ones sold in a dispensary facility, hybrid retailer, or retailer; allows infused beverages to be tested by out-of-state laboratories; modifies the container labeling requirements to follow ASTM standards; eliminates obsolete references to legacy infused beverages*

§ 79 — MATERIAL CHANGES IN PUBLIC RECORDS

*Makes all information and documentation filed with the attorney general when there is a material change to a cannabis establishment a public record under FOIA; requires the attorney general to retain this information in accordance with the state's record retention schedule*

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BACKGROUND

**SUMMARY**

This bill makes various unrelated changes to laws on cannabis, hemp, and THC-infused beverages. It also makes numerous minor, technical, and conforming changes, as described in the section-by-section analysis below.

EFFECTIVE DATE: October 1, 2026

**§§ 1-47, 55, 58, 61, 62, 64, 68, 76-78, 80-82, 88, 90 & 98-101 — CANNABIS**

*Renames “marijuana” as “cannabis” throughout the statutes; specifies extracted resin from the plant is considered cannabis, modifies which cannabinoids derived from hemp are considered cannabis, and exempts certain commercial hemp extracts with higher THC levels from being considered cannabis*

**Renaming**

The bill renames “marijuana” as “cannabis” in the general statutes. Currently, marijuana and cannabis have the same legal definition. The bill makes changes to the definition of cannabis.

**Changes to Definition (§ 17)**

Broadly, under current law, “cannabis” means all parts of a plant or species of the genus cannabis, whether growing or not, including its resin extracted from any part of the plant, among other parts. The bill specifies this includes extracted resin from the (1) plant’s mature stalks, (2) fiber produced from the mature stalks, or (3) oil or cake made from the seeds. As under existing law, “cannabis” does not include the plant’s

mature stalks, the fiber produced from the mature stalks, or the oil or cake from the seeds.

The bill also modifies the cannabinoids derived from hemp that are considered cannabis. Under current law, cannabidiol (CBD) that is not a high THC hemp product is not considered cannabis. The bill eliminates this exemption and instead excludes cannabimon, cannabinol (CBN), cannabigerol (CBG), cannabichromene (CBC), or any other minor cannabinoid derived from hemp.

The bill also exempts any “commercial extract” that is manufactured, advertised, offered, and sold under the bill’s provisions on these extracts (see §§ 88, 89 & 91 below). Generally, a commercial extract is an oil or concentrate that is extracted using certain methods directly and exclusively from raw hemp and has a total THC concentration of more than 0.3% on a dry weight basis.

**§§ 24, 25, 28, 30, 32, 34, 47, 52, 57, 58, 60-62, 67, 68, 70-73 & 75 — QUALIFYING OUT-OF-STATE PATIENTS FOR MEDICAL CANNABIS**

*Allows qualifying out-of-state patients to purchase and possess, among other things, medical cannabis in the same manner and under the same conditions as Connecticut qualifying patients and their caregivers*

The bill generally allows qualifying out-of-state patients to acquire, distribute, transfer, possess, and use medical cannabis in the same way as Connecticut qualifying patients and their caregivers. These patients are residents of another state who hold a valid medical cannabis credential from that state.

***Liability***

Under the bill, a qualifying out-of-state patient who complies with Connecticut laws on legally acquiring medical cannabis from a dispensary is not subject to arrest, prosecution, or penalty in any manner. This includes being subject to any civil penalty or denied any right or privilege, including being subject to any disciplinary action by a professional board, for using medical cannabis if the amount possessed does not exceed five ounces. This immunity does not apply to any medical cannabis use that endangers the health or well-being of

others or ingesting cannabis in certain areas, such as moving vehicle, workplace, or school grounds.

### ***Sales Limitations***

Under the bill, regardless of any provision in the adult-use cannabis statutes limiting the dispensing, sale, or distribution of cannabis by dispensary facilities to qualifying patients and caregivers, a dispensary facility may dispense, sell, or distribute cannabis to qualifying out-of-state patients. The Department of Consumer Protection (DCP) commissioner must adopt or amend regulations to implement this provision.

The bill also allows a micro-cultivator to sell medical cannabis products directly to qualifying out-of-state patients using its own employees.

