

CHAIRPERSONS: Senator James Maroney,
Representative Mike D'Agostino

SENATORS: Cicarella, Cohen, Kissel,
Lopes, Osten

REPRESENTATIVES: Brown, Rutigliano, Ackert,
Allie-Brennan, Aniskovich,
Candelaria, Fazzino, Gibson,
Osborne, Pizzuto, Rochelle,
Santos, Scott, Yaccarino

REP. D'AGOSTINO (91ST): All right, we're going to call the public hearing of the General Law Committee to order at 1:31. Just some operational announcements. Just given the number of speakers we have today, what we're going to do is take a break around 2:05, and we're going to move up to 2D which has got a lot more space for everybody. That way we can make sure everybody's accommodated if they need to sit down and want to get more comfortable. So, we'll do that.

And then we're going to start today with our normal procedure, and sort of historical process where we will allow our elected officials, legislators to testify first. A number of them have other committee meetings and obligations today. So, we're going to jiggle the order a little bit with respect to that.

And then finally, for those of you who are here, I know there's a number of people here with respect to particular concepts that we're hearing today. And we'll stay as late as we need to, to hear everybody, obviously. We always do that.

If, however, you are together with a group and you signed up individually and you want to come up together, either in person or online, or a mix of both, we're going to encourage you to do that. It'll just make it easier for the day to go on. You can get home by dinner if you need to. But also it

helps us frankly if you're all here talking about a particular concept, and you've got a particular story to tell on that concept, if we can hear you all together, it makes sense, we can ask the questions, we can have a more robust dialogue.

We'll relax the three minute rule. If you choose to do that, just let us know, let MJ know, if you're online in a group, shoot him a note online. Let us know that that's what you want to do. We're encouraging you to do that today.

So, for example, a bunch of hemp farmers who might be here, if you want to sit down together and come up and tell your stories and testify on a particular aspect of the bill, let's do that. It's something we don't normally do. But I think given the overlapping concepts and speakers today, it might make some sense. So we're happy to do that today. Just let us know that that's what you want to do.

So, with that, we'll get going and we'll start with the House Majority Leader, Representative Candelora.

REP. CANDELORA (86TH): Thank you. Good afternoon, Chairman D'Agostino, and Maroney, and Ranking Member Rutigliano. I'm here to testify on two bills. I'm just going to mention and reference our testimony on Senate Bill 135 dealing with the licensing fees.

We fully support that piece of legislation. I'm also here to testify in favor of House Bill 5150, which is trying to address our hemp and cannabis regulations. And I'm asking for an addition to be considered in that bill, specifically to contemplate adding in the illegal sale of cannabis to be included as a CUTPA violation under Connecticut Law.

And this request is specifically arising out of a situation in my community where we have voted for a moratorium on any dispensaries, on any sales. And we have basically a very active storefront that's

essentially distributing large quantities of THC products.

I've also heard even beyond THC products, but actual hallucinogenics, and other drugs, and our law enforcement are in a situation with, under our current laws, it's impossible and very difficult to be able to shut this establishment down. DCP has no jurisdiction because they're not licensed in the State of Connecticut.

My thought is if we add the CUTPA provisions, it gives the ability for private individuals to come in and remove these bad actors from our community. Putting aside the impact that it has on our cannabis industry to have an unregulated seller effectively in the State of Connecticut.

It's also putting us in a situation in our community. They're violating zoning laws, they're violating health care laws. And there's just no way to get our agencies to be able to come in and shut it down. But a private course of action, if we're able to hit these organizations in the pocketbook, we may have a shot of tamping down this illegal market. And so with that, I'm happy to answer any questions.

REP. D'AGOSTINO (91ST): Thank you, Leader Candelora. I think, just as a sort of initial comments. So I want to know, obviously we've worked well together on this committee and then in the House and Senate, I think there's large broad bipartisan support for strengthening our enforcement members.

We created a regulated market and we want the products to be sold in that regulated market, and a lot of what we're considering today, that theme is going to permeate a lot of the testimony in questions today because that's really what you're seeing from this committee in the past and this year.

So, I'm appreciative of the suggestion and I like the idea of building in a per se CUTPA violation for violations. There's separate things we need to do frankly on the criminal enforcement side, which is not under the jurisdiction of this committee, obviously, that's Judiciary.

But speaking for myself, here's the Majority Republican Leader in the House, and Democratic Chair of the committee agreeing on the need for enforcement. And again, I like conceptual the idea of a per se CUTPA violation.

I'm a little uncomfortable with the idea of the private right of action. You probably understand why. I certainly like the idea of building in a CUTPA violation that then arms DCP and the AG's Office or regulatory bodies to enforce on the private right of action, I mean, where does that money go? You know what I mean?

REP. CANDELORA (86TH): I mean, I would agree on that piece. I think under our current CUTPA laws, DCP could create the regulations and then give the authority to the AG. I much more prefer that as well, and I think it would give them the ability to come in because, frankly, it isn't about individuals being able to privately collect on these, it's about stopping this illegal activity.

So, I would agree with you. I think that avenue which is already in current law, if there's a way we can make it specifically for DCP, I would have no problem with that.

REP. D'AGOSTINO (91ST): And that we could take your concept and build off of that. And then there's no question, they have that enforcement power under CUTPA, which gives them the power to five grand in fines per violation, disgorgement of profits. We're also considering a separate bill this year that will actually make sure that DCP can take away licensure.

But as you mentioned, a number of these entities aren't within the regulated marketplace. And so that sort of neuters that, but I like arming our enforcement agencies and making it a per se violation and then they can go in and use all those enforcement powers under CUTPA, the way you're envisioning it. Representative Rutigliano.

REP. RUTIGLIANO (123RD): Just on the general topic. Can municipality be included in the one able to bring a per se CUPTA?

REP. D'AGOSTINO (91ST): I mean, that's not in our statutes right now. And I think we'd all have to sort of think about that whether we want to expand the Connecticut Unfair Trade Practices Act to be enforced by municipality.

Keep in mind, of course, municipalities have broad zoning power right now. So maybe there's something we can do in conjunction with planning development and zoning powers to say that a violation here not only is a CUTPA violation, but automatically refers that entity to a local zoning enforcement agency for further penalty or review or something like that.

REP. RUTIGLIANO (123RD): I only bring that up because it does seem that a lot of the complaints come up from the municipalities and then they get frustrated, either local PD or local zoning or just the municipality itself. I don't know. Representative Candelora.

REP. CANDELORA (86TH): I mean, what we're experiencing in our community, we have local zoning that is having trouble even just enforcing their own zoning. So, in my mind, they already have the ability to shut this establishment down, but they're having hurdles. I mean, there's already health code violations and that they're selling food in this establishment without a license, but we don't have our health district coming in to enforce that.

And the third piece is for our police, they've gone in, they have gathered information. Who do they serve the arrest warrant to? Because it sort of is a corporate entity which complicates it.

So they're still working with the state and this has been going on for eight months and it's gotten so brazen that driving up here today, I'm a big fan of WPLR, if you turn on Chaz & AJ, they were advertising and talking about an activity that's going to occur next Wednesday at this facility.

And so we're at a point now, I know these laws are put into place to stop the black market, but it really is starting to get so brazen and out of control that there is nobody there to be able to regulate this market.

And that's why I'm thinking, well, maybe the AG has already shown an interest in going after the licensed ones that are illegally selling these products, maybe as an extension, this will give them more tools.

REP. D'AGOSTINO (91ST): I think you've got full agreement here from me, certainly. I like the idea of building in that power and that way there's no question, you can go right in for the injunction, you can go right in for the penalties, and not have to worry about meeting that sort of threshold hurdle.

So, I thank you for bringing it to us. Are there questions from committee members for the Majority Leader? The Minority Leader, excuse me, I promoted you there. No offense to Representative Rojas.

REP. ROJAS (9TH): I'm not correcting you.
[laughter]

REP. D'AGOSTINO (91ST): Online, MJ?

CLERK MJ SHANNON: No questions online, Mr. Chairman.

REP. D'AGOSTINO (91ST): Thank you, Representative. I appreciate your time.

REP. CANDELORA (86TH): Thank you.

REP. D'AGOSTINO (91ST): MJ.

CLERK MJ SHANNON: Did you want to keep going with elected Representatives?

REP. D'AGOSTINO (91ST): Yes.

CLERK MJ SHANNON: Let's go next to Representative Aimee Berger-Girvalo.

REP. D'AGOSTINO (91ST): I think Representative is online.

CLERK MJ SHANNON: Yes, I'm adding her right now. All right.

REP. D'AGOSTINO (91ST): Got her, MJ?

CLERK MJ SHANNON: It's just taking awhile, so she's actually online but she's actually yielding her time to him.

REP. D'AGOSTINO (91ST): I just want to make sure we recognize the Representative.

CLERK MJ SHANNON: Yes, I'm just trying to add her and for some reason it's not working.

REP. D'AGOSTINO (91ST): Aimee, can you hear me?

CLERK MJ SHANNON: Oh, now she's in.

REP. D'AGOSTINO (91ST): Aimee? Yes, MJ? No?

CLERK MJ SHANNON: She's in, Mr. Chairman. I'm guessing she can hear you.

REP. D'AGOSTINO (91ST): Representative, can you hear me?

CLERK MJ SHANNON: Oh my God. Okay.

REP. D'AGOSTINO (91ST): No?

CLERK MJ SHANNON: We could move on for a sec. Sorry.

REP. D'AGOSTINO (91ST): Let me come back to Aimee. Let's go, who else do we have here live?

CLERK MJ SHANNON: Live, we can do Rep. Santiago. Is she in here?

REP. D'AGOSTINO (91ST): Any of the Representatives in the room? I don't see anybody. There you go, Representative Cheeseman, let me get Representative Cheeseman. Representative Vail.

REP. VAIL (52ND): You sure?

REP. D'AGOSTINO (91ST): Yeah. Why don't you come up? And then Representative Cheeseman, I see. Afternoon, Representative.

REP. VAIL (52ND): Good afternoon. Like a little bit like sardines in here today. Very popular committee. Chairman D'Agostino and Maroney, Ranking Members Cicarella and Rutigliano, and the honorable members of the General Law Committee, I'm here today to support Senate Bill 135 with some changes. Specifically, I'm hopeful that the committee will add language. I got to put my glasses on.

REP. D'AGOSTINO (91ST): Like Washington, you have grown blind in the service of your country and your state. [laughter]

REP. VAIL (52ND): Exactly, well put. I'm hopeful that this committee will add language to this bill to support small businesses and ensure a timely chain of payment between owners, contractors and subcontractors on construction projects in this state.

I've submitted lengthy written testimony that I would ask you if you could please look with a lot more detail. And specifically, my suggestion is that section 42-158j of the Connecticut General Statutes be amended to model the terms of a portion of the Virginia's Law.

And again, I've submitted all that with my testimony and I would like to yield my time to one of my constituents who brought this to my attention, Carmen Barker and also Michelle Lemoi.

MS. CARMEN BARKER: Thank you, Representative Vail, for yielding your time. Good afternoon, Legislative Committee. My name is Carmen Barker and besides me is Michelle Lemoi, the Senior Project Manager and also the Senior Business Development Manager for Division 5, LLC. And I would also like to acknowledge the owner of the company, Conrad Barker is also sitting out there. Just continue?

REP. VAIL (52ND): Yes.

MS. CARMEN BARKER: Okay. All righty. We are here on behalf of Division 5, LLC. We are a small minority owned business. We have been in business for going on 11 years in April. We have about 16 employees combined of full time and part time employees. We fabricate and install miscellaneous and structural steel, and the majority of our work come from commercial properties.

So basically, if we win a bid on a project, the next step is to get the contract signed from both parties, from the owner and the general contractor. And the contract will detail the cost of the project

and other pertinent information. We are here today because once some owners/general contractors failed to pay in a timely manner, which causes us to lose our lien rights.

As per Connecticut Lien Statute 49-35, a notice of intent to lien in Connecticut must be sent no later than 90 days after your last day of work. And this happens quite too often. We are promised either we would be paid or, there's been a delay in payment, which leaves us with the burden of being unable to pay our vendors, not being able to pay our vendors on time, or looking for other ways to fund, paying our vendors. This is a trickle-down effect for everyone involved. If we don't pay our vendors on time, then we're not able to place an order to start another project. So this is why it is important for our owners and general contractors to pay us, in a timely manner.

The second issue we face, is how the contracts are written. They would say paid when paid, or paid if paid. So where does this leave us? This has caused us many headaches. General contractors have been known to be untruthful, and say we have not been paid and this leaves us, completing work, satisfactory work, and not receiving any payment from them. Sometimes the general contractor has already moved on to another project. So now we have to take on the burden of hiring an attorney to find out if they were paid. And there have been times when the owners have said yes, I did pay them. So now that's another burden for us to try to either bring them to small claims court.

The verbiage in this contract does go against the Connecticut lien statute and it should not be enforceable. Connecticut's small businesses are not the only ones facing this issue. In April of 2022 the Virginia General Assembly passed Senate Bill 550 which makes paid when paid, or paid if paid clauses unenforceable. And in most circumstances requires both public and private construction contracts to

include specific payment clauses, that obligates the contractors to be liable for the entire amount owed to any subcontract with which it contracts.

