

General Assembly

February Session, 2024

Amendment

LCO No. 5324



Offered by: SEN. KELLY, 21<sup>st</sup> 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."

Strike section 6 in its entirety and substitute the following in lieu
 thereof:

3 "Sec. 6. (NEW) (*Effective July 1, 2024*) (a) For the purposes of this section:

(1) "Container" (A) means an object that is offered, intended for sale
or sold to a consumer and directly contains an infused beverage or
legacy infused beverage, and (B) does not include an object or packaging
that indirectly contains, or contains in bulk for transportation purposes,
an infused beverage or legacy infused beverage; and

10 (2) "Legacy infused beverage" has the same meaning as provided in11 section 26 of this act.

12 (b) A fee of twenty-five cents shall be assessed by a dispensary 13 facility, hybrid retailer or retailer on each infused beverage container and legacy infused beverage container sold by such cannabis
establishment. Such fee shall not be subject to any sales tax or treated as
income pursuant to any provision of the general statutes.

17 (c) On October 1, 2024, and every six months thereafter, each 18 dispensary facility, hybrid retailer or retailer shall remit payment to the 19 department for each infused beverage container and legacy infused 20 beverage container sold during the preceding six-month period. The 21 funds received by the department from infused beverage sales and 22 legacy infused beverage sales shall be deposited in the consumer 23 protection enforcement account established in section 21a-8a of the 24 general statutes for the purposes of (1) protecting public health and 25 safety, (2) educating consumers and licensees, and (3) ensuring 26 compliance with cannabis and liquor control laws."

27 Strike section 29 in its entirety and substitute the following in lieu 28 thereof:

"Sec. 29. (NEW) (*Effective from passage*) (a) For the purposes of thissection:

(1) "Business" means any individual or sole proprietorship,
partnership, firm, corporation, trust, limited liability company, limited
liability partnership, joint stock company, joint venture, association or
other legal entity through which business for profit or not-for-profit is
conducted;

36 (2) "Commissioner" means the Commissioner of Consumer37 Protection;

38 (3) "Container" (A) means an object that is intended for sale to a 39 consumer, as defined in section 21a-420 of the general statutes, as 40 amended by this act, and directly contains an infused beverage or legacy 41 infused beverage, and (B) does not include an object or packaging that 42 indirectly contains, or contains in bulk for transportation purposes, an 43 infused beverage or legacy infused beverage;

44	(4) "Dispensary facility" has the same meaning as provided in section
45	21a-420 of the general statutes, as amended by this act;
46	(5) "Hybrid retailer" has the same meaning as provided in section 21a-
<b>H</b> 0	(5) Trybrid retailer thas the same meaning as provided in section 21a-
47	420 of the general statutes, as amended by this act;
48	(6) "Infused beverage" means a beverage that (A) is not an alcoholic
49	beverage, as defined in section 30-1 of the general statutes, (B) is
50	intended for human consumption, and (C) contains, or is advertised,
51	labeled or offered for sale as containing, total THC, as defined in section
52	21a-240 of the general statutes, as amended by this act, that is not greater
53	than three milligrams per container;
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54	(7) "Legacy infused beverage" means a beverage that (A) is not an
55	alcoholic beverage, as defined in section 30-1 of the general statutes, (B)

56 is intended for human consumption, (C) contains, or is advertised, 57 labeled or offered for sale as containing, THC, as defined in section 21a-58 240 of the general statutes, as amended by this act, and (D) as of the 59 effective date of this section, is in compliance with (i) the provisions of 60 RERACA, as defined in section 21a-420 of the general statutes, as 61 amended by this act, and (ii) the policies and procedures issued by the 62 Commissioner of Consumer Protection to implement, and any 63 regulations adopted pursuant to, RERACA, as defined in section 21a-64 420 of the general statutes, as amended by this act;

(8) "Package store" means premises operating under a permit issued
under subsection (b) of section 30-20 of the general statutes, as amended
by this act; and

(9) "Retailer" has the same meaning as provided in section 21a-420 ofthe general statutes, as amended by this act.