### **§§ 47, 56, 60, 61 & 63 — PERSONAL DATA RETENTION**

*Prohibits retailers and hybrid retailers from retaining any personal data they obtain for age verification purposes for more than 24 hours without written consent*

The bill prohibits retailers and hybrid retailers (those licensed to sell both adult-use and medical cannabis) from keeping any personal data they obtain for age verification purposes for more than 24 hours without written consent. “Personal information” is any information linked or reasonably linkable to an identified or identifiable individual. It does not include de-identified data or publicly available information.

The bill also makes technical and conforming changes.

### **§ 48 — CANNABIS REGULATORY WORKING GROUP**

*Establishes a cannabis regulatory working group to (1) study and recommend new or amended regulations or policies and procedures concerning cannabis and (2) propose legislation concerning cannabis*

The bill establishes a cannabis regulatory working group to (1) study regulations adopted or proposed, and policies and procedures issued or proposed, by the DCP commissioner and the Social Equity Council concerning cannabis; (2) recommend new or amended regulations or policies and procedures concerning cannabis; and (3) propose legislation concerning cannabis.

The working group consists of four members with each of the General Law Committee's House and Senate chairpersons and ranking members appointing one member, who may be a legislator. The committee's chairpersons must select the working group's chairpersons from among the members.

The bill requires initial appointments to the working group to be made by October 31, 2026, with the appointing authority filling any vacancy. The chairpersons must schedule and hold the working group's first meeting by December 1, 2026.

The bill requires the General Law Committee's administrative staff to serve as the working group's administrative staff.

The bill requires the working group to submit a report on its findings and recommendations to the General Law Committee by January 1, 2027. The working group ends on that date or when it submits the report, whichever is later.

#### **§ 49 — PAYMENT DELINQUENCY PROCEDURE**

*Prohibits retailers, hybrid retailers, or dispensary facilities from borrowing money or being extended credit for more than 30 days from a cultivator, micro-cultivator, or producer; establishes a procedure for cultivators, micro-cultivators, or producers to collect overdue payments; limits when others can extend credit or make loans to a delinquent retailer or facility*

The bill broadly prohibits retailers, hybrid retailers, and dispensary facilities from borrowing money or receiving credit, directly or indirectly in any form, for more than 30 days from any cultivator, micro-cultivator, or producer.

It also creates requirements related to reporting and collecting delinquent payments.

#### ***Notice of Nonpayment***

Under the bill, a cultivator, micro-cultivator, or producer that has not received full payment from a retailer, hybrid retailer, or dispensary facility before the allowable 30-day credit period expires must submit a written obligation notice to DCP and give a copy to the retailer, hybrid retailer, or dispensary facility, within five days after the credit period

expires. The written obligation notice must at least state (1) the amount due; (2) the date credit was extended; (3) the credit period's expiration date; and (4) that the retailer, hybrid retailer, or dispensary facility is in violation of the credit time limit provision.

### ***Optional Response***

If the retailer, hybrid retailer, or dispensary facility disputes the notice's accuracy, it must submit a written response to DCP within five days after receiving the notice. It must also give a copy to the cultivator, micro-cultivator, or producer who sent the original obligation notice. The written response must at least state the (1) basis for disputing the notice obligation and (2) amount, if any, that the retailer, hybrid retailer, or dispensary facility admits is owed for longer than 30 days. The copy of the response given to the cultivator, micro-cultivator, or producer must be accompanied by a payment in the amount admitted. The payment must be made and received without affecting the rights of either party in any civil action.

### ***Hearing***

The bill requires the DCP commissioner or his designee, within 30 days after receiving any written response, to hold an informal hearing with the parties to give them an equal opportunity to appear and be heard.

If, after the hearing, the commissioner or his designee determines that the written notice of obligation is accurate, then he or his designee must issue an order directing the cultivator, micro-cultivator, or producer to promptly give all cultivators, micro-cultivators, and producers a written delinquency notice, which must at least state the (1) delinquent retailer's, hybrid retailer's, or dispensary facility's identity; (2) amount due; and (3) credit period's expiration date.

If the commissioner or designee finds the notice is inaccurate, then he or his designee must issue an order prohibiting the cultivator, micro-cultivator, or producer from giving a written delinquency notice.

The bill requires the party who was ruled against to promptly pay

DCP for a portion of the proceeding's costs as the commissioner or his designee determines, provided at least \$50 is charged.