I am asking that owners slash general contractors who fail to make timely payments should result in interest penalties. Payments should be made within 60 days of satisfactory completion of the subcontractor portion of the work, and remove verbiage from contracts that say paid if paid, or paid when paid, and any construction contract that runs counter to these requirements should be voided and unenforceable. Thank you for your time. Michelle Lemoi, would you like to add something to that?

REP. D'AGOSTINO (91ST): Let me just see if there's any questions--

MS. CARMEN BARKER: Oh, yes.

REP. D'AGOSTINO (91ST): --from committee members.

REP. RUTIGLIANO (123RD): Are you asking questions?

REP. D'AGOSTINO (91ST): I'm not-- good. Do you have?

REP. RUTIGLIANO (123RD): I do have.

REP. D'AGOSTINO (91ST): Go ahead.

REP. RUTIGLIANO (123RD): Good afternoon. How are you?

MS. CARMEN BARKER: Good afternoon, Representative.

REP. RUTIGLIANO (123RD): Do you have the ability to negotiate on your own, the terms of the contract? Do they just present you with a contract? And are you able to say, disagree or make modifications to whatever they present you, you're not offered that ability--

MS. MICHELLE LEMOI: No, not really.

REP. RUTIGLIANO (123RD): --by law or just because?

MS. MICHELLE LEMOI: It's really flow down, right. So whatever the owner goes down to the general contractor, goes down to the subcontractor, and really if this is, you want to do the work, you need to sign the contract. And here are the terms. So there's really, even though our attorney reviews all of our contracts and she advises us of notice clauses, and lien requirements, and all these things. If we want to do the work, we really as subcontractors have to say yes, and hope for the best that if we do the work and we do it well, we're going to get paid at the end of the job, within the confines of the contract.

REP. RUTIGLIANO (123RD): And how do you determine, you said in the beginning that one of the payment switches, flips the switches you're completed, who determines that you're completed? Is it the contractor that does that or is it like say you're getting inspected and the inspector says, okay, you're good to go. So that would be your completion date. Thus, the payment term would happen after that.

MS. MICHELLE LEMOI: So from our point of view or any subcontractor, really, it's the scope of work that's been determined in the contract. Once that is completed, but that can be at any point during the length of the project. So for our structural steel, let's say that's six months before the end of the substantial completion of the project, we then have to file a 90 day lien against the project after we're done last day on the job. But the job is still going, just so that we can make sure that we get paid because the lien rights are from the last day that we were on the job.

REP. RUTIGLIANO (123RD): Did you understand that?

REP. D'AGOSTINO (91ST): I do. I mean, I guess, I have the other concern which is if we did this, I mean, what if the contractor is not paid? And--

MS. MICHELLE LEMOI: Right. So the lien when we file the lien--

REP. D'AGOSTINO (91ST): No, no. If we did what you're asking, and the contractor isn't paid by the owner, they can't pay you, but then you've got the hammer on them to say, well, now you have to pay me under State Law within 60 days. I don't care if the owner has paid you or not.

MS. MICHELLE LEMOI: Right.

REP. D'AGOSTINO (91ST): Is that fair?

MS. MICHELLE LEMOI: Well, no. So the idea is that, it would be flow down, right. So those clauses should be nonexistent from top down.

REP. D'AGOSTINO (91ST): Right. So, really to do this right, we have to do that. That, which is a sea change to the whole industry that you'd be asking for. Which I get, I'm not saying I'm opposed to it. To bite off, just the snippet here--

MS. MICHELLE LEMOI: Sure.

REP. D'AGOSTINO (91ST): --my concern would be, then I've flipped the, I mean, you're concerned about an imbalance in the law, but if we do it just the way you're asking to, it flips it the other way, which is now you can go to the contractor and say, I don't care if you got paid by the owner or not, you got 60 days to pay me.

MS. MICHELLE LEMOI: Well, again, I think following this Virginia Law has specifics in there as to what they were able to get passed and how that affects all parties.

REP. D'AGOSTINO (91ST): All right. I'll take a look at it. Other questions?

MS. CARMEN BARKER: Yes, the law does specify between private projects, high tier contractors, State agency, and local governments. So it does break it down in those three areas. Again, we are more than willing to have a conversation with a general contractor if he's proven he has not been paid, but they also have to take on some responsibility, and follow up with the owners and do their due diligence, and get their attorneys or whoever involved, to follow up with the owner and hold them responsible. We get that but we don't have the conversation with the owners. So we just-- the sub that is just going by what the general contractor says.

REP. D'AGOSTINO (91ST): Look, listen, I get the point. I think from a policy perspective, I'm not opposed to this. My concern is that, this is a pretty broad issue that we probably need to hear from a bunch of parties in the chain here, to make sure we understand the ramifications of, just curing your issue, my concern is that I'm creating another one.

So I think we want to-- but I really appreciate you bringing this to us. This is an interesting issue that I'm interested in moving forward with. I'd like to hear more about it. Senator --

REP. RUTIGLIANO (123RD): I wanted to just finish on that was, I am supportive, but I just wanted to make sure that there's nothing in law, like a regulatory or in law that stops you, A, from negotiating, or B, from getting paid and really with our regulation of DCP or DCP's regulation over a contractor, maybe it's their license that's in peril as opposed to, I don't know if we have the ability to impose fines or interest, but maybe their license is in peril to operate, if they're not paying in a timely manner.

I'm not really sure what that would look like, but I'm not, I know you have language in front of you. I just want to make sure there isn't anything currently in law that stops you from negotiating on your own behalf. So that's a question out there in the ether for Legislative Research or something, because that would be unacceptable.

REP. D'AGOSTINO (91ST): Senator, please.

SENATOR KISSEL (7TH): Thank you very much, Mr. Chair. Kurt, great to see you Representative Vail, and your constituents. I was just wondering it sounds like you're sort of beholden to a contract of adhesion, you're sort of last in the food chain and I get it. And you're going to be scrambling for business. What prevents you though and I can understand why it may rile them a little bit.

But just as a matter of course, assuming, it's just part of your practice within 30 days of when you conclude your work, you just file the mechanic's lien. And then if they get, there's no reason that that should bother them unless they have some sort of refinancing, right along the horizon. And if they say, why did you do that to say we just want to secure your payment as soon as you pay us, we'll be happy to include a release of that mechanic's lien. Why can't you just do that to keep yourself safe?

MS. MICHELLE LEMOI: I think we have been doing that as of recently because we've had some situations that have been a problem, but there's a cost associated with that, right, an attorney that requires having an attorney on retainer that can do all these and file all these liens. And so, as a small business, when we're running margins that are pretty tight with competition and just the fact of the scope of the work, it just becomes another burden that's on the subcontractor's hands to make sure that we get paid for a job that we've completed.

SENATOR KISSEL (7TH): Okay. Well, I appreciate the fact that, I mean, I feel bad that you have to spend that extra money to secure your payment. But there is a mechanism out there. I appreciate the fact that it may not always be the best way to interreact with the other folks that you're dealing with. But it may be a heavy lift in trying to turn the whole system around, but I appreciate you coming and testifying today. Thank you very much, Mr. Chair.

REP. D'AGOSTINO (91ST): Thank you, Senator. Other questions from committee members? Online? Representative, please.

REP. VAIL (52ND): And again, this is something we just want to look into. They did it in Virginia and we want to do more research on how it's working there. And certainly we're willing to work with this committee to try to find language that will make everybody comfortable and not create any unforeseen, like the Chairman said, any unforeseen issues with another part of the payment process. But we're more than happy to work with this committee to try to find language that will work for everybody.

REP. D'AGOSTINO (91ST): But no, thank you for providing the Virginia Law. Actually, it does my co-Chair here pointed out to me that it does address the situation I was concerned with because it does say, the earlier of the invoicing or the contract actually being paid. So there's a safety mechanism in there that basically says if you're paid as a contractor, then you have to pay the sub, which was my issue that I was raising, but. Representative Osborne.

REP. OSBORNE (16TH): Thank you, Mr. Chair. So just to clarify, as the subcontractor, you do not have any ability to go to the person or the entity for which you have performed the work, and try to collect on that contract yourself. You are entirely

at sort of the mercy of the general contractor, correct?

MS. CARMEN BARKER: That is correct.

REP. OSBORNE (16TH): So it's only the general contractor who can engage in any self help or legal recourse against the entity for which you have done the work, correct?

MS. CARMEN BARKER: Correct.

REP. OSBORNE (16TH): Okay. Thank you very much. No further questions, Mr. Chair.

REP. D'AGOSTINO (91ST): Thank you.

MS. CARMEN BARKER: Can I just ask one more thing?

REP. D'AGOSTINO (91ST): Go ahead please.

MS. CARMEN BARKER: There have been situations where we did have to go directly to the owner because our, what we designed, the railings we designed and installed, was on their property which increased the value of their property, which it's now prices going up and everything. So there have been situations where we actually had to go to the owner, and sue the owner directly, because the general contractor is gone on another project. So there are some very small cases where we can go directly to the owner.

REP. OSBORNE (16TH): So if I might follow up, Mr. Chair?

REP. D'AGOSTINO (91ST): Please.

REP. OSBORNE (16TH): So you don't need privity of direct contract with the client themselves in order to be able to pursue that legally?

MS. CARMEN BARKER: Our attorney handles that.

REP. OSBORNE (16TH): Okay.

REP. OSBORNE (16TH): Thank you, Mr. Chair.

REP. D'AGOSTINO (91ST): Because the owner probably makes that very argument, Representative Osborne. Very good. We've got some very good attorneys on this committee. She's one of them. Thank you Representative Vail, I want to keep this. Thank you very much for bringing this to us. Thank you for the Virginia. I'm sorry, okay. You want to go? All right. We're good. Representative Cheeseman. Afternoon Holly, welcome back.

REP. CHEESEMEN (37TH): Thank you. It's like old home week went from higher to General Law, so, thank you, Chairs D'Agostino, Maroney, Ranking Members Rutigliano and Cicarella. I appreciate the opportunity to testify in support of your Bill 5150 and 135. I want to commend this committee having let the genie out of the bottle, you're doing the best to keep her under control. So I don't have to, you know my history with this, any legislation dealing with cannabis, in fact, you must have known the minute a title came out containing cannabis, you were going to see Representative Cheeseman.

But, I particularly welcome the move with regarding, redefinition of high THC, restricting substances containing THC to dispensaries, getting rid of the whole promotional coupon thing I think is very important. So I'm very appreciative of those moves. However, I have some further suggestions of things we could do to make this market, I believe safer. The more, again, research is done, the more we find out particularly about the damaging effects of cannabis use on the developing fetus. And indeed on breastfed babies. There was a study that recently came out of Duke, that linked significant increase in neurological cancers in infants to cannabis use by pregnant women.

And indeed a study by the Colorado Department of Public Health in Denver post legalization of retail cannabis. When surveyed 70% of the retail outlets recommended the use of cannabis for the treatment of morning sickness. This is a dangerous, dangerous thing.

And I believe our warnings on our cannabis products should make that much clearer. I know the warnings with regard to the dangers of use during pregnancy and breastfeeding only appear quarterly and State consumption while pregnant or breastfeeding may be harmful.

I would suggest we go to the California wording which says explicitly, warning do not use while pregnant or breastfeeding. Substances in cannabis are transferred from mother to child and can harm your baby.

I think that's much more clear, it's based on the science that's out there and I believe there is no mother who knowingly wants to ingest a substance that's going to damage her child. I would also like to see given the increase in child poisonings from the use of edibles, truly childproof packaging.

And as four States do, I would like the number of the Poison Control Center printed on the packaging. And briefly SB 135, any moves that would improve the licensing structure in Connecticut and remove barriers to entry into trades and professions is welcomed.

I would love to see this go further, but I think this is a great first step in leveling the fee structure for those licenses. And that concludes my testimony and I would be happy to take any questions and again, thank you for raising these two bills.

REP. D'AGOSTINO (91ST): Thank you, questions for Representative Cheeseman? Committee members? Online? MJ, anyone?

CLERK MJ SHANNON: No questions.

REP. D'AGOSTINO (91ST): Concisely done Holly.
Thank you. We appreciate it.

REP. CHEESEMAN (37TH): Thank you.

REP. D'AGOSTINO (91ST): Why don't we take a break
and go up to, is it 2D, MJ?

CLERK MJ SHANNON: Yeah.

REP. D'AGOSTINO (91ST): Which has got more room, we
can reconvene at 2:15 in 2D. All right, MJ, we good
online?

CLERK MJ SHANNON: Yes, Mr. Chairman.

REP. D'AGOSTINO (91ST): And you were able to
transfer everything over here nicely.

CLERK MJ SHANNON: Yes.

REP. D'AGOSTINO (91ST): So great. Okay. We'll
call the committee meeting back to order. Thank you
for the quick move, folks. Appreciate you coming up
to 2D here. Hopefully, this gives you all a little
bit more room. We will pick right up with the
Deputy Commissioner of DCP, Miss Skyers-Thomas.
Afternoon, Commissioner.

DCP CMMR. SKYERS-THOMAS: Okay. Now we're on. Good
afternoon, everyone. Senator Maroney.
Representative D'Agostino, Senator Cicarella,
Representative Rutigliano, and the esteemed members
of the General Law Committee, thank you for having
us this afternoon.

