

General Assembly

February Session, 2024

Amendment

LCO No. 5808



Offered by: SEN. MARONEY, 14th Dist. REP. D'AGOSTINO, 91st Dist.

To: Senate Bill No. 200

File No. 73

Cal. No. 73

"AN ACT ESTABLISHING A TASK FORCE TO STUDY CONSUMER PROTECTION MEASURES."

Strike everything after the enacting clause and substitute the
 following in lieu thereof:

3 "Section 1. (*Effective from passage*) (a) There is established a task force 4 to study the effect of allowing social equity applicants described in section 21a-420o of the general statutes and eligible for cannabis 5 6 cultivation licenses to (1) enter into business agreements to cultivate 7 cannabis on the lots, and in the facilities, of hemp cultivators, which lots 8 and facilities may be located outside of disproportionately impacted 9 areas, as defined in section 21a-420 of the general statutes, and (2) form 10 other business arrangements to facilitate market entry for, and the 11 commercial viability of, their prospective businesses. Such study may 12 include, but need not be limited to, an examination of (A) land and 13 facility use agreements, and (B) forms of partnerships or other forms of 14 joint business participation.

15 (b) The task force shall consist of the following members:

16 (1) One appointed by the speaker of the House of Representatives, 17 who shall be a member of the House of Representatives and the joint 18 standing committee of the General Assembly having cognizance of 19 matters relating to consumer protection, and whose district shall 20 include a disproportionately impacted area, as defined in section 21a-21 420 of the general statutes;

(2) One appointed by the president pro tempore of the Senate, who
shall be a member of the Senate and the joint standing committee of the
General Assembly having cognizance of matters relating to consumer
protection, and whose district shall include a disproportionately
impacted area, as defined in section 21a-420 of the general statutes;

(3) One appointed by the majority leader of the House of
Representatives, who shall be a social equity applicant described in
section 21a-4200 of the general statutes seeking a license to cultivate
cannabis outdoors;

(4) One appointed by the majority leader of the Senate, who shall be
a member of the Social Equity Council who has been appointed to said
council (A) pursuant to subdivision (4) of subsection (b) of section 21a420d of the general statutes, or (B) by any other member of the General
Assembly;

(5) One appointed by the minority leader of the House of
Representatives, who shall be a producer, as defined in section 22-61*l* of
the general statutes, who (A) has been continually licensed under
section 22-61*l* of the general statutes since January 1, 2023, and (B) is
located outside of a disproportionately impacted area, as defined in
section 21a-420 of the general statutes;

(6) One appointed by the minority leader of the Senate, who shall be
a member of the Social Equity Council who has been appointed to said
council (A) pursuant to subdivision (6) of subsection (b) of section 21a420d of the general statutes, or (B) by any other member of the General

46	Assembly;		
47	(7) One appointed by the chairperson of the Black and Puerto Rican		
48	Caucus of the General Assembly, who shall be a member of the House		
49	of Representatives;		
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50	(8) One appointed by the chairperson of the Black and Puerto Rican		
51	Caucus of the General Assembly, who shall be a member of the Senate;		
52	and		
53	(9) The Commissioner of Consumer Protection or said		
54	commissioner's designee, provided such designee shall (A) be		
55	employed by the Department of Consumer Protection, and (B) have		
56	been a resident of a disproportionately impacted area, as defined in		
57	section 21a-420 of the general statutes.		
50			
58	(c) All initial appointments to the task force shall be made not later		
59	than thirty days after the effective date of this section. Any vacancy shall		
60	be filled by the appointing authority.		
61	(d) The speaker of the House of Representatives and the president		
62	pro tempore of the Senate shall select the chairpersons of the task force		
63	from among the members of the task force. Such chairpersons shall		
64	schedule the first meeting of the task force, which shall be held not later		
65	than sixty days after the effective date of this section.		
66 (7	(e) The administrative staff of the joint standing committee of the		
67 (9	General Assembly having cognizance of matters relating to consumer		
68	protection shall serve as administrative staff of the task force.		
69	(f) Not later than January 1, 2025, the task force shall submit a report		
70	on its findings and recommendations to the joint standing committee of		
71	the General Assembly having cognizance of matters relating to		
72	consumer protection, in accordance with the provisions of section 11-4a		
73	of the general statutes. The task force shall terminate on the date that it		
74	submits such report or January 1, 2025, whichever is later.		