***No Response Contesting Obligation***

Under the bill, if DCP does not receive a written response within the five-day period the bill sets, the retailer, hybrid retailer, or dispensary facility that failed to respond in a timely manner is deemed to have admitted to the truth of the obligation notice. Within three days after the five-day period expires, the cultivator, micro-cultivator, or producer that sent the notice obligation must give all cultivators, micro-cultivators, and producers a written delinquency notice in the format DCP sets. These orders have the same effect as one sent after a hearing.

***Prohibition on Extending Credit***

The bill prohibits any cultivator, micro-cultivator, or producer that receives a written delinquency notice from extending credit for cannabis sales to the delinquent retailer or facility until it has received a written satisfaction notice from the cultivator, micro-cultivator, or producer that gave the delinquency notice.

***Penalty for Incorrect Information***

The bill allows DCP to suspend or revoke the license of any (1) cultivator, micro-cultivator, or producer that issues an incorrect written obligation notice in bad faith, or sends an unauthorized delinquency notice, or (2) retailer, hybrid retailer, or dispensary facility that issues an incorrect written response in bad faith.

***Full Payment***

Any cultivator, micro-cultivator, or producer that sends a delinquency notice and subsequently receives full payment for the credit extended must, within three days after receiving full payment, submit to DCP a written satisfaction notice, and give a copy to all cultivators, micro-cultivators, and producers that were sent a delinquency notice.

The prohibition against extending credit to the retailer, hybrid retailer, or dispensary facility subject to the delinquency notice ends

when the cultivator, micro-cultivator, or producer receives full payment.

### **§§ 50 & 60 — ADDITIONAL PALLIATIVE CANNABIS PRODUCTS**

*Requires DCP to adopt regulations to allow sales of additional medical cannabis products, including cannabis topicals, tablets, capsules, products intended for sublingual absorption, and ethanol-free tinctures*

The bill requires the DCP commissioner to adopt regulations to allow the sale of additional medical use cannabis products, including cannabis topicals, tablets, capsules, products intended for sublingual absorption (under the tongue), and ethanol-free tinctures (concentrated liquid extracts), to consumers at retailer and hybrid retailer establishments. The bill also makes a conforming change to allow retailers to sell these medical cannabis items to consumers.

### **§ 51 — MINIMUM EMPLOYEES REQUIRED FOR DELIVERY**

*Allows cannabis establishments to deliver or transport cannabis with only one employee when transporting to another cannabis establishment, testing laboratory, or research program*

Current policies and procedures require at least two transporting agents per transport vehicle when there is more than two pounds of cannabis flower and cannabis trim or their equivalency. Regardless of any medical cannabis or adult-use cannabis law, the bill allows cannabis establishments to deliver or transport cannabis with only one employee when transporting to another cannabis establishment, testing laboratory, or research program.

By law, a “cannabis establishment” is a cannabis producer, dispensary facility, cultivator, micro-cultivator, retailer, hybrid retailer, food and beverage manufacturer, product manufacturer or packager, delivery service, or transporter.

### **§§ 53, 54, 65 & 66 — SOCIAL EQUITY CANNABIS LICENSE TRANSFERS**

*Codifies the general prohibition on selling or changing 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 provisional licensure period and for three years after final licensure*

Current law requires the Social Equity Council to adopt regulations

and issue policies and procedures 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 provisional licensure period, and for three years after final licensure, with limited exceptions. The bill codifies the prohibition and limited exceptions and sets a statutory process for selling or changing ownership.

***Sale or Change***

The bill requires any sale or change to have the Social Equity Council’s approval and to only be made to another qualified social equity applicant, unless the cannabis establishment’s backer has died or been diagnosed with a condition such as a physical illness or loss of skill or deterioration due to the aging process, an emotional disorder, or mental illness, that would interfere with the backer’s ability to operate.

***Application***

Before a sale or change is made, the qualified social equity applicant seeking to sell or change ownership must submit to the council, in a way it prescribes, an application for the sale or change and all documents the council needs to determine whether the sale or change is authorized under the bill, including all operating agreements and transfer, sale, or conveyance documents the council needs.

The bill requires the council to complete its review of the application and documents, issue a decision, and notify the social equity applicant or cannabis establishment, within 90 days after it receives the application and documents.