(b) (1) Beginning on May 15, 2024, no business, other than a
dispensary facility, hybrid retailer, retailer or package store, shall sell
any infused beverage or legacy infused beverage in this state unless
such business has satisfied the requirements established in subdivision
(1) of subsection (c) of this section.

(2) Beginning on October 1, 2024, no business, other than a dispensary
facility, hybrid retailer, retailer or package store, shall sell, or possess
with intent to sell, any infused beverage or legacy infused beverage in
this state unless such business has satisfied the requirements established
in subsection (c) of this section.

(c) (1) Not later than May 14, 2024, each business, other than a
dispensary facility, hybrid retailer, retailer or package store, that owns
and possesses any infused beverage or legacy infused beverage in this
state on said date shall take an inventory of all containers such business
owns and possesses in this state on said date.

(2) Not later than June 15, 2024, each business, other than a
dispensary facility, hybrid retailer, retailer or package store, shall
submit to the Department of Consumer Protection, in a form and
manner prescribed by the Commissioner of Consumer Protection:

(A) A report disclosing the results of the inventory conductedpursuant to subdivision (1) of this section; and

91 (B) A fee in the amount of twenty-five cents per container included in92 such inventory.

(3) If any business, other than a dispensary facility, hybrid retailer,
retailer or package store, fails to submit the report and pay the fee
required under subdivision (2) of this subsection on or before June 15,
2024, the Commissioner of Consumer Protection shall:

97 (A) Make a good faith estimate, based on the information available to
98 the commissioner, of the number of containers that such business
99 owned, and were in such business's possession, in this state on May 14,
100 2024; and

(B) Invoice such business for a fee in the amount of twenty-five centsper container described in subparagraph (A) of this subdivision.

(d) All fees received by the Department of Consumer Protectionunder this section shall be deposited in the consumer protection

105 enforcement account established in section 21a-8a of the general106 statutes.

107 (e) If any business, other than a dispensary facility, hybrid retailer, 108 retailer or package store, fails to submit the report and pay the fee 109 required under subdivision (2) of subsection (c) of this section on or 110 before June 15, 2024, the Commissioner of Consumer Protection may, 111 subject to the provisions of chapter 54 of the general statutes, revoke, 112 place conditions upon or suspend any certificate, license, permit, 113 registration or other credential the Department of Consumer Protection 114 has issued to or for such business."

Strike section 35 in its entirety and substitute the following in lieuthereof:

"Sec. 35. (NEW) (*Effective July 1, 2024*) (a) For the purposes of thissection:

(1) "Container" has the same meaning as provided in section 26 of thisact; and

(2) "Infused beverage" has the same meaning as provided in section26 of this act.

(b) A fee of twenty-five cents shall be assessed by the holder of a
wholesaler permit or a wholesaler permit for beer issued under section
30-17 of the general statutes on each infused beverage container sold to
the holder of a package store permit issued under subsection (b) of
section 30-20 of the general statutes, as amended by this act. Such fee
shall not be subject to any sales tax or treated as income pursuant to any
provision of the general statutes.

(c) On January 2, 2025, and every six months thereafter, each holder
of a wholesaler permit or a wholesaler permit for beer issued under
section 30-17 of the general statutes shall remit payment to the
department for each infused beverage container sold during the
preceding six-month period. The funds received by the department

135 from infused beverage sales shall be deposited in the consumer 136 protection enforcement account established in section 21a-8a of the 137 general statutes for the purposes of (1) protecting public health and 138 safety, (2) educating consumers and licensees, and (3) ensuring 139 compliance with cannabis and liquor control laws."

This act shall take effect as follows and shall amend the following<br/>sections:Sec. 6July 1, 2024New sectionSec. 29from passageNew sectionSec. 35July 1, 2024New section