75 Sec. 2. Section 31 of substitute house bill 5150 of the current session,

76	as amended by House Amendment Schedule "A", is repealed and the			
77	following is substituted in lieu thereof (<i>Effective January 1, 2025</i>):			
78	(a) As used in this section:			
79	(1) "Cannabis establishment" has the same meaning as provided in			
80	section 21a-420 of the general statutes, as amended by [this act] section			
81	4 of substitute house bill 5150 of the current session, as amended by			
82	House Amendment Schedule "A";			
83	(2) "Consumer" has the same meaning as provided in section 21a-420			
84	of the general statutes, as amended by [this act] section 4 of substitute			
85	house bill 5150 of the current session, as amended by House			
86	Amendment Schedule "A";			
87	(3) "Container" (A) means an object that is offered, intended for sale			
88	or sold to a consumer and directly contains (i) a manufacturer hemp			
89	product, or (ii) a moderate-THC hemp product, and (B) does not include			
90	an object or packaging that indirectly contains, or contains in bulk for			
91	transportation purposes, (i) a manufacturer hemp product, or (ii) a			
92	moderate-THC hemp product;			
93	(4) "Manufacturer" has the same meaning as provided in section 22-			
94	611 of the general statutes, as amended by section 23 of substitute house			
95	bill 5150 of the current session, as amended by House Amendment			
96	Schedule "A";			
97	[(4)] (5) "Manufacturer hemp product" has the same meaning as			
98	provided in section 22-61 <i>l</i> of the general statutes, as amended by [this			
99	act] section 23 of substitute house bill 5150 of the current session, as			
100	amended by House Amendment Schedule "A";			
101	[(5)] (6) "Moderate-THC hemp product" (A) means a manufacturer			
102	hemp product that has total THC, as defined in section 21a-240 of the			
103	general statutes, as amended by [this act] section 1 of substitute house			
104	bill 5150 of the current session, as amended by House Amendment			
105	Schedule "A", of not less than one-half of one milligram, and not more			

106 than five milligrams, on a per-container basis, and (B) does not include 107 (i) an infused beverage, as defined in section 26 of [this act] substitute 108 house bill 5150 of the current session, as amended by House Amendment Schedule "A", or (ii) a legacy infused beverage, as defined 109 110 in section 26 of [this act] substitute house bill 5150 of the current session, 111 as amended by House Amendment Schedule "A"; and 112 [(6)] (7) "Moderate-THC hemp product vendor" means a person that (A) holds a certificate of registration issued by the Commissioner of 113 114 Consumer Protection pursuant to this section, and (B) is not a cannabis 115 establishment. 116 (b) Beginning on January 1, 2025, no person shall sell or offer to sell, 117 at retail, any moderate-THC hemp product in the state to consumers 118 unless such person is a cannabis establishment or holds a certificate of 119 registration issued by the Commissioner of Consumer Protection 120 pursuant to this section. The provisions of this section shall not apply to 121 the wholesale or commercial distribution of moderate-THC hemp 122 products for resale. 123 (c) (1) (A) Beginning on January 1, 2025, a person seeking a certificate

of registration as a moderate-THC hemp product vendor shall submit to the Commissioner of Consumer Protection, in a form and manner prescribed by the commissioner, an application accompanied by a nonrefundable application fee in the amount of two thousand dollars <u>or</u>, <u>if the applicant actively holds a manufacturer license, in the amount of</u> <u>one thousand dollars</u>. Such application shall, at a minimum, disclose:

(i) The location in the state where such person currently sells <u>or offers</u>
 <u>to sell</u>, or proposes to sell <u>or offer to sell</u>, at retail, moderate-THC hemp
 products to consumers; and

(ii) Except as provided in subparagraph (C) of this subdivision,information sufficient for the commissioner to determine that:

(I) During the preceding year, at least eighty-five per cent of theaverage monthly gross revenue generated at such existing retail location

137 was derived from sales, at retail, of moderate-THC hemp products to138 consumers; or

(II) It is reasonably likely that at least eighty-five per cent of the
average monthly gross revenue to be generated at such proposed retail
location will be derived from sales, at retail, of moderate-THC hemp
products to consumers.