We're here to speak very briefly on our support of
Senate Bill 15, and our acknowledgment of an aspect
of House Bill 5150. And we're so greatly
appreciative of being able to work with the

committee on different aspects. Rather than reading my testimony. I'm just going to suggest that I quiet myself and allow you to ask questions please.

REP. D'AGOSTINO (91ST): What's the 5150 issue?

DCP CMMR. SKYERS-THOMAS: With regard to 5150. We are not in favor of the provision that suggests that there should be elimination of the in-person pharmacists oversight. So we believe that there is a benefit to Telehealth.

But in this instance, it's really imperative that there is that in-person presence for continuity of care, for familiarity. And we think it just makes for a better aspect and a better program. So we are not in favor of that elimination.

REP. D'AGOSTINO (91ST): And that's the proposal of the committee to eliminate or to allow Telehealth for the medical cannabis patients coming in right now, it's in person.

DCP CMMR. SKYERS-THOMAS: Exactly, sir.

REP. D'AGOSTINO (91ST): All right. Terrific. Thank you. Appreciate, DCP, weighing in on the issue. Questions for the commissioner, please. Representative Rutigliano.

REP. RUTIGLIANO (123RD): Thank you, Mr. Chairman. So as in regards to the pharmacist, this is my question. So everywhere you go CVS, Walmart, all the pharmacies are closing for a couple of hours a day. It seems to me that in the industry that there seems to be a shortage.

Now, I know that DCP has said there isn't a shortage, but out in the real world there are times during the day where these pharmacies are closed for an extended period of time. So the thought was that if we sort of allowed the dispensaries to go with the Telehealth option, that maybe some of these

pharmacists will end up back at pharmacies. You could agree, disagree or have a conversation about it or whatever.

DCP CMMR. SKYERS-THOMAS: So that's an interesting perspective. I believe that where we stand on that, is rather than assessing how helpful that would be, we're seeing that it would be truly a detriment to the patients.

So, having a Telehealth, where there's inconsistencies might be a detriment more so than allowing there to be flexibility and movement within the pharmaceutical aspect right there.

REP. RUTIGLIANO (123RD): So, a pharmacist inside of a dispensary, so when somebody is prescribed the medication, is it their job or the doctor's job to sort of see if there's a conflict with other medicine they're taking?

DCP CMMR. SKYERS-THOMAS: I think I might have-- say more.

REP. RUTIGLIANO (123RD): I just want to make sure I said that correctly. I don't think conflict is the right word. I think it's a reaction or -- anyway, go ahead.

DCP CMMR. SKYERS-THOMAS: Thankfully today we have our subject matter experts. So I'm not sure about that question, but the subject matter experts can address that--

REP. RUTIGLIANO (123RD): I appreciate that, thank you.

DCP CMMR. SKYERS-THOMAS: --a little bit more clearly.

MR. RODRICK MARRIOTT: Good afternoon. Thanks for having me. My name is Rod Marriott. I'm the Director of the Drug Control Division for the

Department of Consumer Protection. In the Medical Marijuana Program, the way it's structured is, the physician provides a certification which is slightly different than a traditional prescription.

In many cases, they certify that the patient has a debilitating condition on the list of approved conditions. In this case, those drug interactions are more likely identified by the pharmacist than the practitioner in those particular circumstances.

REP. RUTIGLIANO (123RD): Okay. You and I have talked offline about, the only reason I brought it up is because we did an entire bill last year for Senator Cicarella, and others because the pharmacies were closing without notifications.

And we asked them, why are you closing? And they said that they were closing because they didn't have a pharmacist. So I didn't know if that was just a holdover from COVID or if we really do have a shortage of pharmacists.

MR. RODRICK MARRIOTT: I don't know that we have a shortage of pharmacists but in Tuesday's hearing, you heard a bill, Senate Bill 3133, that offered potential relief to the pharmacists work conditions, which are very stressful these days, with the additional opportunities for their practice, things like vaccinations.

We have hormonal contraception prescribing coming soon. So this ability to delegate tasks safely is an opportunity to hopefully relieve that issue.

REP. RUTIGLIANO (123RD): I hear you. The only thing that concerns me is that even though we're going to allow the techs to do a little bit more, a pharmacist has to be present in order for them to do a little bit more. So, but if you say we have enough licensed pharmacists, then I'll take that under advisement.

MR. RODRICK MARRIOTT: There's roughly 6,600 pharmacists licensed in the State.

REP. RUTIGLIANO (123RD): Historically, how does that compare to five or 10 years ago?

MR. RODRICK MARRIOTT: Fairly consistent. But I will get those numbers for you more specifically.

REP. RUTIGLIANO (123RD): So, if we have the same number for all those years, we didn't have, well, I guess we did have medical dispensaries 10 years ago that required a pharmacy. So we'd have to go back even further. All right. So I guess I move on from pharmacies and I'll just ask Deputy Commissioner.

DCP CMMR. SKYERS-THOMAS: Yes, Sir.

REP. RUTIGLIANO (123RD): One question about the fee bill, which I'm in favor of, disclosure as you know, we did the ticket Bill last year. But say, down the road, business wants to put a fee on or service fee for something or another. Does this bill make it that illegal or just as a disclosure?

DCP CMMR. SKYERS-THOMAS: Disclosure, clear and conspicuous and we're completely in favor of that. So, whatever the fees are, let us know in advance.

REP. RUTIGLIANO (123RD): So if somebody says, has a room service menu and on that menu, the reading in the room, it would have to be clear and conspicuous on the bottom what the service fee is. So you're basically not banning the service fee. It's a disclosure bill.

DCP CMMR. SKYERS-THOMAS: Disclosure, yes, Sir.

REP. RUTIGLIANO (123RD): Thank you for that clarification.

DCP CMMR. SKYERS-THOMAS: Thank you.

REP. RUTIGLIANO (123RD): Thank you, Mr. Chairman.

REP. D'AGOSTINO (91ST): Thank you, Representative. Other questions for the Deputy Commissioner or DCP staff, please. Senator, you good? Okay. Online, MJ?

CLERK MJ SHANNON: No questions online, Mr. Chairman.

REP. D'AGOSTINO (91ST): Okay. I mean, Rod, I think, you heard our concern, not a concern, but I mean, I think it was motivating the pharmacy piece, was the Telehealth piece, was this, maybe misinformed belief of ours in terms of a shortage.

Well, we'll be interested to hear from obviously, we've got medical patients here today. We've got dispensaries here today, who all may be testifying on this issue. So we'll take it under advisement. We appreciate the DCP perspective on our bill. Thank you. Thank you.

DCP CMMR. SKYERS-THOMAS: Thank you [inaudible 00:39:21].

MR. RODRICK MARRIOTT: Thank you.

REP. D'AGOSTINO (91ST): Appreciate it. MJ.

CLERK MJ SHANNON: Yes. Next up online, we have Representative Berger-Girvalo.

REP. D'AGOSTINO (91ST): And who else do we have for our Representatives available?

CLERK MJ SHANNON: Rep. Hilda Santiago and Senator Ryan Fazio.

REP. D'AGOSTINO (91ST): All right, we'll go in that order after Aimee Berger. Thank you.

REP. BERGER-GIRVALO (111ST): Thank you so much, Mr. Chair. And thank you for trying to say that long name. It is Berger-Girvalo. I see, am I freezing up?

REP. D'AGOSTINO (91ST): No, you're good.

REP. BERGER-GIRVALO (111ST): I apologize. We're doing the--

REP. D'AGOSTINO (91ST): Coming through out loud and clear.

REP. BERGER-GIRVALO (111ST): --community work in my neighborhood, which is why the phone wouldn't connect before. So, my apologies for the technical difficulty. I actually am here to cede my testimony to a gentleman who is a constituent, a local businessman, who offers his insight whenever and wherever I may need it as it applies to our work.

Most importantly, he's a guy with great taste in Prestige TV, too. But I would like to offer my time to Mitch Ancona who was actually there with you in person. So, thank you again to the entire committee for allowing me this opportunity.

REP. D'AGOSTINO (91ST): Thank you, Representative, good to see you. Go ahead, sir.

MR. MITCH ANCONA: Thank you. Members of Connecticut General Law Committee, my name is Mitch Ancona. I currently own three liquor stores in Fairfield County. The first was started by my grandfather right after the end of prohibition. So we are now celebrating our 91st year. I mentioned that only to say that I literally grew up in this industry.

And I'm going to make a simple point right off the bat. Never in the history of our industry has a legal product been introduced that directly competes with beverage alcohol. It's never happened. I want

to commend you all, right. It's been a difficult situation, I'm sure, in recognizing that this has to be regulated, it has to be thought out, it has to be thoroughly vetted to see exactly, who gets to sell what, when and where?

Currently I'm finding our consumers are searching for alternatives to alcohol. The rise of Dry January and Sober October should be seen as a clear message that the consumer is rethinking their alcohol consumption.

The increase in number of alcohol free and alcohol alternative beverages including hemp based THC beverages in Connecticut marketplace, is another clear indication that the consumer is designing substitutes to their glass of wine, cocktail, or beer. The majority of the wholesalers that we work with have added new alcohol free and alcohol alternative products to their portfolio.

Our sales figures support the change in consumers' desires. Our beverage, alcohol sales have been declining since 2022, while our alcohol free product sales have been increasing. We now carry over 120 different alcohol free, alcohol alternative beverages including non alc. wine, non alc. beer, CBD based beverages adapted in drinks, alcohol free mixers, non alc. spirits, mocktails and hemp based THC Seltzers and mocktails.

After doing our due diligence, as far as the legality of selling hemp based derived THC beverages, we began stocking these items in all three of our locations. From day one, we treated these products as if they were another liquor based product.

Honestly, I didn't know it wasn't age gated. I assumed it was. I personally tried these products since it was a brand new category. I wanted to be able to educate our curious clients with real-life personal experience. I find them to be a nice

alternative to drinking beverage alcohol. And our sales figures confirm that our consumers feel the same way.

We currently stock 30 different hemp based THC beverages. We've sold close to 400 cases of these items since mid 2023. This is second in sales only to our alcohol free beer sales with over 700 cases for the same time frame.

My thoughts would be to treat hemp based THC beverages similar to the way we treat spirit based alcohol products. 21 plus to purchase, only available in dispensaries and liquor stores. Flows through the traditional three tier distribution system.

Product labels registered with the State impose similar taxation. Keep the 5mg THC per container, 1mg THC per serving regulation in place, but keep an open mind to where this new segment might go in the future. Same penalties for selling to a minor that are currently in place for selling alcohol.

Some other aspects that could be considered or should be, hemp based THC beverages being shipped direct to consumer from out of State. On premise consumption and perhaps an additional license to actually be able to sell these THC beverages.

I also think that each one of the products should be registered with the State label wise. I really think there's a middle ground here that can make not only the retailer, wholesaler, and supplier, consumer, and the State happy. How did I do? Three minutes, less? I think. Hopefully.

REP. D'AGOSTINO (91ST): Perfect. Thank you. Questions from committee members? Representative Ackert.

REP. ACKERT (8TH): Thank you. Thank you for your testimony. And so your comments now makes sense.

How does your comments differ from what today's practice is?

MR. MITCH ANCONA: What do you mean?

REP. ACKERT (8TH): Well, you said, they should be, they should be, they should be, so?

MR. MITCH ANCONA: So, the way I understand it, this product is not age gated right now, right. In theory, you could in theory sell it to a minor. Am I correct with this? Right. I could, in theory as a store buy from someone out of State, put it on my shelf and there's no regulation there.

The labeling could be whatever, although you guys cleaned up the labeling nicely. Thank you. Those are, it's sort of a wild, wild west out there. And I would like to see it narrowed. Safety, I don't want kids getting this.

REP. ACKERT (8TH): And I appreciate your comments. I'm one of those one's that has gone to. I'm an IPA drinker now I'm drinking and I won't use the company's name, but near beer, they called, they're not low. So it's a better choice for me.

MR. MITCH ANCONA: I had one last night. I said I'm 57 now I don't bounce back from things nearly as well as I used to.

REP. ACKERT (8TH): I'm older than that. So, thank you for your testimony, sir.

MR. MITCH ANCONA: You welcome.

REP. D'AGOSTINO (91ST): And so just in terms of your question, with respect to the current structure. So what the committee has proposed in the bill is, and what we're going to hear a lot on today is to lower the threshold limit of THC anything 0.5 above per package, would have to be

sold through our regulated marketplace, regular dispensaries.

So over 21 carted all the requirements that are applicable to cannabis. You go and you can buy that product there. The issue, I'm here, correct me if I'm wrong. What you want to do is be able to sell these things in package stores.

MITCH ANCONA: Correct. We can put the same, regulations on that you would in dispensary. It's fine with me. I don't know. [crosstalk 00:46:44]

REP. D'AGOSTINO (91ST): I think the issue that--

MR. MITCH ANCONA: Yes.

REP. D'AGOSTINO (91ST): --I know, I have--

MR. MITCH ANCONA: Okay.

REP. D'AGOSTINO (91ST): --and what prompted the committee's bill, at least coming from leadership, just so committee members were aware is, we've got one marketplace for cannabis products, and that marketplaces are heavily regulated through this committee, dispensary, marketplace, labeling.

