



General Assembly

Amendment

February Session, 2024

LCO No. 5320



Offered by:
SEN. KELLY, 21st Dist.

To: Subst. House Bill No. 5150 File No. 199 Cal. No. 414

(As Amended by House Amendment Schedule "A")

"AN ACT CONCERNING CANNABIS AND HEMP REGULATION."

1 Strike section 4 in its entirety and substitute the following in lieu
2 thereof:

3 "Sec. 4. Section 21a-420 of the 2024 supplement to the general statutes
4 is repealed and the following is substituted in lieu thereof (*Effective July*
5 *1, 2024*):

6 As used in RERACA, unless the context otherwise requires:

7 (1) "Responsible and Equitable Regulation of Adult-Use Cannabis
8 Act" or "RERACA" means this section, sections 2-56j, 7-294kk, 7-294ll,
9 12-330ll to 12-330nn, inclusive, 14-227p, 21a-278b, 21a-278c, 21a-279c,
10 21a-279d, 21a-420a to 21a-420j, inclusive, 21a-420l to 21a-421r, inclusive,
11 21a-421aa to 21a-421ff, inclusive, 21a-421aaa to 21a-421hhh, inclusive,
12 21a-422 to 21a-422c, inclusive, 21a-422e to 21a-422g, inclusive, 21a-422j
13 to 21a-422s, inclusive, 22-61n, as amended by this act, 23-4b, 47a-9a, 53-

14 247a, 53a-213a, 53a-213b, 54-33p, 54-56q, 54-56r, 54-125k and 54-142u,
15 sections 23, 60, 63 to 65, inclusive, 124, 144 and 165 of public act 21-1 of
16 the June special session, and the amendments in public act 21-1 of the
17 June special session to sections 7-148, 10-221, 12-30a, 12-35b, 12-412, 12-
18 650, 12-704d, 14-44k, 14-111e, 14-227a to 14-227c, inclusive, 14-227j, 15-
19 140q, 15-140r, 18-100h, 19a-342, 19a-342a, 21a-267, 21a-277, 21a-279, 21a-
20 279a, 21a-408 to 21a-408f, inclusive, as amended by this act, 21a-408h to
21 21a-408p, inclusive, 21a-408r to 21a-408v, inclusive, 30-89a, 31-40q, 32-
22 39, 46b-120, 51-164n, 53-394, 53a-39c, 54-1m, 54-33g, 54-41b, 54-56e, 54-
23 56g, 54-56i, 54-56k, 54-56n, 54-63d, 54-66a and 54-142e, [and] section 20
24 of public act 23-79 and sections 3 and 5 of this act;

25 (2) "Backer" means any individual with a direct or indirect financial
26 interest in a cannabis establishment. "Backer" does not include an
27 individual with an investment interest in a cannabis establishment if (A)
28 the interest held by such individual and such individual's spouse,
29 parent or child, in the aggregate, does not exceed five per cent of the
30 total ownership or interest rights in such cannabis establishment, and
31 (B) such individual does not participate directly or indirectly in the
32 control, management or operation of the cannabis establishment;

33 (3) "Cannabis" means marijuana, as defined in section 21a-240, as
34 amended by this act;

35 (4) "Cannabis establishment" means a producer, dispensary facility,
36 cultivator, micro-cultivator, retailer, hybrid retailer, food and beverage
37 manufacturer, product manufacturer, product packager, delivery
38 service or transporter;

39 (5) "Cannabis flower" means the flower, including abnormal and
40 immature flowers, of a plant of the genus cannabis that has been
41 harvested, dried, cured, chopped or ground, and prior to any processing
42 whereby the flower material is transformed into a cannabis product.
43 "Cannabis flower" does not include (A) the leaves or stem of such plant,
44 or (B) hemp, as defined in section 22-61l, as amended by this act;

45 (6) "Cannabis testing laboratory" means a laboratory that (A) is

46 located in this state, (B) is licensed by the department to analyze
47 cannabis, and (C) meets the licensure requirements established in
48 section 21a-408r and the regulations adopted pursuant to subsection (d)
49 of section 21a-408r;

50 (7) "Cannabis testing laboratory employee" means an individual who
51 is (A) employed at a cannabis testing laboratory, and (B) registered
52 pursuant to section 21a-408r and the regulations adopted pursuant to
53 subsection (d) of section 21a-408r;