143 (B) Except as provided in subparagraph (C) of this subdivision, the 144 commissioner shall not issue a certificate of registration as a moderate-145 THC hemp product vendor unless the commissioner has determined 146 that the applicant satisfies, or is reasonably likely to satisfy, the 147 minimum sales threshold established in subparagraph (A) of this 148 subdivision. Each such certificate shall expire annually, and shall allow 149 the moderate-THC hemp product vendor to sell and offer to sell, at 150 retail, moderate-THC hemp products to consumers at such location.

151 (C) (i) No person seeking a certificate of registration as a moderate-152 THC hemp product vendor shall be required to disclose information 153 sufficient for the Commissioner of Consumer Protection to determine 154 that such person satisfies, or is reasonably likely to satisfy, the minimum 155 sales threshold established in subparagraph (A) of this subdivision if 156 such person (I) manufactures moderate-THC hemp products at the 157 location in the state where such person sells or offers to sell, or proposes 158 to sell or offer to sell, at retail, moderate-THC hemp products to 159 consumers, or (II) is actively licensed as a manufacturer and sells or 160 offers to sell, or proposes to sell or offer to sell, at retail, to consumers moderate-THC hemp products manufactured by such manufacturer. 161

162 (ii) The commissioner may issue a certificate of registration as a 163 moderate-THC hemp product vendor to a person that satisfies the 164 criteria set forth in [this] subparagraph (C)(i) of this subdivision even if 165 such person does not satisfy the minimum sales threshold established 166 in subparagraph (A) of this subdivision.

167 (2) (A) Each certificate issued pursuant to this section shall be 168 renewable for additional one-year periods. Each moderate-THC hemp 169 product vendor seeking renewal shall submit to the Commissioner of 170 Consumer Protection, in a form and manner prescribed by the 171 commissioner, a renewal application accompanied by a nonrefundable 172 renewal application fee in the amount of two thousand dollars or, if the 173 moderate-THC hemp product vendor actively holds a manufacturer 174 license, in the amount of one thousand dollars. Such application shall, 175 at a minimum and except as provided in subparagraph (B) of this 176 subdivision, disclose information sufficient for the commissioner to 177 determine that, during the preceding registration year, at least eighty-178 five per cent of the average monthly gross revenue generated at the 179 moderate-THC hemp product vendor's registered retail location was 180 derived from sales, at retail, of moderate-THC hemp products to 181 consumers. Except as provided in subparagraph (B) of this subdivision, 182 the commissioner shall not issue a renewal to a moderate-THC hemp 183 product vendor unless the commissioner has determined that the 184 moderate-THC hemp product vendor satisfied such minimum sales threshold. 185

186 (B) (i) No moderate-THC hemp product vendor seeking renewal of a 187 certificate issued pursuant to this section shall be required to disclose 188 information sufficient for the Commissioner of Consumer Protection to 189 determine that such moderate-THC hemp product vendor satisfied the 190 minimum sales threshold established in subparagraph (A) of this 191 subdivision if (I) such moderate-THC hemp product vendor manufactures moderate-THC hemp products at such moderate-THC 192 193 hemp product vendor's registered retail location, or (II) is actively 194 licensed as a manufacturer and sells or offers to sell, at retail, to 195 consumers moderate-THC hemp products manufactured by such 196 manufacturer.

(ii) The commissioner may issue a renewal to a moderate-THC hemp
product vendor that satisfies the criteria set forth in [this] subparagraph
(B)(i) of this subdivision even if the moderate-THC hemp product
vendor did not satisfy the minimum sales threshold established in
subparagraph (A) of this subdivision.