We've got an enforcement structure that we're trying to strengthen, and if we continue to allow these to be sold in liquor stores, for example, we've got now two marketplaces and you're proposing a separate structure, a separate regulatory environment, rigorous as it may be, my concern is we've got then two marketplaces for cannabis products. And our struggle has been our ability to control what the market is producing with respect to these cannabis products.

And we feel like, at least I feel like we have more control over that entire marketplace when it's funneled through that one path which is, the

regulated dispensaries. So that's what prompted the committee bill.

But I appreciate that, what this gentleman's proposing here is, he wants the liquor stores which, are currently are selling these products without age gating, without any processes to follow the three tier system. I'm just, I'm reluctant to creating an entire parallel structure for THC drinks, and cannabis infused drinks versus our whole cannabis marketplace. And that's what I think is before the committee.

So you are aware what is before you today in the bill. What the bill proposed does and what you're going to hear from speakers today on reactions to that, so. Representative Rutigliano I don't know if you have any.

REP. RUTIGLIANO (123RD): Yeah, I have a couple. Thank you, Mr. Chair. So just be clear, you're saying that these Seltzers have THC in them, do they have intoxicating properties? Are they intoxicant?

MR. MITCH ANCONA: Do they change your mindset?

REP. RUTIGLIANO (123RD): Sure.

MR. MITCH ANCONA: 100%? Just like alcohol would.

REP. RUTIGLIANO (123RD): So, but it's not alcohol, it's THC it's completely different than alcohol?

MR. MITCH ANCONA: Correct.

REP. RUTIGLIANO (123RD): Right. So if you spent, I don't know a couple million dollars to get a license to sell THC in a dispensary, would you be upset that somebody else was allowed to sell THC products without that license at all?

Because it's not just, these products aren't just in package stores. These products are in, they're

everywhere, they're in convenience stores, in gas stations, they're literally everywhere.

MR. MITCH ANCONA: And that's why I'm suggesting that we treat it exactly like a spirit based product. We already have a system in place, checks and balances to make sure the right people are selling it to the right people.

I don't want to see it in gas stations. I don't want to see it in convenience stores, as of right this second, I'm just trying to narrow the focus, right.

REP. RUTIGLIANO (123RD): I feel that we need to be a little intellectually honest.

MR. MITCH ANCONA: Okay.

REP. RUTIGLIANO (123RD): I don't know if the package store folks would be up here in favor of this if the dispensaries came and said, jeez, why can't I sell beer? People like a nice refreshing beer with my cannabis product, right or wrong?

MR. MITCH ANCONA: I guess you could make that argument. But you would also have to make the argument that you have allowed the dispensaries to sell beer. And now you're telling them they can't anymore. Right, is that correct as well?

REP. RUTIGLIANO (123RD): Intellectually, I don't think it's-- because it's not regulated. People didn't know that there's an intoxicant in the can, doesn't make it that it's okay to just keep going. There are lots of things in the pack.

MR. MITCH ANCONA: People didn't know there was an intoxicant in the can?

REP. RUTIGLIANO (123RD): I didn't know this.

MR. MITCH ANCONA: Yeah.

REP. RUTIGLIANO (123RD): I wasn't even familiar with this product up until about a year ago.

MR. MITCH ANCONA: Okay.

REP. RUTIGLIANO (123RD): So.

MR. MITCH ANCONA: Nor was I.

REP. RUTIGLIANO (123RD): Right.

MR. MITCH ANCONA: I think our first product rolled in, in March. And again, consumer seems to be attracted to it. Do I think that consumer is going to go to the dispensary? I don't think so. It's not the same person. This is a person that's looking to replace their 16 ounce IPA, their 220 calories. Maybe they drink one of those and a THC cocktail. They've now cut their alcohol consumption in half, right. They've saved their calories.

There's a movement today towards health conscious, right? I don't want to just live longer. I want to live better. And that's what I'm hearing from my consumers. I am one of my consumers.

REP. RUTIGLIANO (123RD): So I have a hard time. I struggle with it. I struggle with the reasoning that says, hey, just because I've been able to do it since last March, I should keep going because if we could extend that argument, that argument would be because next week we're going to sit here, right. We're going to sit here and we're going to talk about beer and Target and Walmart.

MR. MITCH ANCONA: Correct.

REP. RUTIGLIANO (123RD): Right. And we can make an intellectual argument why they don't have it. There's not enough floor space, it's not a grocery store. They can open up their own thing. But

you're saying, hey, it's okay for me to sell THC. But so why isn't it, okay for them to sell beer?

MR. MITCH ANCONA: Well, I think I would comment that this is a brand new product. This is a realm that to your point. You didn't know about a year ago nor did I. And you're comparing it to something that I would classify one of the three pillars to our industry.

What do we have? We have beer, we have wine and we have spirits. Okay. Now you're talking about the deterioration of one of the three main pillars versus a brand new product. This product is only being sold in my viewpoint, legally through package stores.

I know there's gray market out there. I know, I'm concerned too. I don't want to see it everywhere, right. But by us having it, I'm not taking anything away from anybody and I didn't, and we didn't ask for it.

REP. D'AGOSTINO (91ST): But, you can't have it both ways with your argument though.

MR. MITCH ANCONA: Okay.

REP. D'AGOSTINO (91ST): You can't sit there and say, oh, it's brand new and therefore it's different from beer. You, want along with dispensaries, the exclusive right to sell this. You already have -- let me finish. You have package stores have exclusive rights to sell alcohol in this State, beer, I mean, you name it, you guys have the monopoly and we've gone through here on this committee many times about how you protect that and we're going to have a hearing next week where they're going to come out in full force and protect that again, in terms of, as the Representative said, why can't we sell it in wine and grocery stores? Why can't we sell beer at where there's food being sold at Target?

So you guys are doing fine and now you want to come here and say, well, don't take away this little snippet of the sales that I have. Either it's a pillar or it's not. If it's a little snippet of your market, then it really isn't going to impact your bottom line.

If we say this should be sold only at dispensaries where we've got frankly a very strong health safety and welfare argument to make, where we have said as a State and we've been very consistent on this.

There is a regulated marketplace for cannabis products and what we've seen is the marketplace producing new products that say, oh, well, this doesn't really qualify. So we have to react.

So now we're reacting and what we're proposing is saying anything above a certain minimal level of THC is cannabis. And once we say that there's one regulated marketplace for cannabis that's clean, that's bipartisan, and that gives us overarching regulatory power over these particular products.

Once they get into the package stores, my concern is that I face the same thing I face with the package stores on other issues which we've been able to work through, but you guys don't give anything up once you get it.

And you want that monopoly power over, what you have beer, wine, spirits, and now you want it over cannabis products as well along with our regular marketplace. And I'm not going to do that just from a consumer standpoint in the first instance.

But most importantly, from a regulatory perspective, again, it's most important to me and I think bipartisan members of this committee and this legislature to say cannabis is cannabis and there's a lane for cannabis that this State has established

and that's where those products go. So you see where we're coming from on that?

MR. MITCH ANCONA: 100%. If I was to sort of go through some of the things that you mentioned, I don't agree with the definition of monopoly in the fact that, that would be just package stores selling it and we all know just package stores don't sell alcohol anymore. Also the word get, we didn't get anything at the end of prohibition, we set up a system, right. So that package stores would sell alcohol. We didn't ask for anything and--

REP. D'AGOSTINO (91ST): And we've set up a system after prohibition of cannabis where there's one marketplace for it and that's what we're going to do, at least for a little while, I think.

MR. MITCH ANCONA: I got you and I respect that, I respect your views. And I like having open candid conversation. I would also argue that the idea of THC is THC, is a little different. It would almost be like saying alcohol is alcohol and we've already proved that, that's not the case because we've carved out certain segments within the alcohol community that can be sold in different establishments. Correct.

REP. D'AGOSTINO (91ST): Well, I, again, I think we're figuring out. [background noise 00:55:46]

MR. MITCH ANCONA: I didn't ask for that.

REP. D'AGOSTINO (91ST): I don't know what you mean on that. But I think the point is, THC products, wait look, this is a brave new world. It's a new market for us. All right. And we've set up a structure for those products. We want to at least funnel those products through that structure and see how it works. We're two years into this, right.

MR. MITCH ANCONA: And I'm simply questioning the structure.

REP. D'AGOSTINO (91ST): Well, you're questioning it because you want to sell the product and make a profit.

MR. MITCH ANCONA: And I already have and talking as a consumer because I am my own consumer. There is a desire for this product.

REP. D'AGOSTINO (91ST): And we're not saying it's going to be banned. We're just going to say this is the place you have to buy it like we do--

MR. MITCH ANCONA: Okay.

REP. D'AGOSTINO (91ST): --with beer, wine and liquor.

MR. MITCH ANCONA: Fantastic. How is there--

REP. D'AGOSTINO (91ST): All right. Other questions from committee members? Go ahead. Senator.

SENATOR CICARELLA (34TH): You said you got these in March, started getting these March.

MR. MITCH ANCONA: Yes.

SENATOR CICARELLA (34TH): Where were you getting them from a distributor?

MR. MITCH ANCONA: Yeah.

SENATOR CICARELLA (34TH): You get them online, where?

MR. MITCH ANCONA: Serene, so I didn't know there was any other option too. It was brought to us, so Dry January is a thing and maybe you guys, it is a thing. It hurt us two years ago, I made a conscious decision that you can't convince people to drink, but I can support their decision not to drink.

So that's when I wanted to be basically the hub of alcohol free, right. So that's why I started bringing on as much of these products as possible. This was just an extension of an alcohol free alcohol alternative product. I brought it in.

SENATOR CICARELLA (34TH): But, so it is alcohol free. And I understand you have non alcoholic beer, which would not affect somebody that's trying to remain sober.

MR. MITCH ANCONA: Correct.

SENATOR CICARELLA (34TH): If they drink one of these, Seltzers that have the THC in them, it's going to alter their chemical balance and basically make them intoxicated in some way. Is that correct? He says it makes you feel--

MR. MITCH ANCONA: It's different.

SENATOR CICARELLA (34TH): --correct?

MR. MITCH ANCONA: It's difficult. I don't know what language to use. I don't like the, yes, it's an all body calmness. It's very, it's similar but different than drinking alcohol.

SENATOR CICARELLA (34TH): So, if I came to your store, I said, I'm sober, can I have one of those? Would you say, yes, you could have one of those.

MR. MITCH ANCONA: I would say, well, have you had them before?

SENATOR CICARELLA (34TH): No, no, I've never had, that's why I'm asking this question. I'm trying to understand.

MR. MITCH ANCONA: Right, exactly. No, I was role playing. If you were the client, I would say, have you had them before? You would say no. Well, I'd say, well, if you are curious about this, I would

try to go with the least amount of THC, drink a small amount and see how you feel.

I'm not going to speak to the concept of recovering alcoholic and what's going to happen with that person if they consume a beverage that is also mind altering. I do know that I have clients that have given up alcohol for whatever reasons.

I don't delve too much into those things, that are enjoying the THC because it's a social elixir that allows them to be at a party with a drink in their hand and not feel like they're just drinking a club soda with cranberry.

And the argument that THC is THC, you can smoke a pre rolled, you can vape, right. You can eat a gummy or you can drink a 5mg THC cocktail. Those are three vastly different In fact two of them get in your blood system considerably different, right. Vape and smoke.

SENATOR CICARELLA (34TH): I get that, but that's my concern that if somebody is remaining sober, not only from alcohol, but any type of a narcotic in any way or they may have to take a drug test for whatever reason.

If somebody ingests that and they're not realizing like I want a non alcoholic drink and we provide them with that, Seltzer, is there a warning that they're okay?

MR. MITCH ANCONA: Right, okay, so--

SENATOR CICARELLA (34TH): That's where I think I was going with it.

MR. MITCH ANCONA: It's clearly marked in all our stores that is hemp based THC, and because it is so new and the consumer has really no working idea, especially if they've never experienced THC, we walk them through, and try to explain to them exactly

what to expect and that it is going to alter how they feel, their brain chemistry.

SENATOR CICARELLA (34TH): Got it.

MR. MITCH ANCONA: So, yeah.

SENATOR CICARELLA (34TH): Okay.

MR. MITCH ANCONA: Okay.

SENATOR CICARELLA (34TH): Thank you for answering those questions. Just one last one. If somebody couldn't get them at your store and they weren't yet in the dispensaries, can you get these online anywhere or can you --?

MR. MITCH ANCONA: Yes, 100%. And in fact, I tested it. This company nowadays, they offer -- it's a very nice package. It's a little different thing. It looks like a 750 of tequila. It's looks like a liquor bottle. It has 750 milliliters in it and it tells you one ounce is 2 milligrams of THC. So what you would do with this is you would maybe make a cocktail with it, which I have. So you take an ounce of that, which would be 2 milligrams of THC, and add it to --

SENATOR CICARELLA (34TH): But you are able to -- I'm sorry. You get them online right now --

MR. MITCH ANCONA: And I have two other orders standing with two other companies. One is Clarity, which is about organ. For the point, I wanted to test that because where I'm at, my consumer base, if they can't get into my store and they're not comfortable driving to -- the closest suspense is Danbury, and then I think there's one in Stanford. Richfield, put a moratorium on it. Wilton did. A lot of these towns don't -- they're not going to drive to the dispensary. They're going to go online, drinking their coffee in the morning. They're going to go to one of these sites and it's

going to be delivered to their door three days later. And I'm not sure how you stop that.