54 (8) "Cannabis trim" means all parts, including abnormal or immature
55 parts, of a plant of the genus cannabis, other than cannabis flower, that
56 have been harvested, dried and cured, and prior to any processing,
57 excluding chopping or grinding, whereby the plant material is
58 transformed into a cannabis product. "Cannabis trim" does not include
59 hemp, as defined in section 22-61l, as amended by this act;

60 (9) "Cannabis product" means cannabis, intended for use or
61 consumption, that is in the form of (A) a cannabis concentrate, or (B) a
62 product that contains cannabis and at least one other cannabis or
63 noncannabis ingredient or component, excluding cannabis flower;

64 (10) "Cannabis concentrate" means any form of concentration,
65 including, but not limited to, extracts, oils, tinctures, shatter and waxes,
66 that is extracted from cannabis;

67 (11) "Cannabis-type substances" have the same meaning as
68 "marijuana", as defined in section 21a-240, as amended by this act;

69 (12) "Commissioner" means the Commissioner of Consumer
70 Protection and includes any designee of the commissioner;

71 (13) "Consumer" means an individual who is twenty-one years of age
72 or older;

73 (14) "Control" means the power to direct, or cause the direction of, the
74 management and policies of a cannabis establishment, regardless of
75 whether such power is possessed directly or indirectly;

76 (15) "Cultivation" has the same meaning as provided in section 21a-
77 408, as amended by this act;

78 (16) "Cultivator" means a person that is licensed to engage in the
79 cultivation, growing and propagation of the cannabis plant at an
80 establishment with not less than fifteen thousand square feet of grow
81 space;

82 (17) "Delivery service" means a person that is licensed to deliver
83 cannabis from (A) micro-cultivators, retailers and hybrid retailers to
84 consumers and research program subjects, and (B) hybrid retailers and
85 dispensary facilities to qualifying patients, caregivers and research
86 program subjects, as defined in section 21a-408, as amended by this act,
87 or to hospices or other inpatient care facilities licensed by the
88 Department of Public Health pursuant to chapter 368v that have a
89 protocol for the handling and distribution of cannabis that has been
90 approved by the department, or a combination thereof;

91 (18) "Department" means the Department of Consumer Protection;

92 (19) "Dispensary facility" means a place of business where cannabis
93 may be dispensed, sold or distributed in accordance with chapter 420f
94 and any regulations adopted pursuant to said chapter, to qualifying
95 patients and caregivers, and to which the department has issued a
96 dispensary facility license pursuant to chapter 420f and any regulations
97 adopted pursuant to said chapter;

98 (20) "Disproportionately impacted area" means (A) for the period
99 beginning July 1, 2021, and ending July 31, 2023, a United States census
100 tract in the state that has, as determined by the Social Equity Council
101 under subdivision (1) of subsection (i) of section 21a-420d, as amended
102 by this act, (i) a historical conviction rate for drug-related offenses
103 greater than one-tenth, or (ii) an unemployment rate greater than ten
104 per cent, and (B) on and after August 1, 2023, a United States census tract
105 in this state that has been identified by the Social Equity Council
106 pursuant to subdivision (2) of subsection (i) of section 21a-420d;

107 (21) "Disqualifying conviction" means a conviction within the last ten
108 years which has not been the subject of an absolute pardon under the
109 provisions of section 54-130a, or an equivalent pardon process under the
110 laws of another state or the federal government, for an offense under (A)
111 section 53a-276, 53a-277 or 53a-278_z [;] (B) section 53a-291, 53a-292 or
112 53a-293_z [;] (C) section 53a-215_z [;] (D) section 53a-138 or 53a-139_z [;] (E)
113 section 53a-142a_z [;] (F) sections 53a-147 to 53a-162, inclusive_z [;] (G)
114 sections 53a-125c to 53a-125f, inclusive_z [;] (H) section 53a-129b, 53a-129c
115 or 53a-129d_z [;] (I) subsection (b) of section 12-737_z [;] (J) section 53a-48
116 or 53a-49, if the offense which is attempted or is an object of the
117 conspiracy is an offense under the statutes listed in subparagraphs (A)
118 to (I), inclusive, of this subdivision_z [;] or (K) the law of any other state
119 or of the federal government, if the offense on which such conviction is
120 based is defined by elements that substantially include the elements of
121 an offense under the statutes listed in subparagraphs (A) to (J), inclusive,
122 of this subdivision;

123 (22) "Dispensary technician" means an individual who has had an
124 active pharmacy technician or dispensary technician registration in this
125 state within the past five years, is affiliated with a dispensary facility or
126 hybrid retailer and is registered with the department in accordance with
127 chapter 420f and any regulations adopted pursuant to said chapter;

