

General Law Committee

JOINT FAVORABLE REPORT

Bill No: HB-5351 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT CONCERNING THE SOCIAL EQUITY COUNCIL'S

Title: RECOMMENDATIONS REGARDING CANNABIS REGULATION.

Vote Date: 3/16/2026

Vote Action: Joint Favorable

PH Date: 3/4/2026

File No.:

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SPONSORS OF BILL

General Law Committee per request of the Social Equity Council

REASONS FOR BILL

The Social Equity Council brought this proposal to the General Law Committee with the intent of streamlining operations and better supporting the Council's mission. The Council's [written testimony](#) outlines its proposal and provides detailed rationale for its provisions.

RESPONSE FROM ADMINISTRATION/AGENCY

[Social Equity Council—Brandon McGee, Chief Executive Officer](#)—The Council provided written and spoken testimony in support of HB 5351. The written testimony details the legislation's main provisions:

- **Reporting**—The Council stated that they believe the changes to reporting requirements would help improve efficiency while preserving transparency. Currently, the Council is required to submit a monthly report to the Black and Puerto Rican Caucus (BPRC) containing updates on social equity and workforce development plans, along with other information. HB 5351 would change these reports to quarterly and align them with reports to the Office of the Governor and legislative leaders. The Council suggests that because fewer plans are being filed for review, the monthly reports are no longer useful.
- **One-time replacement of backers**—The Council has encountered situations where Social Equity Individuals (SEI) have lost financial backers. Under current law, SEI are not typically able to replace those backers with new ones. HB 5351 would allow individuals to continue establishing their business with a one-time replacement of backers.

- **Investigations**—The Council states that it currently has limited investigative authority, and it requested the clarifications included in HB 5351 so it can better protect SEI from exploitative financial arrangements.
- **Equity Joint Venture ownership structures**—The Council testified that they have seen "at least four" sales or shutdowns where the SEI was not involved. They requested HB 5351's provisions regarding ownership structures with the intent of protecting SEI from illegitimate or malicious financial arrangements.

NATURE AND SOURCES OF SUPPORT

None recorded.

GENERAL COMMENTS

Fine Fettle—Kennard Ray, CEO of Social Equity—Ray testified in opposition to the seven-year ownership restriction provisions of HB 5351. He states that he appreciates the intent of protecting social equity ownership, but he argues that the seven-year mandate has presented operational hurdles. Ray states that the ownership structure limits the choices owners can make when their businesses are doing well, and when businesses are struggling, the inability to raise capital or sell can cause the business to close. Ray argues that a three-year pathway would protect the intent of the program and restore owners' decision-making power.

Rafael Rosario—Rosario testified to express general frustration with the state of Connecticut's cannabis market. He argues that the state is allowing power to be concentrated in the hands of a few large players. His written testimony includes what appears to be an AI generated list of proposed structural reforms and a "strategic framing memo."

Brant Smith, Hemp Farmer—Smith testified that he is a hemp farmer in Cheshire who is looking to partner with a Social Equity licensee to establish a cannabis cultivation operation on his farm. He writes that certain provisions of existing law are making it difficult to establish this operation.

- **Ownership restrictions**—Smith argues that existing law is preventing him and other hemp farmers from having an ownership interest or working in a cannabis cultivation business established on his property.
- **Location restrictions**—Smith argues that the requirements placed on Social Equity licensees who seek to establish a cultivation business outside of a Disproportionately Impacted Area (DIA) are overly burdensome.
- **Mandatory workforce requirements**—Smith writes that Social Equity cultivation businesses should not have to hire 75% of their employees from among those who reside in a DIA. He argues that the business should not be subject to "arbitrary residency quotas."
- **1.5% gross revenue payment to the Social Equity Council**—Smith argues that this is burdensome and should be eliminated.
- **Product mix**—Smith argues that there should be no restrictions on the percentage of the product that can be sold as flower. He believes the business should be able to determine its own product mix.

Josiah Schlee submitted multiple pieces of testimony to provide commentary and express generalized frustration with the Social Equity Council.

NATURE AND SOURCES OF OPPOSITION

[Budr Cannabis—Carl Tirella](#)—Budr Cannabis testified in opposition to HB 5351 with a focus on the seven-year ownership restriction. Their testimony echoed the sentiments expressed in Fine Fettle's written testimony.

[Higher Collective—Yanira Wolfgang-Pinto, Partner](#)—Wolfgang-Pinto testified in opposition to the bill, expressing concern about its main provisions. She testified that the location she and her partners own in Wellington was forced to close in December 2024, and they are experiencing difficulties negotiating a sale under the current regulatory structure. While she appreciates and supports the Social Equity Council's mission, she states that the bill's provisions could have unintentional negative consequences for social equity participants.

[Insa—Steve Reilly, General Counsel](#)—Reilly testified in opposition to two main provisions of the bill. He argues that codifying the seven-year ownership restriction would undermine contracts that were negotiated in good faith. Reilly states that granting the Council investigatory powers is "tremendous power without much public benefit."

[Better Ways LLC—Duncan Markovich, Founder and Owner](#)—Markovich testified in opposition to HB 5351. In general, his comments focus on another cannabis-related bill under consideration by the General Law Committee.

[Lou Rinaldi](#) testified in opposition to the bill, stating that the bill decreases transparency. He argues that transparency measures should be strengthened, not diminished.

[Erin Doolittle](#) testified in opposition to the bill, expressing frustration with the Social Equity Council in general.

Reported by: Betsy Francolino

Date: March 19, 2026