SENATOR CICARELLA (34TH): Yeah. But I guess part of my concern or just trying to process this is, if they're going to go online, they're clearly looking for it. If you get somebody that's going into your store for non-alcoholic beverage and that's maybe an option. You have somebody that's new at your establishment to start at work there directing towards that. Next thing you know, they're ingesting, I would assume is something that would be considered a controlled substance like alcohol and they would think they're drinking a Seltzer or possibly a non-alcoholic beer. So I was just trying to process how else they would get it just so there wasn't somebody ingesting that by accident. If I drink that, I might feel a little funny. I'd be a little upset that I thought I was getting a non-alcoholic drink or a Seltzer and couldn't drive home.

MR. MITCH ANCONA: I did lump it into that general category of alcohol alternative, but we do have it broken out in the stores. So it's clearly labeled.

SENATOR CICARELLA (34TH): Got it. Thank you.

REP. D'AGOSTINO (91ST): Thank you, Senator. Representative Osborne.

REP. OSBORNE (16TH): Thank you, Mr. Chair. So, sir, I heard you speak previously about or we discussed previously the three pillars of your business and is it correct to say that you consider this to be almost a fourth pillar that is developing and that it is a direct competitor to the other three pillars in the way that other forms of THC have not previously been?

MR. MITCH ANCONA: Well, THC has just become legal in the state. We knew once it did that we all as human beings only have so much time to alter. And

let's face it, one of the reasons I love the flavor of wine, but it's also a calming, relaxing thing, the same thing with the THC. So to think that they're buying these products not for that effect, would be sort of silly. So, in the fact that -- yes.

REP. OSBORNE (16TH): Have you noticed in your consumers who do come in for these products, are there people who are choosing not to purchase an alcohol or spirit-based product and are moving to a THC beverage option instead?

MR. MITCH ANCONA: I think what I've seen, there are probably a few clients that come in just for the THC cocktail, but it's more so it's like, okay, I'm going to pick up a four-pack of beer, maybe a bottle of wine and a four-pack of THC, right? So they might spend one night and just have a THC cocktail, one night they might have a glass of wine and then switch to that before bed.

REP. OSBORNE (16TH): Do you have any experience knowing whether there are people who may be willing to experiment with THC in a beverage-based form who would not smoke a joint or vape? And so, if they're willing to consume a THC-based beverage and they would not have consumed a smoke or vape-based THC product, that would end up cutting into your other three pillars, correct?

MR. MITCH ANCONA: Correct.

REP. OSBORNE (16TH): Thank you very much. Thank you for help me understand that. Thank you, Mr. Chair.

REP. D'AGOSTINO (91ST): Thank you, Representative. Further questions from committee members? Online MJ?

CLERK MJ SHANNON: No, questions online, Mr. Chairman.

REP. D'AGOSTINO (91ST): Great. Thank you very much. Appreciate it.

MR. MITCH ANCONA: Thank you.

REP. D'AGOSTINO (91ST): Representative Santiago. Right, MJ?

CLERK MJ SHANNON: Yes, Mr. Chairman. She is online.

REP. D'AGOSTINO (91ST): Great. Thank you.

REP. SANTIAGO (84TH): Thank you. Good afternoon. Buenas Tardes. Thank you, Senator Maroney, Representative D'Agostino, the ranking members, and distinguished members of the General Law Committee. Thank you for having this public meeting. I would like to now yield my three minutes to Jason Teal from Meriden who will comment on Bill 5150. Thank you.

REP. D'AGOSTINO (91ST): Thank you, Representative. Good seeing you. Go ahead, sir.

MR. JASON TEAL: Thank you, Hilda. Chairperson Maroney, D'Agostino, ranking members, Rutigliano, Cicarella, members of General Law. My name is Jason Teal. I'm a community activist and a social entrepreneur who develops businesses and nonprofits that work integrated fashion to better my community, create jobs, and build brands.

I'm the vice president of the Connecticut NAACP and I founded a nonprofit called Change of Play that works with at risk youth around career development and entrepreneurship. Today, I'm addressing you as CEO of Nova Farms. Nova Farms is the largest fully integrated outdoor cultivator in the northeast. We've been approved by the Social Equity Council as a Social Equity applicant and we're excited to bring our top-notch experience to Connecticut.

I thank this committee for yielding Representative Santiago's time to me to testify in support of Section 9 of House Bill 5150, which will simply allow outdoor cultivation to operate in the towns that have a disproportionately impacted area within its borders. Outdoor cultivation made the most sense to me due to the low economic barrier, speed to market, and environmental benefits of the business. Instead of a \$20 million plus build, I can have a farm up for a couple of million dollars.

Now, I don't have to take a convertible note and lose my business. Instead of an 18-month build-out, I can have a farm up in a few months. We use rainwater and light to power our farm, far less water consumption and we won't tax the energy grid, which we already know is not in the best shape. Originally, we set out to site our farm in Morris, and the town implemented a referendum banning cultivation just as I was going for zoning.

I proceeded to search for a farm in the DIA over the next several months, but finding a farm in a small census tract of the DIA was nearly impossible. I began to speak to legislators last session, but I think it was a little too late to really get any movement to really get anything done and I don't really recall any legislators telling me that a small tweak to allow farms to operate on farmland was unreasonable. This is a common sense issue.

You may hear from a small number of wealthy protectionists that have more money and power than I do who are going to say that a farm should be located in urban parts of a city instead of a farm. This was a minor mistake in the legislation. They may claim that you're moving the goal post, but then ask you to move the post for them on other issues that need correction. They may say that you'll create an oversupply when outdoor has not done so in any other market. In fact, there's a supply issue currently in our state. 95% of cultivators have a

completely different business model and they produce indoor top shelf flour, which is not our goal.

This tweak will not realistically impact my fellow competitors or my fellow cultivators. We are asking for a minor fine tuning of the legislation to allow outdoor farms to operate on farmland. This adjustment would not realistically hurt my fellow cultivators, it will only help the industry and create more tax revenue. This will increase the opportunity for true social equity applicants to engage in the most economical way to enter the market. We're simply just asking to please allow outdoor farms to farm on farmland. Thank you.

REP. D'AGOSTINO (91ST): Thank you. You defended that portion of what we proposed better than probably we could. So, thank you for that. Just a question for you from a grow perspective actually, in terms of what you're seeing in your other experience, how long does it take to get from seed to product? What are we looking at here from a growth cycle?

MR. JASON TEAL: From the outdoor we're looking at - - we usually try to plant in around June, early part of the year, and then we usually harvesting around late October.

REP. D'AGOSTINO (91ST): Okay. All right. So what is that? Yeah, 4, 5 months, something like that. June, July, August, September, October, something like that. Okay. That's not bad. Do you anticipate folks getting online this year?

MR. JASON TEAL: Yes. God willing this section passes and then especially if you pass it on --

REP. D'AGOSTINO (91ST): Effective on passage.

MR. JASON TEAL: Yeah, effective passage, it will be very easy for us to have product in the market.

REP. D'AGOSTINO (91ST): I just want to be clear, one thing we did embed into the proposal that we're considering, I believe it's in there, is this is all still subject to local approval, right?

MR. JASON TEAL: Yes. And that was some of the scare that people had that was just going to open up to everywhere, and that's not true. It's still subject to local approval and it still has to only be on farmland and some of those myths were dispelled really.

REP. D'AGOSTINO (91ST): Great. Thank you very much. Representative Rutigliano.

REP. RUTIGLIANO (123RD): Thank you. Good afternoon. A couple of questions, is your license for what you want to do any different from what everybody else paid to get into the space? The fee.

MR. JASON TEAL: No, my fee is the same.

REP. RUTIGLIANO (123RD): Fee is the same. And a question that came from others that they wanted me to ask, how do you secure outdoor grow? Because I would imagine you have security concerns. How do you address that? Are there any regulations for that or would that be up to the local municipal?

MR. JASON TEAL: I think the security concerns are a little overstated. We already have to have a 12-foot fence and then we have these cameras that are like basically on the Pentagon that can see everything, right? Logistically to really make off of something, you'd have to jump scale a 12-foot fence, then rip a tree out of the ground. But then not only would you have to rip the tree out of the ground, you have to guess the exact time when the tree was budding because then you're just going to pull the tree out, it's going to be nothing. So then you have to guess the exact time the tree is budding. You got to scale a 12-foot fence, you got to rip a tree out of the ground, then you got to

scale a fence way -- oh, you got to scale the 12-foot fence all the way back to get what, a half a pound of weed, a quarter pound of weed. So I think there's a lot better ways to make a little bit of money if you want to be a robber, right? So, logistically it's very difficult, right? And then also we have security. If anyone touches that fence, authorities will be called. So by the time we do all that, you're not going to be looking really pretty.

REP. RUTIGLIANO (123RD): Great. I appreciate the answer. Thank you very much.

REP. D'AGOSTINO (91ST): Representative Ackert, please.

REP. ACKERT (8TH): Thank you, and I appreciate your testimony. When we first started talking this bill, I don't know how many years ago it's been, and I only thought we're growing these outside. I had never thought about the greenhouse component. I'm in a trade practice, so I'm an electrician. I was brought in to give a quote on a dispensary. So we walked in and they were saying, yeah, we're going to need 3000 amps of 480 volts. And I go, what? And they go, yeah, but that's only one-third of what we're going to use. We'll use essentially 9000 amps of power. They go, oh yeah, we grow a green product but we're not a green company. And so you're coming here and chatting up this is that you just think about it at points. You just go, yeah, we can grow. We're not the best place to grow with our temperatures. But thank you for being here and bringing your story to us.

MR. JASON TEAL: Well, I appreciate it.

REP. ACKERT (8TH): Thank you that Mr. Chairman.

REP. D'AGOSTINO (91ST): That's great perspective, Representative Ackert. Thank you for actually bringing committee's attention to that. Other

questions from committee members in-person or online? MJ, we good?

CLERK MJ SHANNON: We're good.

REP. D'AGOSTINO (91ST): Thank you very much. Appreciate you testifying.

CLERK MJ SHANNON: Thank you, guys. Appreciate it.

REP. D'AGOSTINO (91ST): Next MJ.

CLERK MJ SHANNON: Next up we have Senator Fazio.

REP. D'AGOSTINO (91ST): Senator Fazio? Great. Is he online? Senator, good to see you.

STATE SENATOR RYAN FAZIO: Good to see you. Good afternoon, Chairman Maroney and D'Agostino, and ranking members, Cicarella and Rutigliano, all the best Italian and Irish names in the building, and distinguished colleagues. I'm excited to testify again this year in support of SB 135, AN ACT ESTABLISHING A MAXIMUM CHARGE FOR OCCUPATIONAL LICENSES.

SB 135 reflects language of the bill I introduced in General Law passed last year and a bill I co-introduced with Senators Maroney, Needleman, Gordon, and Representative Kavros DeGraw and Cheeseman this year. It will cap annual fees paid by licensed workers in our state at no more than \$100 in order to reduce burdens on those workers. It will improve economic opportunity for workers, make Connecticut more affordable, and help our economy grow. It should benefit all our residents, but especially working class residents most in need of economic support.

Currently, state policy that imposes exorbitant fees on workers who are already licensed and qualified to work can amount to many hundreds of dollars annually. This not only reduces opportunities for

those workers, but also stymies economic growth and inflates costs to consumers to whom the costs are passed on in the form of the price for the goods and services that they buy at the store.

A study published by the Pioneer Institute reveals a concerning trend. In 1950, only 5% of the US workforce required a license to do their jobs, but today that figure sits around 25%. Unfortunately, Connecticut's licensing fees and requirements are higher than most states, according to the Institute for Justice, and place our state at a competitive disadvantage.

The cost of licenses can surpass \$700 for occupations ranging from pre-school teachers to sheet metal contractors to treat trimmers and more. The necessity to alleviate this burden is underscored in a study by the National Bureau of Economic Research which found that licensing reduces labor supply by about 20% depending on the state.

At a time when employers are struggling to fill jobs, it's counterintuitive to make it harder for qualified workers to fill them. IJ has also noted that licensing by acting as a bottleneck for entry in an occupation restricts the supply of practitioners, which raises the overall cost of goods and services in the economy.

By passing SB 135 this year, we can reduce cost of living in our state, support working-class families, and help create opportunity for all. Thanks for the opportunity to testify. Obviously, happy to discuss or answer any questions about the bill.

REP. D'AGOSTINO (91ST): Thank you, Senator. Questions from committee members? Senator. Great.

SENATOR CICARELLA (34TH): Great. Thank you and thank you, Senator, for testifying on this bill. I understand, as you mentioned, it was proposed last year. Can you just refresh our memory? Department

of Consumer Protection, I believe was in favor of this. Is that correct?

STATE SENATOR RYAN FAZIO: Yeah, I don't know that there's been testimonies submitted by DCP this year on this bill specifically. But my understanding is that there is support for the concept in DCP and the administration.

SENATOR CICARELLA (34TH): That was my understanding as well. I think it's a great idea. I think it's going to help our professionals as well as all of the businesses that need these licensed and skilled professionals as well as the end user. So I think it's a good piece of legislation and thank you for testifying today.

STATE SENATOR RYAN FAZIO: Thank you, Senator.