128 (23) "Edible cannabis product" means a cannabis product intended
129 for humans to eat or drink;

130 (24) "Employee" means any person who is not a backer, but is a
131 member of the board of a company with an ownership interest in a
132 cannabis establishment, and any person employed by a cannabis
133 establishment or who otherwise has access to such establishment or the
134 vehicles used to transport cannabis, including, but not limited to, an
135 independent contractor who has routine access to the premises of such
136 establishment or to the cannabis handled by such establishment;

137 (25) "Equity" and "equitable" means efforts, regulations, policies,
138 programs, standards, processes and any other functions of government

139 or principles of law and governance intended to [:] (A) [Identify]
140 identify and remedy past and present patterns of discrimination and
141 disparities of race, ethnicity, gender and sexual orientation, [:] (B) ensure
142 that such patterns of discrimination and disparities, whether intentional
143 or unintentional, are neither reinforced nor perpetuated, [:] and (C)
144 prevent the emergence and persistence of foreseeable future patterns of
145 discrimination or disparities of race, ethnicity, gender and sexual
146 orientation;

147 (26) "Equity joint venture" means a business entity that is controlled,
148 and at least fifty per cent owned, by an individual or individuals, or such
149 applicant is an individual, who meets the criteria of subparagraphs (A)
150 and (B) of subdivision [(50)] (51) of this section;

151 (27) "Extract" means the preparation, compounding, conversion or
152 processing of cannabis, either directly or indirectly by extraction or
153 independently by means of chemical synthesis, or by a combination of
154 extraction and chemical synthesis to produce a cannabis concentrate;

155 (28) "Financial interest" means any right to, ownership, an investment
156 or a compensation arrangement with another person, directly, through
157 business, investment or family. "Financial interest" does not include
158 ownership of investment securities in a publicly-held corporation that
159 is traded on a national exchange or over-the-counter market, provided
160 the investment securities held by such person and such person's spouse,
161 parent or child, in the aggregate, do not exceed one-half of one per cent
162 of the total number of shares issued by the corporation;

163 (29) "Food and beverage manufacturer" means a person that is
164 licensed to own and operate a place of business that acquires cannabis
165 and creates food and beverages;

166 (30) "Grow space" means the portion of a premises owned and
167 controlled by a producer, cultivator or micro-cultivator that is utilized
168 for the cultivation, growing or propagation of the cannabis plant, and
169 contains cannabis plants in an active stage of growth, measured starting
170 from the outermost wall of the room containing cannabis plants and

171 continuing around the outside of the room. "Grow space" does not
172 include space used to cure, process, store harvested cannabis or
173 manufacture cannabis once the cannabis has been harvested;

174 (31) "Historical conviction count for drug-related offenses" means, for
175 a given area, the number of convictions of residents of such area (A) for
176 violations of sections 21a-267, 21a-277, 21a-278, 21a-279 and 21a-279a,
177 and (B) who were arrested for such violations between January 1, 1982,
178 and December 31, 2020, inclusive, where such arrest was recorded in
179 databases maintained by the Department of Emergency Services and
180 Public Protection;

181 (32) "Historical conviction rate for drug-related offenses" means, for
182 a given area, the historical conviction count for drug-related offenses
183 divided by the population of such area, as determined by the five-year
184 estimates of the most recent American Community Survey conducted
185 by the United States Census Bureau;

186 (33) "Hybrid retailer" means a person that is licensed to purchase
187 cannabis and sell cannabis and medical marijuana products;

188 (34) "Infused beverage" has the same meaning as provided in section
189 26 of this act;

190 [(34)] (35) "Key employee" means an employee with the following
191 management position or an equivalent title within a cannabis
192 establishment: (A) President or chief officer, who is the top ranking
193 individual at the cannabis establishment and is responsible for all staff
194 and overall direction of business operations; (B) financial manager, who
195 is the individual who reports to the president or chief officer and who is
196 responsible for oversight of the financial operations of the cannabis
197 establishment, which financial operations include one or more of the
198 following: (i) Revenue and expense management; (ii) distributions; (iii)
199 tax compliance; (iv) budget development; and (v) budget management
200 and implementation; or (C) compliance manager, who is the individual
201 who reports to the president or chief officer and who is generally
202 responsible for ensuring the cannabis establishment complies with all

203 laws, regulations and requirements related to the operation of the
204 cannabis establishment;

