

### HB 7371 — regulates adult-use cannabis, with a focus on equity and public health

- **Regulatory framework:** Sets up a framework for the legal, regulated production and sale of cannabis and cannabis products for adults 21 and older in Connecticut. Allows licensed cultivators, product manufacturers, retail stores, and testing labs. Creates a five-member, governor-appointed Cannabis Commission within the Department of Consumer Protection (DCP) to license and regulate the industry.
  - Two commissioners must have a background in civil rights or social justice.
  - Commission employees include an executive director plus staff to review and process applications, assist applicants, and enforce regulations.
- **Social equity:** Requires the commission to promote full participation in the industry by people from communities disproportionately impacted by cannabis prohibition.
  - Allocates at least \$500,000 per year on outreach and assistance to individuals from communities that have been disproportionately harmed by cannabis prohibition.
  - Grants preference to equity applicants, which includes individuals who have a cannabis conviction, have a parent or child with a cannabis conviction, or who are from census tract areas with higher than average poverty and unemployment.
    - Equity applicants will be licensed at least three months before other applicants for each license type. Medical cannabis businesses may apply at the same time.
    - Reduces all fees for equity applicants.
  - Requires each business to report annually on diversity in its workplace and ownership and the commission to report annually on aggregate numbers.
  - Specifies that individuals with past cannabis convictions cannot be prohibited from participating in the cannabis industry.
  - Requires all licensees to establish and adhere to policies to encourage diversity in the workplace, contracts, and other professional opportunities.
  - Requires any non-equity applicant to comply with an approved plan to provide investment and employment opportunities in disproportionately impacted communities with a history of economic disinvestment.
  - Allows delivery and requires the commission to consider how to increase employment opportunities in delivery for disproportionately impacted communities.
- **Regulations:** The commission must make recommendations — in many cases by January 15, 2020 — regarding implementing legislation, including to:
  - impose requirements for licensees regarding health, safety, security, storage, transportation, employment, training, and lab testing;
  - ensure advertising, products, and packaging are not designed to appeal to minors; toys, animals, cartoons, and products that look like a specific trademarked food must be forbidden, as well as addictive and toxic additives; and prohibiting mass-market campaigns that have a high likelihood of reaching children;
  - require a warning handout or label regarding impaired driving, the need to keep cannabis away from minors and pets, and about possible risks such as cannabis use disorder, risks specific to younger adults with developing minds, those specific to pregnancy and breastfeeding, and any risks of exacerbating psychosis;
  - require individual childproof packaging of edibles and concentrates, limited to no more than five milligrams of THC per individually packaged serving, and limit cannabis products to 50% THC, unless the commissioner makes an exception;
  - require cannabis employees to be at least 21 years old;
  - provide cannabis to be tested for contaminants and potency; and

- require provisions for the suspension and revocation of licenses.
- **Cultivation:** Provides for at least three types of cultivation facilities: small, medium, and large, with fees varying based on the size.
- A cultivation facility may also manufacture products, but it cannot operate a retailer.
- Retailer application and licensing fees are at least \$2,500, except for equity applicants.
- **Local control:** Allows towns to prohibit or restrict cannabis businesses. Towns may not impose any fees on equity applicants approved by the commission.
- **Medical cannabis:** Eliminates patient fees. Directs the commission to study the feasibility of subsidizing medical cannabis. Requires businesses selling to adults and patients to expedite medical sales. Patients will be allowed higher potency cannabis.
- **Further study:** Requires an RFP for a study on the feasibility of allowing microbusinesses and whether to allow home cultivation. It is due by January 1, 2021.

#### **SB 1085 — legalizes cannabis for adults and erases some criminal records**

- **Legalizes simple possession:** Beginning on July 1, 2019, adults 21 and older could possess up to 1.5 ounces of cannabis, with no more than five grams of concentrates.
  - Cannabis must be secured from unauthorized access and minors.
  - Cannabis must have been purchased from a Connecticut retailer.
- **Decriminalizes slightly exceeding the limit.** Possessing a small amount over the limit is fine-only civil offense. That includes possessing less than a half ounce over the limit or possessing over five grams of concentrates, but under 1.5 ounces of cannabis.
- Cannabis retailers could sell no more than the above limits in a transaction. Penalties are removed from other cannabis establishments, too.
- Adults may produce cannabis paraphernalia for their use or sale to adults.
- Clean air restrictions that apply to tobacco would apply to cannabis smoking.
- Penalties for minors attempting to buy alcohol would apply to cannabis, too.
- **Erasing criminal records:** People with past convictions for up to 1.5 ounces of cannabis could petition for erasure of the record and for that petition to be granted and the records destroyed. There would be no fee charged for those petitions.
- **Parole and probation:** Probation and conditional discharge could not be revoked for state-legal possession or use of marijuana.

#### **SB 1138 — adult-use cannabis tax and community restoration**

- Imposes a \$35/ounce tax on flower (\$13.50/ounce for trim) on transfers from cultivators
- Imposes a 6.35% tax on retail sales, plus a 3% local sales tax
- Distributes the bulk of the revenue to the Community Development Corporation Trust Fund to fund early literacy, underserved schools, and otherwise improving the lives of people living in economically distressed and underserved communities
- Also will direct the council that oversees the fund to distribute some funding to mental health or substance abuse disorder treatment services in municipalities

#### **The Connecticut Coalition to Regulate Marijuana's stance:**

The coalition strongly supports legalizing and regulating marijuana for adults' use and appreciates the bills' strong focus on equity and reparative justice. We suggest strengthening the bills, including by expanding erasure to allow erasure for larger amounts of cannabis, allowing home cultivation, and removing the requirement that cannabis be purchased from a Connecticut retailer to avoid the continued criminalization of those without receipts.