_	SB 200 Amendment		
202	(3) All fees collected by the department under this section shall be		
203	deposited in the consumer protection enforcement account established		
204	in section 21a-8a of the general statutes.		
205	(d) No person may act as a moderate-THC hemp product vendor, or		
206	represent that such person is a moderate-THC hemp product vendor,		
207	unless such person has obtained and actively holds a certificate of		
208	registration as a moderate-THC hemp product vendor issued by the		
209	Commissioner of Consumer Protection pursuant to this section.		
010	(-) No complete establishment on modemus THC home and dest		
210	(e) No cannabis establishment or moderate-THC hemp product		
211	vendor, or agent or employee of a cannabis establishment or moderate-		
212	THC hemp product vendor, shall sell a moderate-THC hemp product to		
213	any individual who is younger than twenty-one years of age. Prior to		
214	selling any moderate-THC hemp product to an individual, the cannabis		
215	establishment, moderate-THC hemp product vendor, agent or		
216	employee shall first verify the individual's age with a valid government-		
217	issued driver's license or identity card to establish that such individual		
218	is twenty-one years of age or older.		

(f) No person shall sell any moderate-THC hemp product intendedfor human ingestion in packaging that includes more than twocontainers.

(g) All moderate-THC hemp products shall meet the standards set
forth for manufacturer hemp products in subsections (v), (w) and (x) of
section 22-61m of the general statutes, as amended by [this act] section
<u>24 of substitute house bill 5150 of the current session, as amended by</u>
<u>House Amendment Schedule "A".</u>

(h) All moderate-THC hemp products shall meet (1) the testing
standards for manufacturer hemp products established in, and any
regulations adopted pursuant to, section 22-61m of the general statutes,
as amended by [this act] section 24 of substitute house bill 5150 of the
current session, as amended by House Amendment Schedule "A", or (2)
such other testing standards for manufacturer hemp products as the
Commissioner of Consumer Protection, in the commissioner's

234 discretion, may designate.

(i) Each moderate-THC hemp product container shall prominently
display a symbol, in a size of not less than one-half inch by one-half inch
and in a format approved by the Commissioner of Consumer Protection,
that indicates that such moderate-THC hemp product is not legal or safe
for individuals younger than twenty-one years of age.

(j) No cannabis establishment or moderate-THC hemp product
vendor, or agent or employee of a cannabis establishment or moderateTHC hemp product vendor, shall gift or transfer any moderate-THC
hemp product at no cost to a consumer as part of a commercial
transaction.

(k) Each moderate-THC hemp product vendor shall be subject to the
investigation and enforcement provisions set forth in section 21a-421p
of the general statutes.

248 The Commissioner of Consumer Protection shall adopt (1)249 regulations, in accordance with the provisions of chapter 54 of the 250 general statutes, to implement the provisions of this section. 251 Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, 252 of the general statutes, the commissioner shall, prior to adopting such 253 regulations and in order to effectuate the provisions of this section, issue 254 policies and procedures to implement the provisions of this section that 255 shall have the force and effect of law. The commissioner shall post all 256 policies and procedures on the Department of Consumer Protection's 257 Internet web site, and submit such policies and procedures to the 258 Secretary of the State for posting on the eRegulations System, at least 259 fifteen days prior to the effective date of any policy or procedure. Any 260 such policy or procedure shall no longer be effective upon the earlier of 261 either the adoption of the policy or procedure as a final regulation under 262 section 4-172 of the general statutes or forty-eight months from July 1, 263 2024, if such regulations have not been submitted to the legislative 264 regulation review committee for consideration under section 4-170 of 265 the general statutes.

266 (m) Following a hearing conducted in accordance with chapter 54 of 267 the general statutes, the Commissioner of Consumer Protection may 268 impose an administrative civil penalty, not to exceed five thousand 269 dollars per violation, and suspend, revoke or place conditions upon any 270 moderate-THC hemp product vendor that violates any provision of this 271 section or any regulation adopted pursuant to subsection (l) of this 272 section. Any administrative civil penalty collected under this subsection 273 shall be deposited in the consumer protection enforcement account 274 established in section 21a-8a of the general statutes.

- 275 Sec. 3. Section 29 of substitute house bill 5150 of the current session,
- as amended by House Amendment Schedule "A", is repealed (*Effective*
- 277 *from passage*)"

This act shall take effect as follows and shall amend the following sections:				
Section 1	from passage	New section		
Sec. 2	January 1, 2025	HB 5150 (current		
		session), Sec. 31		
Sec. 3	from passage	HB 5150 (current		
		session), Sec. 29		