***Approval***

If the council approves any sale or change to anyone other than a qualified social equity applicant, the cannabis establishment must be treated as a cannabis establishment without social equity status beginning on day of the approval and the cannabis establishment is no longer eligible to pay a reduced license renewal fee.

**Notice Required After Three Years**

Under the bill, even after the three-year period has ended, a social equity cannabis establishment must notify the council at least 90 days before a sale or change. The council may send notice to the establishment requiring any documents the council needs to ensure the establishment and the proposed sale or change complies with the Responsible and Equitable Regulation of Adult-use Cannabis Act and its regulations. The cannabis establishment must provide the requested documents within three days after the council sends notice.

**Regulations**

The bill also requires the Social Equity Council to adopt regulations to implement these provisions.

**§§ 54, 59, 64, 68 & 69 — POLICIES AND PROCEDURES SUBMISSION**

*Requires the policies and procedures that DCP and the Social Equity Commission submit for posting on the eRegulations system to also be submitted to the General Law Committee*

The bill requires the policies and procedures related to adult-use cannabis that DCP and the Social Equity Commission must submit the secretary of the state for posting on the eRegulations systems to also be submitted to the General Law Committee. As under existing law, they must submit the policies and procedures at least 15 days before they are effective.

**§ 61 — HYBRID RETAILERS**

*Eliminates the requirement that cannabis or medical cannabis be dispensed by a licensed pharmacist; allows registered employees and automated systems to record and upload data to the state's electronic prescription drug monitoring program; specifically allows pharmacists, dispensary technicians, and other registered employees to perform all authorized activities; eliminates the minimum on-site presence requirement for pharmacists*

**Pharmacist Requirements Reduced**

The bill eliminates the requirement that cannabis or medical cannabis be dispensed to a qualifying patient or caregiver by a licensed pharmacist, and correspondingly eliminates the requirement that pharmacists conduct remote order entry verification. The bill broadly allows a hybrid retailer's licensed pharmacist, dispensary technician, or other registered employee, to perform all the hybrid retailer's

authorized activities, including all activities related to the sale, handling, or management of cannabis or medical cannabis products.

It also allows a hybrid retailer's registered employees under a licensed pharmacist's direction to upload data to the electronic prescription drug monitoring program. Current law only allows the pharmacist or dispensary technician to upload this data. The bill also allows the data to be uploaded through an automated upload from the hybrid retailer's point-of-sale system. But it requires the pharmacist to conduct a weekly audit of the uploaded data.

Current law requires a hybrid retailer to have a licensed pharmacist on premises for at least eight consecutive hours per calendar week when the location is open, with telehealth consultations being available the other times. The bill instead requires the hybrid retailer to ensure one is available (1) when the location is open (on-site or by telehealth) and (2) for telehealth consultations for at least 35 hours per week. The bill eliminates requirements that require (1) individual telehealth pharmacists to be employed by a retailer for at least 20 hours per week and (2) a private consultation space for pharmacists to meet with qualifying patients and caregivers.

The bill also eliminates the requirement for pharmacists who consult with qualifying patients or caregivers to annually complete at least five contact hours of continuing professional education on the cannabis industry, the state pharmacy laws, or the treatment of debilitating medical conditions.

As under existing law, hybrid retailers must still conspicuously post a sign with the name of the licensed pharmacist that is available for consultation.

### ***Privacy Training***

Under the bill, a hybrid retailer's registered employees who sell any cannabis or medical cannabis to a qualifying patient, qualifying out-of-state patient, or caregiver must take at least one hour of training on the federal Health Insurance Portability and Accountability Act's (HIPAA)

privacy requirements.

## **§ 68 — THC LEVELS**

*Lifts the cap on THC by dry-weight-bases for cannabis flower, other plant material, and concentrates and prohibits DCP from limiting their dosage, potency, or concentration; allows edibles to have six mgs of THC if the increase over current law's five mgs is due to the margin of error inherent in laboratory testing; eliminates DCP's ability to adjust certain maximum THC percentages for public health reasons or when there is a shortage*

Current law prohibits cannabis establishments from selling to consumers (1) cannabis flower or other cannabis plant material with a total THC concentration over 35% on a dry-weight basis or (2) cannabis products (including concentrates) with a total THC concentration over 70% on a dry-weight basis. The bill eliminates the THC cap for cannabis flower, other plant material, and concentrates by removing (1) cannabis flower and other plant material from the 35% cap and (2) concentrates from the 70% cap.