REP. D'AGOSTINO (91ST): Bipartisan support, I would add. I think we'd love to make this happen. We got to try to find some money for it, but it just will make Connecticut more competitive. It'll even the playing field. There's no reason for people to be paying what they're paying to just do their job.

SENATOR CICARELLA (34TH): I agree.

STATE SENATOR RYAN FAZIO: I totally agree and I think the fiscal note on last year's bill was \$13 million.

REP. D'AGOSTINO (91ST): That's really, if you think about it, a drop in the bucket of a \$20 billion budget. So other questions from committee members? Online MJ? Senator, thank you for your time.

STATE SENATOR RYAN FAZIO: Thank you, sir.

REP. D'AGOSTINO (91ST): MJ.

CLERK MJ SHANNON: Next up, we're going to have Charles Jackson.

REP. D'AGOSTINO (91ST): Do you have some other folks with you? Come on, all the producers can come on up together. You can pull some chairs from the sides there. Great, appreciate you coming up as a group. It's very helpful actually.

SENATOR MARONEY (14TH): [inaudible 01:16:44] here?

REP. D'AGOSTINO (91ST): We moved him up because he's a constable in Windsor and also because they were able to bring their whole group up together, which we appreciate the efficiency of doing that. Go ahead, sir, please introduce everybody and let us know what you testifying on.

MR. CHARLES JACKSON: Hi, my name is Charles Jackson. I am a constable for the town of Windsor and words matter. And well, I'm elected, so that's how I get up here. So, anyhow, I have brought up the people that I see the most in the social equity and also the general lottery to come and speak and educate you because I can't do it alone. I have a food and beverage license. I also have a product packaging license. I'm going to yield my time to the rest of these fine folks and I got other things to do. So they're going to take over for me. Jenny, this is the first time for my social equity plan. I've got a lot of places to appear at and I hope to see you at some of them. So I'll let you go. Have a good one. Luis, I want you to sit here.

REP. D'AGOSTINO (91ST): [inaudible 01:17:57] Okay. Good. Yeah, and just introduce everybody and tell us again, the industry that you're here for and what you're what you're testifying on.

MR. LUIS VEGA: Good afternoon. My name is Luis Vega. I'm the CEO of Nautilus Botanicals. We're a DIA cultivator and I have a provisional license, which means I've already paid my fee. There's a couple of things that are going on. The program has been really difficult for the social equity

applicants. There's been tons of things up and down. There's been a lot of places that have really limited us from moving forward. We've come a really long way from where we were, but there's still a lot of work to be done.

There's a couple of things that are really limiting. I'm also a past hemp farmer. I've maintained the health license just right up until I got my cannabis licenses and then we had to transition over, which was very detrimental to my family farm and a couple of other things. But the amount of regulations that you guys are trying to propose on the hemp and hemp-derived items are absolutely hard. They're demolishing a lot of the small brands and producers right now.

My license for production is still valid to the end of this year and I've had to almost stop production completely. So, in the long drawn out process is to get the cannabis license to find space, to find funding, to be able to build your brand, to be able to build your business, even just to start breaking walls down to start growing has limited substantially and not only cut off funding for a lot of us or the cost that makes it very cost prohibitive for somebody that you would call a social equity applicant.

I'm also one of the only people that have been incarcerated for cannabis that has gotten a license to date. Repairing the war on drugs hasn't really been repaired, and it's really tough. I make my way up here. It's kind of made me somebody that's terrified to even walk outside at these times. It is tough. For a process that should have gone so much smoother --

REP. D'AGOSTINO (91ST): Focus on what you guys are looking for.

MR. LUIS VEGA: Oh, I apologize. The biggest thing is I didn't get to convey everything and we'll give

everybody a couple of moments as we go down. So I'll yield my time now. I'm Luis. If I'm around, if you guys need me, I've submitted some more information and I guess we get to speak later.

REP. D'AGOSTINO (91ST): Do you have a specific ask?

MR. LUIS VEGA: So we need to be able to have multiple people on our EJVs. We need to be able to work with the local farmers that are putting into their place. You guys can't be limiting the size of what the products are going to be made. And then there's not even regulation, there's at the very bottom. Once again, I submitted this all on paper. I apologize. I got thrown up here a little bit quicker. But at the end, the wording is so vague still and limits so much on the hemp side that it's just destroying us realistically. Thank you guys for coming down here.

REP. D'AGOSTINO (91ST): Okay. All right. Go on.

MR. LUIS VEGA: Take that microphone.

REP. D'AGOSTINO (91ST): Yeah, you got mics in front of you too. You can hit. Yeah. Go ahead.

MS. ANGERLYK FRYTZ: Good afternoon, everyone. My name is Angerlyk Frytz and I'm here with Tyler Ohaso, George Kingsley, and Stella Johnson. And we are the Packagers Coalition. We also have Erin Gorman Kirk, Paul -- Paul, I'm going to screw up your name, Travaglino, and Brian Essenter.

I'm specifically talking about the packager language that was added on Bill 5150. I'd like to express the support of our Packager Coalition on the amendment that aims broadening the scope of authorized activities of product packages to those of product manufacturers. The current wording and interpretation of the product packager language renders the stand alone packaging license unviable

and incapable of meeting the current demands of our state cannabis industry.

This restriction not only impedes the potential contributions of product packages, but also places an unjust financial burden on us, equating on renewal fees with those of manufacturers with no comparable privileges. So this amendment is crucial to breathe viability into the license allowing packagers to serve the market aligned with the true spirit of the law by ensuring product safety, compliance, and operational efficiency within the industry.

Without this amendment, this license type is going to fail. Prospective license applications are applications as well. The local industry, patients, and consumers as well. It is essential to recognize that without this amendment, the viability of this provisional licenses is a stake and this was certainly not the intention of our state cannabis program.

Moreover, I'd like to highlight that in the limited license context of our cannabis industry, all of us will operate within free market principles of voluntary exchange of goods and services determined by supply and demand. We want an opportunity not only to participate in healthy competition but also in collaboration with other licenses so we all have the best chance to succeed in our businesses.

Lastly, I'd like to support updates on the transporter license and changes that allow cultivators to put out adequate biomass in a timely fashion. I'm sure you will hear more about that later on. Particularly on the transport license, the limitation to hold finished product for less than 24 hours will impede the long-term efficiency and viability of our cannabis supply chain.

Manufacturers and cultivators firmly believe that there is an urgent need for third party storage

facilities. As you may know the regulations that are implied in building the necessary vault to store cannabis products, it's insanely costly and that's going to affect how the supply chain works as the market grows.

Allowing transporters to hold cannabis and hemp products in secure facilities approved by the Department of Consumer Protection will prove beneficial to establishments that have outgrown their existing vault space and require additional storage options to meet the demand. So the transport license is ideally suited for this purpose, which is why I, Angerlyk, support this update in my testimony. And again, we need cultivators to be able to get up online so they can put adequate biomass in the market, otherwise us licenses won't be able to have any business. So thank you for your attention, and Paul --

REP. D'AGOSTINO (91ST): Great. Thank you for your advocacy on that. But look, we created a new marketplace and we didn't get everything 100% right. I've said this many, many times, this is an evolving marketplace, evolving licenses. So we appreciate feedback from the industry. We've tried to correct some of the things in the individual legislation. Thanks to your suggestions that will hopefully make your license more viable. The vault issue is something we are looking at. It's not in the bill right now. But we'd encourage you to have if you are in already a dialogue with DCP on that because they will obviously be the enforcement arm, but we appreciate that. Maybe we went too far with some of the security requirements on the transportation, so we prevented actually the movement of the product in an efficient manner. So, this is the feedback we need to be able to adjust our marketplace to make sure it's working, but it is obviously still safe and regulated.

MS. ANGERLYK FRYTZ: Absolutely.

REP. D'AGOSTINO (91ST): So, I could encourage you to continue that dialogue with DCP on the security issue, and we're interested in trying to do that this year as well if we can arrive at some language that they're comfortable with as well.

MS. ANGERLYK FRYTZ: Okay. Thank you.

REP. D'AGOSTINO (91ST): But appreciate the advocacy of the packages for the past year on these issues and hopefully the bill goes ways to addressing some of your concerns. Other comments from the group?

MR. PAUL TRAVAGLINO: I just want to thank the esteemed members of the committee for giving us this opportunity. Up here a little earlier than expected, but the first thing I was going to speak to is the Food and Beverage Alliance wholeheartedly accepts and agrees the drafted language to allow packagers to be manufacturers. And in fact, honestly, I think we should just collapse the three manufacturing licenses into one. We are happy to facilitate that language.

We support the transporter idea about -- we actually help draft that to allow -- transporters, it's very inefficient to do same day transportation. So what we believe is an optimal way to do this is to allow excess inventory to be stored at the transporter facility and then delivered to retail when it's manifested. We also think that we could use all of our licenses a little more time. We know you gave us from 14 months to 24 months, but given that there is no biomass in the market. We would ask for an extra 12 months and would be happy to help you draft that.

We also would like as food and beverage manufacturers and product manufacturers to be able to do what packages were given last year, and that's to go to growers or producers and pick up biomass. There's a sensitivity issue when a grower goes to chop a crop, you have to be there. And so relying

on a transporter to do that, particularly when you do -- like I want to do live rosin. So it's flash frozen right after it's topped. It's much easier for me to send a truck, bring it there, nitrogen tank, bring it back to my facility. So we have drafted language. We're happy to bring that to you. We know that combining the three licenses might be a big lift in a short session, but we're happy to collaborate with you on that language.

REP. D'AGOSTINO (91ST): I think we'd like to see the transportation language that you're thinking about, and [crosstalk 01:28:03] terrific. Great.

MR. PAUL TRAVAGLINO: There are definitions in DCP's bill which I think may be in another public hearing about cannabinoids synthetic, but I don't think anybody wants to play with synthetic. So we're good with that. The definition of manufactured cannabinoids -- I spoke to DCP's legal director earlier, I'd like to present to them and to you language that at least gives the commissioner some additional discretion. I'm not smart enough to know what light and heat doesn't let me do, and I don't think anybody's here to try to create novel cannabinoids. But since we only have once a year to come back to you, it'd be great to not close the door on processes that have not yet been invented or that we don't understand and can't speak to and at least let the Commissioner vet those novel ideas and then allow them to happen. I'd also like to speak, since I'm sitting here, about the further advertising restrictions. I appreciate that. We're not even up and running, it would be great if we could work with the DCP on what those restrictions are rather than codifying something before we even start. And I'm happy to --

REP. D'AGOSTINO (91ST): Fair enough. That's great. Now, I think we appreciate you guys -- when you guys send this language, it's usually in statutory format. It's very, very helpful. Just continue the dialogue with DCP, send us what you've got on these

issues. This bill will obviously change a little bit when the committee votes on it at the end of the month or early March, and then there's always tweaks along the way.

MR. PAUL TRAVAGLINO: The last thing I want to talk about is just the grow license because it's -- there are a couple of provisions in the bill. One is with the DI cultivators, the other one is letting DIA cultivator become a micro cultivator. We support those pathways. We support the tribal definition. Look, indoor flower is not the same as outdoor flower. They're really quite different. I personally think the DIA definition and the restriction on growing in a DIA should be expanded to allow outdoor to be in a DIA town. I happen to think that the DIA definition altogether ought to be eliminated. And I know some people had to adhere to that, but you're essentially -- look, I've been looking for real estate for two-and-a-half years. I don't mean to be too colorful here, but I have not met a landlord that is not in their 50s, 60s or 70s and white and that's what you're forcing a social equity applicant to do is to go fix up a, not so great old, building in the downtown core. And so the DIA designation is a great way to define who qualifies as social equity. It's a terrible place to grow weed. And so I might ask you to think about that a little bit.

REP. D'AGOSTINO (91ST): Fair point.

MR. PAUL TRAVAGLINO: But this is an existential threat to our licenses as manufacturers that there is no biomass. So, we have people who are paying rent and can't create product number one until we have biomass and there's --

REP. D'AGOSTINO (91ST): We know we got to get grow going, so we're trying to do that with of some of our proposals. So we hear you.

MR. PAUL TRAVAGLINO: Appreciate it.

REP. D'AGOSTINO (91ST): We've heard the industry on that. Anyone else in the group?

MR. GEORGE KINGSLEY: Dear esteemed General Law Committee members. Hello, and thank you for allowing me this time to express my perspective in regard to the product packaging license. I am writing and here today to express my support for Bill 5150, which includes language for cannabis product packagers to expand their license into a product manufacturing license.

My name is George Kingsley. I'm a lifelong Connecticut resident. I am the social equity applicant for my company Dutch Packaging. I went to high school in Waterbury College in New Haven and most recently I graduated from the Oaksterdam University, Accelerator Program which was sponsored by the State of Connecticut. I am here today to not only advocate for the changes to the product packaging license that have been introduced in this bill, but also to advocate on behalf of the other licensed operators in the newly emerging Connecticut adult use cannabis marketplace.

License types were created to facilitate a functioning sustainable supply chain. If the Connecticut supply chain is going to function efficiently, each license type will be relied upon to play an important role. The changes that have recently been introduced in this bill will not only give product packagers the ability to implement a viable business plan but also give product packagers the ability to provide critical services to other license types within the supply chain.