205 [(35)] (36) "Labor peace agreement" means an agreement between a
206 cannabis establishment and a bona fide labor organization under section
207 21a-421d pursuant to which the owners and management of the
208 cannabis establishment agree not to lock out employees and that
209 prohibits the bona fide labor organization from engaging in picketing,
210 work stoppages or boycotts against the cannabis establishment;

211 [(36)] (37) "Manufacture" means to add or incorporate cannabis into
212 other products or ingredients or create a cannabis product;

213 [(37)] (38) "Medical marijuana product" means cannabis that may be
214 exclusively sold to qualifying patients and caregivers by dispensary
215 facilities and hybrid retailers and which are designated by the
216 commissioner as reserved for sale to qualifying patients and caregivers
217 and published on the department's Internet web site;

218 [(38)] (39) "Micro-cultivator" means a person licensed to engage in the
219 cultivation, growing and propagation of the cannabis plant at an
220 establishment containing not less than two thousand square feet and not
221 more than ten thousand square feet of grow space, prior to any
222 expansion authorized by the commissioner;

223 [(39)] (40) "Municipality" means any town, city or borough,
224 consolidated town and city or consolidated town and borough;

225 [(40)] (41) "Paraphernalia" means drug paraphernalia, as defined in
226 section 21a-240, as amended by this act;

227 [(41)] (42) "Person" means an individual, partnership, limited liability
228 company, society, association, joint stock company, corporation, estate,
229 receiver, trustee, assignee, referee or any other legal entity and any other
230 person acting in a fiduciary or representative capacity, whether
231 appointed by a court or otherwise, and any combination thereof;

232 [(42)] (43) "Producer" means a person that is licensed as a producer

233 pursuant to section 21a-408i and any regulations adopted pursuant to
234 said section;

235 [(43)] (44) "Product manufacturer" means a person that is licensed to
236 obtain cannabis, extract and manufacture products;

237 [(44)] (45) "Product packager" means a person that is licensed to
238 package and label cannabis;

239 [(45)] (46) "Qualifying patient" has the same meaning as provided in
240 section 21a-408, as amended by this act;

241 [(46)] (47) "Research program" has the same meaning as provided in
242 section 21a-408, as amended by this act;

243 [(47)] (48) "Retailer" means a person, excluding a dispensary facility
244 and hybrid retailer, that is licensed to purchase cannabis from
245 producers, cultivators, micro-cultivators, product manufacturers and
246 food and beverage manufacturers and to sell cannabis to consumers and
247 research programs;

248 [(48)] (49) "Sale" or "sell" has the same meaning as provided in section
249 21a-240, as amended by this act;

250 [(49)] (50) "Social Equity Council" or "council" means the council
251 established under section 21a-420d, as amended by this act;

252 [(50)] (51) "Social equity applicant" means a person that has applied
253 for a license for a cannabis establishment, where such applicant is
254 controlled, and at least sixty-five per cent owned, by an individual or
255 individuals, or such applicant is an individual, who:

256 (A) Had an average household income of less than three hundred per
257 cent of the state median household income over the three tax years
258 immediately preceding such individual's application; and

259 (B) (i) Was a resident of a disproportionately impacted area for not
260 less than five of the ten years immediately preceding the date of such

261 application; or

262 (ii) Was a resident of a disproportionately impacted area for not less
263 than nine years prior to attaining the age of eighteen;

264 [(51)] (52) "THC" has the same meaning as provided in section 21a-
265 240, as amended by this act;

266 [(52)] (53) "Third-party lottery operator" means a person, or a
267 constituent unit of the state system of higher education, that conducts
268 lotteries pursuant to section 21a-420g, as amended by this act, identifies
269 the cannabis establishment license applications for consideration
270 without performing any review of the applications that are identified
271 for consideration, and that has no direct or indirect oversight of or
272 investment in a cannabis establishment or a cannabis establishment
273 applicant;

274 [(53)] (54) "Transfer" means to transfer, change, give or otherwise
275 dispose of control over or interest in;

276 [(54)] (55) "Transport" means to physically move from one place to
277 another;

278 [(55)] (56) "Transporter" means a person licensed to transport
279 cannabis between cannabis establishments, cannabis testing
280 laboratories and research programs; and

281 [(56)] (57) "Unemployment rate" means, in a given area, the number
282 of people sixteen years of age or older who are in the civilian labor force
283 and unemployed divided by the number of people sixteen years of age
284 or older who are in the civilian labor force."

285 Strike sections 6, 29 and 35 in their entirety and renumber the
286 remaining sections and internal references accordingly