It also prohibits DCP from limiting the dosage, potency, or concentration of cannabis products, cannabis flower, or other cannabis plant material (even if intended to address public health, market access, or shortage concerns).

The bill requires any cannabis flower or cannabis plant material that contains a total THC percentage greater than 30% to include a warning that it is a high-potency product and may increase the risk of psychosis. This is already a requirement for cannabis concentrates.

Under the bill, "other cannabis plant material" means cannabis trim and all parts of any plant or species of the genus cannabis, or any biological group below, excluding (1) the growing plant and its seeds and (2) cannabis flower or hemp.

### ***Edibles***

Current law requires DCP to issue policies and procedures and adopt regulations to set appropriate dosage, potency, concentration, and serving size limits and delineation requirements for edible cannabis products and beverages, as long as a standardized serving contains no more than five milligrams (mgs) of THC (unless it is a medical marijuana product).

The bill eliminates beverages from these requirements and allows edibles to have six mgs of THC if the increase over the allowable amount (five mgs) is due to the margin of error inherent in laboratory testing.

### **§ 68 — STABILITY TESTING**

*Prohibits DCP from requiring any cannabis flower or other cannabis plant material to undergo stability testing after the flower or material is in its final packaging*

Existing law requires the DCP commissioner to issue policies and procedures and adopt regulations establishing laboratory standards. The bill specifies that these standards must not require any cannabis flower or other cannabis plant material (see definition above) to undergo stability testing (to see how a product degrades over time) after the flower or material is in its final packaging.

### **§ 68 — REMEDIATION**

*Specifies the permitted remediation practices must include remediating cannabis flower or other cannabis plant material by ionizing radiation; requires packaging to have a disclosure label if it is remediated cannabis flower or other cannabis plant material*

Existing law requires the DCP commissioner to issue policies and procedures and adopt regulations establishing permitted remediation practices. The bill specifies this must include allowing remediating cannabis flower or other cannabis plant material by one or more exposures to ionizing radiation if it fails any laboratory testing due to microbial contamination. Afterwards, the packaging must have a label affixed to it disclosing that the flower or material has undergone remediation by ionizing radiation exposure.

### **§ 68 — PACKAGING AND LABELING**

*Expands what is allowed on the packaging; applies the revised packaging rules broadly; eliminates the specific packaging and labeling requirements for edibles*

Existing law requires the DCP commissioner to issue policies and procedures and adopt regulations on cannabis packaging and labeling. The bill expands what is allowed for packaging and labeling and eliminates the specific packaging and labeling requirements for edibles.

Under the bill, packages for any cannabis product may include the cannabis establishment's branding (not just logo) and have up to three colors, in addition to black and white. The branding and logo can be any

number of colors. Under current law, packaging generally must be entirely and uniformly one color (other than the logo, which can be three colors). The bill also eliminates the prohibition on packaging incorporating any information, print, embossing, debossing, graphic, or hidden feature, other than any permitted or required label.

By law and unchanged by the bill, the warning labels are still required on the packaging.

## **§§ 74, 82-87, 92-96 & 102 — INFUSED BEVERAGES**

*Increases the allowable THC levels, from three to five mgs, for infused beverages sold in package stores and from 3 mgs to 10 mgs, for ones sold in a dispensary facility, hybrid retailer, or retailer; allows infused beverages to be tested by out-of-state laboratories; modifies the container labeling requirements to follow ASTM standards; eliminates obsolete references to legacy infused beverages*

### ***Increased Allowable THC Levels***

The bill increases the allowable THC levels in an infused beverage to be sold or offered for sale within the state. Under current law, infused beverages may have up to three mgs per container. The bill increases this amount to (1) five mgs if the infused beverage is sold at a package store and (2) 10 mgs if the infused beverage is sold at a dispensary facility, hybrid retailer, or retailer. By law and unchanged by the bill, infused beverages cannot contain alcohol. The bill specifies these beverages may contain caffeinated coffee or tea.