Without these changes, the likelihood that any product packagers will spend any more time and money required to earn a final license is unlikely, which will certainly create bottlenecks within the cannabis supply chain as the market matures in the near future. These changes are critical to us now

and they will undoubtedly improve the efficiency of the Connecticut cannabis supply chain during the fragile first few years of this new marketplace

The Connecticut cannabis industry has recently experienced a significant shortage in product supply due to a variety of challenges within this new industry. A number of provisionally licensees will likely opt out or fail to secure a final license within the next 12 months, including packagers, food and beverage product manufacturers, among others. The consequences of this likely scenario will lead to additional bottlenecks that will delay the deliveries of packaged products desperately needed by retail dispensaries.

We know that the proposed amendments related to product packagers will serve greatly to benefit the entire cannabis industry, the supply chain consumers, and the overall Connecticut economy. Please vote in favor of these changes and allow us the opportunity to play our role in helping to ensure that Connecticut is a model of how to best structure an adult use cannabis marketplace.

I would like to also express my support for the language to increase potency limits. If the intent of bettering our market in Connecticut is to keep our patients and customers in state, we need to be able to sell the products that people are buying. We also support alternative options for entry into the market by 149 applicants as outlined in 5150 and by any measures possible to get compliant cultivators to commence operations. Producers are the backbone of a healthy cannabis market.

Finally, we believe that the transport licensees should be able to warehouse inventory. It is in the best interest of safety for cultivators, manufacturers, and packagers to converge at a transporter facility where fewer deliveries can occur to retail establishments. Grouping orders together is best.

REP. D'AGOSTINO (91ST): I do want to just kind of keep it moving on. I mean, I appreciate the statement but we've got your written statement. So if there's any additional color you want to add to a written statement, and I appreciate the support that you guys have for all these points. Absolutely. We heard you on it.

MR. GEORGE KINGSLEY: Great. I've covered everything. Thank you.

REP. RUTIGLIANO (123RD): Yeah. Same thing. It's helpful to have you all here together because we can talk about the same issue at the same time with folks who are engaged in it, but don't feel the need to just regurgitate your statement. If there's additional piggybacking you want to do on what's already been said, which has been very helpful, that would be probably more beneficial for the committee. Thank you.

MS. ERIN GORMAN KIRK: To hold that to the Irish woman just as she shows up. My name is Erin Gorman Kirk and thank you all for allowing us to speak to you today. I'm the principal of Connecticut based Cannabis Government Strategies and I serve to assist licenses establish their business here. I was the winning RFP writer for the Cannabis Accelerator Network Program, which partnered with Oaksterdam and I wrote every social equity applicant brought to me on a pro bono basis. I'm the only one in the nation that did that.

Coming from a 40-year maritime and military background, I've advocated for veterans and humbly appear regarding 5150 and believe there should be some tweaks. Having been involved from the onset in the Connecticut cannabis advocacy space, I'm disheartened by the impact the supply chain issues have had on our patients, particularly our hero veterans. It is not uncommon for me to hear that patients including my 95-year-old Korean war veteran

patient have to travel out-of-state to find their medicine on a consistent basis if at all.

Many are forced to go to neighboring states to maintain that medication routine, so we are missing out, not just on tax revenues and boost in state businesses, but we are failing our veterans, seniors, and patients who depend on their medication. Excuse me. Particularly for our vets, it's important we support a robust supply chain, get seeds in the ground in 2024 and prioritize patients. While I applaud what we've done so far and support your flexibility as we build out, I think there is room for improvement. For example, caregivers or family members who help veterans and those with Alzheimer's and senior citizens get medical benefits from cannabis. This helps manage their symptoms, improve their quality of life, and reduces the reliance on opioids and harmful drugs.

I personally have had three of my veteran patients commit suicide since January 1st, all of whom were found to have had an excessive amount of opioids in their system. I do believe that the challenges to our caregivers could possibly be changed by giving them a subsidy or a tax credit allowing them to grow a limited number of cannabis plants at home for personal use or provide them with a subsidy or a tax credit. Provide caregivers with education and training on the safe and effective use of medical cannabis, including information on different strains, products, methods, and dosages that may suit their patient's needs and protect caregivers from discrimination, harassment or retaliation in their employment, housing or public accommodations based on their status as caregiver. I think this would alleviate a lot of the stress and the financial trouble that comes with being a caregiver.

Additionally, our work at the federal level on the 2018 farm bill with Senators Tester and McConnell, give us a unique perspective on the far reaching implications of this particular bill on small

businesses particularly hemp. Well, actually not particularly hemp, both cannabis and hemp. The bill as it stands poses significant challenges to the vibrant community of small businesses. The modification in the allowed hemp products as outlawed in the current draft diverges from federal guidelines that we helped write and inadvertently jeopardize the livelihoods of countless individuals and enterprises.

The broad and somewhat punitive restrictions on hemp products, including those with no psychoactive effects, to echo what the gentleman from Ancona said there are no psychoactive effects on these hemp products for clarification purposes. This has led to a situation where nearly 90% of hemp product inventory in Connecticut faces potential outlawing. This action not only disrupts the supply chain but undermines growth and sustainability of small businesses which are the backbone of our community.

I am a board member and adviser of the Connecticut Cannabis Small Business Alliance which has put forth a series of recommended amendments that aim to rectify these issues. The recommendations are designed to create a balanced, fair, and equitable regulatory framework that aligns with federal standards while addressing the state's concerns. By adopting CCBA's proposed language, the General Assembly can and should ensure the legislation supports the development of a robust, inclusive, and legally compliant cannabis and hemp industry in Connecticut.

I urge the General Assembly to consider these proposed amendments seriously. If left unchanged, they will continue to disproportionately affect small businesses and entrepreneurs who contribute significantly to our state's economy and community well-being. It's imperative we work together to develop legislation that fosters a positive environment for all stakeholders. I also wish to support all the testimony provided by those before

me, Paul Travaglinio, Angerlyk Frytz, and Justin Fritz's transportation language which has been submitted to the record. Thank you so much.

SENATOR MARONEY (14TH): Thank you. Are there any questions? Is there anyone else who the --

MS. ERIN GORMAN KIRK: Thank you.

SENATOR MARONEY (14TH): Group who --

MR. BRIAN ESSETER: I don't need to get up and I don't have anything to read. So I'll try to be really quick guys. I just want to, first and foremost, completely agree with everything that Paul said. We need inputs, we need biomass, we need distillate or else there are going to be a lot of companies, social equity companies like ourselves that are not going to be able to survive and that defeats the purpose of the entire program.

On a completely separate note, it's unfortunate that Representative Rutigliano left. I am a pharmacist who's been working in the medical cannabis industry since 2015. The portion of this bill that removes pharmacists from the dispensaries and puts them in telehealth is going to not only lose jobs to about 70 to 80 pharmacists that have left retail pharmacy. Not that there's a shortage in retail pharmacists because let me tell you, there is nothing is short for retail pharmacists right now. They don't want work for CVS or Walgreens or anybody else. That is why these younger kids are not willing to put up with that toxic work environment for less pay than we were getting before where they take all of your help away and expect you to do more, do more immunizations, do more patient care, which is great, that's what we want to do, but you don't want to do it in a toxic environment that you're getting paid nothing to do it. So they're unwilling to go there, which is why this has become such a viable avenue career path for so many of these.

I don't know if you guys looked at the testimony, but I think there was probably 20 or so pharmacists at least, plus a bunch of technicians, plus patients who actually testified to the value of having a pharmacist in the dispensary. I have patients that I've helped through cancer diagnoses through MS, Alzheimer's, but some of the best that we've had have been the patients that are ones with an allergy to say a cannabinoid or a Terpin that it's so simple that that could land them in a hospital that if you don't have a pharmacist on staff handling these products on a daily basis, they're not got to have the information to be able to help that patient find what they need.

You're not going to have the patient that comes in and says, oh, hey, you know what, I forgot to tell you my prescription changed, my dosing changed. What can we do? How can we adjust this dosing in order to get what we need and make sure that these patients are getting the products that they need dosed appropriately? Even just being in the dispensaries, handling these products every day, they may not have had any formal education, but you learn an amazing amount from your patients. Number one, but just by being there and through osmosis of handling these products every single day. There's no health care people that are available to them the way pharmacists are and people trust us and they are used to seeing those faces the same way they would when they pick up an over-the-counter cough medication in a pharmacy. Sorry.

SENATOR MARONEY (14TH): No, thank you. I think that's good perspective for us in regards to the proposal on allowing for telehealth to understand that there isn't shortage or there may not be the shortage we're hearing about.

MR. BRIAN ESSETER: I'm not saying there's not some sense of a shortage there, but I think -- I've told my daughter, I don't want her to be a pharmacist. I don't want her to go to pharmacy school. And I mean

that with every ounce of my being. I don't want her to deal with any of those toxic environments that exist out there. It's that bad.

SENATOR MARONEY (14TH): Thank you. Are there any questions? Is there anyone else? Are there any questions online, MJ?

MR. BRIAN ESSETER: No, Mr. Chairman.

SENATOR MARONEY (14TH): Okay. If not, thank you all very much. And then Paul, I did send you an email but if you and Angerlyk could just send us an electronic copy of this so we can send it out to the whole committee, that would be great.

MR. PAUL TRAVAGLINO: Thank you, Senator.

SENATOR MARONEY (14TH): Okay, thank you all very much.

MS. ERIN GORMAN KIRK: Thank you all too.

SENATOR MARONEY (14TH): Okay. Next Ginnie-Rae Clay. Please proceed. Sorry.

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: Good afternoon. Good afternoon, Senator Maroney, Senator Cicarella, honorable members of the General Law Committee. I am Ginnie-Ray Clay, Executive Director of the Social Equity Council. I'm glad to see you all again and I wish you a very productive session. I'm here today representing the Social Equity Council and to offer testimony regarding House Bill 5150.

First, I'm happy to see that many of the concepts in this bill are included in our 2024 legislative proposal submitted to the committee. Section 4, Section 5 and 9 will tremendously improve opportunities for social equity applicants to better thrive in the adult-use cannabis market. The proposed changes do a couple of important things. Provides increased opportunities for 149 cultivators

who have experienced unexpected start-up barriers to still have an opportunity to cultivate under a micro cultivator license. And in doing this, we support using a streamlined verification process that will expedite speed to market.

It provides great opportunity for social equity applicants to have increased ownership opportunities in cannabis businesses. Also, creates a reasonable deadline for 149 cultivators to finalize their position in the market and gives greater opportunity for outdoor grow to 149ers cultivators to increase job opportunities and reinvestment.

Finally, the Social Equity Council heard from and stands with 149 cultivators in opposition of Section 3 of this bill, which allows hemp producers to cultivate cannabis. Thank you for your time today. And I'm happy to answer any questions you have and I'm sorry that I did not introduce Council Member Cory Baxter. Council Member Baxter is a member of the Social Equity Council here with me today.

REP. D'AGOSTINO (91ST): He was recognized. At least we knew who he was. How are you doing, Cory?

MR. CORY BAXTER: I'm all right.

REP. D'AGOSTINO (91ST): Questions from committee members? Juan.

REP. CANDELARIA (95TH): Thank you. Just ask you a question, in your opinion, about the conversion from someone that has Section 149 to micro cultivator. What's your opinion on that?

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: Either one of us?

REP. CANDELARIA (95TH): Yeah.

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: Go ahead.

MR. CORY BAXTER: No, go ahead.

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: So, we are in favor. The council is in favor. We are in strong favor of allowing the 149 cultivators to cultivate under a micro license. I think there are things that that happened that no one expected and so giving them an opportunity to still be involved and still be in the market is a great opportunity.

REP. CANDELARIA (95TH): If you look at the language of the bill, if you were Section 149 participant and you were awarded, you were awarded to EJV's. In this particular case, in the language, we're not seeing that there. What's your thought on that?

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: The micro cultivators are not allowed to have two EJV's? I'm not sure that that is the case.

MR. CORY BAXTER: Just to jump in, we are going to clarify that everybody will be able to step down from cultivator to micro. You're correct that it's not entirely clear that you can do that. Even in this draft, we're going to clarify before it goes final that you can do exactly what you two are talking about, which is understanding the market conditions and that people weren't able to get the full cultivation. That we're going to allow the step down to micro. Representative Candelaria is correct that we need to tweak the language a little bit more to make that clear. We're going to do that.

REP. CANDELARIA (95TH): Yeah, because I didn't see that. I was looking at the language myself and I didn't see that in there. So I wanted to see if they were aware of it. Because right now with Section 149, you automatically get to EJV's. When you look at the language of the bill, that's not the case, which is a little bit concerning from other members. So I think it's important. You look at that because I think it's critical to their success

that there is at least one EJVB awarded to them. And I think it's critical so that our Section 149ers [inaudible 01:49:22] can succeed. So I think this is a critical component and we want to make sure that we include that in the bill.

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: Thank you for bringing that to our attention.

REP. CANDELARIA (95TH): Thank you. Yeah.

REP. D'AGOSTINO (91ST): Thank you, Representative. Other questions? Representative Gonzalez, it's good to see you.

REP. GONZALEZ (3RD): [inaudible 01:49:36]

REP. D'AGOSTINO (91ST): An honorary member today. Other questions from committee members? Through the Representative, you certainly can. We got to allow testimony through, Representative. There's no reason why we can't have questions through representatives. Are there questions? Anybody online? No, we're good.