### ***Out-of-State Laboratories***

The bill allows infused beverages to also be tested by similarly qualified out-of-state laboratories, rather than only DCP-regulated laboratories. As under existing law, each lot of an infused beverage in final form must be tested. These tests must be conducted using a representative sample and by collecting a minimum number of sample increments relative to the lot size.

### ***Labeling***

The bill modifies the labeling requirements for infused beverage containers by eliminating the statutory requirement that a symbol that indicates the infused beverage is not legal or safe for those younger than age 21, which must be in a certain size and format that the DCP

commissioner approves, be placed on each containers. The bill instead requires the symbol to satisfy ASTM International standard D8441. As under existing law, the symbol must be prominently displayed on the container.

### **§ 79 — MATERIAL CHANGES IN PUBLIC RECORDS**

*Makes all information and documentation filed with the attorney general when there is a material change to a cannabis establishment a public record under FOIA; requires the attorney general to retain this information in accordance with the state's record retention schedule*

Existing law requires anyone who enters a transaction that results in a material change to a cannabis establishment to file a written notice with the attorney general that includes the information he needs to determine if the transaction would violate antitrust laws.

The bill makes all the information filed with the attorney general disclosable under the Freedom of Information Act (FOIA). Under current law, this information is not subject to FOIA disclosure and may only be made public for relevant administrative or judicial action or proceedings. But the bill (1) requires him to redact the records to the extent it is needed and allowed under FOIA to prevent an invasion of personal privacy and disclosing trade secrets, and (2) prohibits him from redacting any backer or owner with an equity interest involved in any transaction that results in, or will result in, a material change to a cannabis establishment.

The bill also requires the submitted information to be retained by the attorney general according to the state's record retention schedule. Current law requires the information and material to be returned after the attorney general's review or final determination.

### **§§ 88, 89 & 91— COMMERCIAL EXTRACTOR LICENSE**

*Establishes up to 10 commercial extractor licenses for extracts with a total THC concentration of more than 0.3% on a dry weight basis*

The bill limits manufacturing, advertising, offering, or selling commercial extract in Connecticut to (1) cannabis establishments and (2) any person (individual or entity) with a DCP-issued commercial extractor license.

### **Commercial Extract and Manufacture**

Under the bill, "commercial extract" is an oil or concentrate that is extracted directly and exclusively from raw hemp plant material, and contains a total THC concentration of more than 0.3% on a dry weight basis. Commercial extracts are extracted by:

1. adding heat;
2. decarboxylation;
3. adding a Class 3 organic solvent as defined by the most recent U.S. Pharmacopeia, Chapter 467, or another solvent the DCP commissioner approves;
4. ethanol extraction;
5. carbon dioxide extraction;
6. a solventless extraction method, including using ice water, rosin pressing, dry sifting, or steam distillation; or
7. an extraction process not listed if the DCP commissioner approves the process.

The bill also modifies what is considered hemp manufacturing to include converting hemp plant into an extract. (But unchanged by the bill, hemp products cannot have a THC over 0.3% on a dry-weight basis.) Under current law, "manufacturing" is converting the hemp plant into a by-product by adding heat, solvents, or using extraction methods that modify the plant's original composition to create a manufacturer hemp product for commercial or research purposes. The bill expands the allowable methods of conversion to include those listed above.

### **License**

The bill allows DCP to issue or renew up to 10 commercial extractor licenses. These licenses allow licensees to manufacture, advertise, offer, and sell commercial extracts to infused beverage manufacturers, hemp manufacturers, producers, cultivators, micro-cultivators, food and

beverage manufacturers, and product manufacturers.

Each commercial extractor licensee must have held an active hemp manufacturer license on July 1, 2026, and maintain an active manufacturer license until DCP issues a commercial extractor license.

The bill prohibits DCP from issuing a commercial extractor license to a cannabis establishment or infused beverage manufacturer, and no commercial extractor licensee may hold a cannabis establishment, hemp manufacturer, or infused beverage manufacturer license. (Any hemp manufacturer who receives a commercial extractor license is deemed to have immediately surrendered the manufacturer license when the commercial extractor license is issued.)

An applicant for an initial license as a commercial extractor must submit a completed application and a \$375 initial license fee to DCP. Each initial license is valid for one year from issuance and may be renewed for successive one-year periods after submitting a completed renewal application with a \$375 renewal fee. All license and renewal fees collected must be deposited in the consumer protection enforcement account, and used to protect public health, educate consumers and licensees, and ensure compliance with hemp and cannabis laws.

### ***Electronic Tracking System***

The bill requires each commercial extractor to use an approved electronic tracking system, in a way the DCP commissioner prescribes, to monitor the (1) intake of hemp in plant form, (2) extraction and refinement of commercial extract, (3) laboratory testing of commercial extract, (4) transportation and handling of commercial extract, and (5) sale or final disposition of commercial extract.

### ***Laboratory Testing***

Before selling or distributing commercial extract, a commercial extractor must comply with the hemp laboratory testing requirements. By law, hemp must be tested by an independent testing laboratory located in the state, which must test each sample according to standards

set in policies, procedures, and regulations (CGS § 22-61m(k)).

***Limitations***

The bill prohibits cannabis establishments and commercial extractors from manufacturing or processing commercial extract that has any hemp concentrate, oil, or extract that the commercial extractor did not manufacture. But it allows a commercial extractor to combine one or more commercial extracts that it manufactures.

Under the bill, any producer, cultivator, micro-cultivator, product manufacturer, food and beverage manufacturer, hemp manufacturer, or infused beverage manufacturer that receives commercial extract from a commercial extractor is prohibited from further distributing the commercial extract and must incorporate it into a hemp or cannabis product to resell (and that product must comply with applicable total THC concentration limits).

***Cannabis Establishments***

The bill allows any producer, cultivator, micro-cultivator, food and beverage manufacturer, or product manufacturer to manufacture, market, cultivate, or store commercial extracts obtained from licensees, under generally the same requirements as under current law for hemp and hemp products. These licensees must only obtain commercial extracts from an authorized person, while infused beverage manufacturers or hemp manufacturers may only obtain commercial extracts from those authorized by DCP to produce or manufacture hemp products.

As under current law for hemp and hemp products, the bill requires the commercial extract purchased by these cannabis establishments from a third party to be tracked as a separate batch throughout the manufacturing process. Once the establishment receives the commercial extract, it is deemed cannabis and the licensee must comply with all the cannabis laws and regulations.

The bill also requires producers, cultivators, micro-cultivators, food and beverage manufacturers, product manufacturers, hemp

manufacturers, or infused beverage manufacturers to obtain and retain from an independent testing laboratory a certificate of analysis for commercial extracts that complies with the laboratory testing standards, and invoice and transport documents that show the quantity purchased and date received.

## **§ 91 — FOOD AND BEVERAGE MANUFACTURER**

*Allows food and beverage manufacturers to manufacture, market, cultivate, and store hemp, hemp products, and commercial extracts acquired from a third party under the same procedures and requirements as for certain other cannabis establishments*

The bill allows food and beverage manufacturers to manufacture, market, cultivate, or store hemp or hemp products, if they comply with the requirements listed above for acquiring commercial extracts. They may also do these activities with commercial extracts obtained from a third party.

As is generally the case for other specified cannabis establishments that can engage in the activities the bill allows food and beverage manufacturers to do, these manufacturers must track third-party purchases of commercial extracts and hemp or hemp products.

## **§ 91 — HEMP AND HEMP PRODUCTS**

*Requires hemp manufacturers and infused beverage manufacturers to keep a copy of the certificate of analysis for the purchased hemp or hemp products, and the invoice and transport documents*

The bill requires hemp manufacturers and infused beverage manufacturers to keep a copy of the certificate of analysis for the purchased hemp or hemp products, and the invoice and transport documents showing the quantity purchased and date received. Existing law has the same requirements for specified cannabis establishments.

## **BACKGROUND**

### ***Related Bills***

sSB 231, favorably reported by the General Law Committee, among other things, sets a 60-day deadline to dispose of medical marijuana and cannabis samples that fail testing. It also requires each cannabis establishment to submit cannabis or medical marijuana to a cannabis testing laboratory for testing based on standards established in policies

and procedures or regulations.

sHB 5351, favorably reported by the General Law Committee, among other things, prohibits the change of ownership and control of social equity applicants for three years after final licensure, but allows the Social Equity Council to provide otherwise through policies and procedures and regulations.

**COMMITTEE ACTION**

General Law Committee

Joint Favorable Substitute

Yea 13 Nay 8 (03/16/2026)