SENATOR CICARELLA (34TH): I'm online--

REP. D'AGOSTINO (91ST): Thank you very much. Oh, I'm sorry, Senator, please.

SENATOR CICARELLA (34TH): Thank you for testifying before us. I understand that you're in favor of Sections 4, 5, and 9 but 3, you're not in favor of. Could you just elaborate a little bit more? I don't know if Cory or yourself could take that.

MR. CORY BAXTER: So as you know, when legislation was passed, the legislation was passed for DIAs. I have not a problem with individuals coming in as long as they're staying in the DIAs and a lot of these individuals trying to convert over, they ain't been nowhere around where I am. I'm an activist, I'm on Barber Street, I'm where the war on drugs

have definitely impacted our communities. And if there's no buy-in to coming into seeing what's going on with those communities, I don't think it's fair for those who have to be in those DIA areas. So that's my concern.

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: I also understand in my conversations with members of the council is that folks who were hemp farmers had an opportunity to apply to cultivate in cannabis, and they chose not to. The other opposition that the council has is they don't want to pay the fees and they don't want to follow the rules that the 149 cultivators have had to follow and are required to pay.

SENATOR CICARELLA (34TH): Thank you for clarifying the concerns with that specific section, and thank you for testifying before us.

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: Thank you.

REP. D'AGOSTINO (91ST): Thank you. Other questions from committee members? Yes, please, Representative.

REP. CANDELARIA (95TH): In that same line of questioning with the hemp farmers, do you foresee where we can come to a middle ground on that at all? Where you see that the Social Equity Council will be amicable in having the exclusivity of having the hemp farmers participate in the program if they do follow the rules that we're stipulating, like you're stipulated right now. I just want to get tripping on that.

MR. CORY BAXTER: So for me, and I'm speaking for myself, no. I don't know what the other council members, but for me no.

REP. CANDELARIA (95TH): Yeah. Well, again, we've got to consider a lot of different constituencies here and we're trying to get grow into the marketplace.

REP. D'AGOSTINO (91ST): Exactly. And I understand also the concern of saturating the market with a lot of the growth. We're still looking at the market and making sure it stabilizes and we're not there yet. There's still a lot of the licenses the cultivators we have issue license too and they have not opened their doors either, they're not cultivating because some of them cannot raise the dollars to pay the application fee or the licensing fee. So we understand the concerns of having other entrants into the market.

MR. CORY BAXTER: I'll tell you my concern personally. And again, when legalization of cannabis was presented to us, it was under the thought of DIA areas, those areas that were directly impacted by the war on drugs. So when we talk about that, let's talk about the communities that are still hurting from that. So that's my biggest concern. Thank you.

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: Yeah, I'd also like to echo that [inaudible 01:53:25] was written for and to help right the wrongs of cannabis in disproportionately impacted communities. And I think we have to give those communities an opportunity to thrive without introducing other members, other industries to take it away from the law that was designed to help heal.

REP. D'AGOSTINO (91ST): But if you've got a social equity applicant who's approved to grow and can't grow anywhere else, are you saying you'd rather see that person just not be able to do anything and would prevent them from partnering with an existing help farm somewhere? You just prefer that person --

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: I think we try to remedy and we try to look for remedies before. So right now, I think that allowing those cultivators to go to a micro-cultivator license is something that is very viable for them.

REP. D'AGOSTINO (91ST): And they're free to do that, right? Yeah.

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: And so I think we tried that before we had start allowing other folks, when we say in the first year that, this didn't happen, then --

REP. D'AGOSTINO (91ST): Why not allow that social equity applicant to make his or her choice? Again, that person's been approved through the process that you said was embedded in sort of the Social Justice Act aspects of the law, that person is approved as an owner. Let's them make the choice that, okay, maybe I want to do micro, but maybe I've got an opportunity now to grow somewhere else and get my product and my business going.

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: We've not heard that from the 149 cultivators.

REP. D'AGOSTINO (91ST): And then in which case, nobody will take advantage of it, right? But I understood. We get that there's the competing viewpoints on this, so we'll hear from everybody on it. Other questions or comments? Great. Thank you. Thank you for the work that --

EXECUTIVE DIRECTOR GINNIE-RAE CLAY: Thank you.

REP. D'AGOSTINO (91ST): -- you guys do appreciate it and it's obviously difficult work. So thank you for the time. MJ.

CLERK MJ SHANNON: Up next, we have Chief Richard Velky.

REP. D'AGOSTINO (91ST): Good afternoon.

CHIEF RICHARD VELKY: Good afternoon, Chairman Mahoney and D'Agostino and the committee members. My name is Richard Velky. I am the Chief of the

Schaghticoke Tribal Nation, a position I was elected to by the members of the Schaghticoke Tribal Nation in 1987. I am here today to speak in support of House Bill 5150, AN ACT CONCERNING CANNABIS AND HEMP REGULATION.

Speaking on behalf of the 300 members of the Schaghticoke Tribal Nation located in Western Connecticut and as the chief of the longest-recognized indigenous tribe in Connecticut, we believe we certainly should be considered for a cannabis license. Our history with the state is all too similar to tribes across the nation that have been treated violently, unfairly, unjustly and by state and federal governments.

Over the centuries, since our state recognition, the state of Connecticut egregiously grabbed our land which once consisted of over 2,500 acres along the Housatonic River and beyond and now has been dwindled down to just 400 acres of mountainous terrain from our indigenous lands. For example, the Connecticut State government was entrusted to pay the tribe for land that was taken over 300 years ago. The state of Connecticut appointed overseers to ensure the tribe would be compensated by the state for our tribal property. The entrust overseer stole the money that he was legally obligated to secure for our tribe. We have never been compensated by the state to this day.

Schaghticoke burial grounds were disrespected and purposely flooded because they stood in the way of a construction project authorized by the state over a century ago. Our tribal continue to pursue our efforts in removing the ancestors from the Housatonic River to give them a tribal burial. In 2004, the Schaghticoke Tribal Nation was granted its federal recognition status, only to have it rescinded 22 months later. This was the first time a tribe federal recognition was reversed in an unprecedented decision by the Bureau of Indian

Affairs causing a grave miscarriage of justice to the Schaghticoke Tribal Nation.

The Schaghticoke Tribal Nation believes along with the passing of this bill, it will allow our tribe to enter the state's cannabis industry, which would assist many of our tribal members and help correct injustice from the past. I would like to extend my appreciation to Chairman Maroney and D'Agostino and the full General Law Committee for considering this legislation. However, I believe this could be simplified by giving state tribes the same rights as the legislation that was adopted on Bill PA 21-1. A licensed grower visited our reservation and their opinion was the Schaghticoke Tribal Nation reservation was mainly a mountainous terrain. It would not be conducive to grow. Though PA 21-1 allows tribes to grow off reservation. We asked to be granted the same opportunity. Thank you. And I'd be very happy to answer any questions from the committee.

REP. D'AGOSTINO (91ST): Thank you for your testimony. Questions from committee members? Anyone online MG?

CLERK MJ SHANNON: No, none.

REP. D'AGOSTINO (91ST): Thank you, Chief. Appreciate your testimony.

CHIEF RICHARD VELKY: Thank you, Mr. --

SENATOR OSTEN (19TH): I'm online.

REP. D'AGOSTINO (91ST): I'm sorry, Senator Osten. How are you?

SENATOR OSTEN (19TH): I'm so sorry.

REP. D'AGOSTINO (91ST): No, no problem.

SENATOR OSTEN (19TH): I just wanted to thank the Chief for coming up and explaining the long-term impacts that the tribal nations have had, in particular, the state recognized on tribal nations, which we're told that they had lost their recognition by getting a fax on Columbus Day, sort of rubbing salt into an open wound.

I appreciate him coming forward and speaking on this issue and I want to thank you for raising this bill. Thank you. Thank you, Chief.

CHIEF RICHARD VELKY: Thank you, Senator Osten.

REP. D'AGOSTINO (91ST): Thank you, Senator. Thank you, Chief, appreciate it.

CHIEF RICHARD VELKY: Thank you.

REP. D'AGOSTINO (91ST): MJ.

CLERK MJ SHANNON: Up next, I have Ed Hawthorne.

REP. D'AGOSTINO (91ST): Good afternoon.

MR. ED HAWTHORNE: Good afternoon, everyone. So I'm not here on the usual that you've been hearing about today. I promise you that. Good afternoon, Senator Maroney, Representative D'Agostino, and other distinguished members of the General Law Committee. My name is Ed Hawthorne. Proud to serve as the President of the Connecticut AFL, CEO, a Federation of Unions representing 250,000 working men, women and other union siblings here in the State of Connecticut. I'm here to testify in favor of House Bill 5151 of that concerning solar and licensing exemptions. So, Connecticut's Electrical Apprenticeship Training Programs provide people with a career, good wages, health care, hope for the future.

Apprenticeships provide that to us and to people that otherwise may lack that career path, to

continue to expand these and ensure the safety of the workforce, and this bill really, to me is about the safety of the workforce. We're asking that the insulation process of solar collectors and photovoltaic panels including the wiring modules, fastening, all grounding, and bonding of that system, should be performed only, and I stress only, by individuals with proper licensure or registered apprentices. An exception to this was enacted in 2007 when the scale of solar wasn't what it is now. Green energy is here. It's among us, it's expanding. I know I passed by multiple solar farms and solar panels on my way into the building here today.

And just from the conversations I've had with people today, people were wondering, why are you in General Law today? Because I'm usually downstairs in labor with Representative Ackert. And when I told them what the bill was, they were like well, I had solar installed in my house. Was that person licensed? And I said, maybe, maybe not. So that's what this bill is doing. I mean, in the labor movement, we talk about pay pension and healthcare all the time. I say safety is something that should be at the top of the list because pay pension and healthcare don't matter if you don't come home alive. It also doesn't matter if your house is in danger because of faulty wiring. I know if I get solar on my house, I've got to get a bunch of trees cut down to make that happen.

That's what my wife doesn't want to do. But to get that installed in the house, I want somebody that's licensed. I want it to be safe because once you take those solar panels out of the box that they're in, they're live. I know I talked to our firefighters about it and they're saying it's some of the most troublesome things that they see on the roof because it constantly collects energy and stores that energy. We have to make sure that the wiring is properly done and that the fasteners are properly done and everything else. And that's

exactly what this bill seeks to do. Requiring the full licensure through the completion of apprenticeship programs will provide the State of Connecticut with a larger, more skilled workforce for electricians, safer working conditions. And we urge you to support this very important green energy safety bill. I'd be happy to answer any questions you might have.

REP. D'AGOSTINO (91ST): Thank you. Questions from committee members? Great. Thank you. Good. Yes, Representative.

REP. OSBORNE (16TH): Thank you. Good afternoon. Thanks for being here. With respect to current solar installation and we don't have that licensure, correct?

MR. ED HAWTHORNE: No, that's what this would actually propose.

REP. OSBORNE (16TH): And what are the existing problems that you feel are occurring that this will solve for? Do we have a particular problem with fires or damages being caused by non licensed contractors installing solar?

MR. ED HAWTHORNE: It's just the overall safety of it all. If I want something. If I have electrical wiring done in my house, I want somebody licensed and insured to do it. This is requiring the license to install the solar panels which generate electricity, so.

REP. OSBORNE (16TH): Do you have any instances that you can tell me about where there has been an unsafe situation caused by the current non licenses situation of installation of solar?

MR. ED HAWTHORNE: Not offhand, but I can circle back on that for you.

REP. OSBORNE (16TH): Okay. And would the licensure requirement that you're proposing add regulatory delay or cost burden to the installation and the distribution of solar in the State of Connecticut?

MR. ED HAWTHORNE: Well, with the effective date of October 1st, of 2026 there would be plenty of time for people that are currently doing the installs to seek that license and also apply to the apprenticeship program as well.

REP. OSBORNE (16TH): And what cost burden would that put on the people who are already currently employed in doing this to seek that licensure and to comply with that regulation?

MR. ED HAWTHORNE: I don't know the cost burden it would have, but it is a safety burden that I think should be considered here today, and should be taken into account as far as the safety of installing solar and solar panels.

REP. OSBORNE (16TH): So under your proposal, people who are currently already installing solar for which we have no known safety incidents that you can tell me about here today, would have to apprentice themselves under your program in order to continue in the work they're already doing?

MR. ED HAWTHORNE: They would have to obtain that license. Exactly.

REP. OSBORNE (16TH): And they can only do that through your apprentice program?

MR. ED HAWTHORNE: Not through our apprentice program, be through the Department of Labor.

REP. OSBORNE (16TH): Through the apprentice program you discussing?

MR. ED HAWTHORNE: There actually is a Federal Program as well. Yes, they have to go through the Law.

REP. OSBORNE (16TH): And I have no further questions. Thank you so much, Mr. Chair.

REP. D'AGOSTINO (91ST): Thank you, Representative. Other questions? Thank you very much. Appreciate it.

MR. ED HAWTHORNE: Thank you.

CLERK MJ SHANNON: Up next. I have Bill Finch.

MR. BILL FINCH: Thank you, Representative Rutigliano.

REP. RUTIGLIANO (123RD): Good to see you man.

MR. BILL FINCH: Good to see you too. Chairman Maroney, D'Agostino, Ranking Members Cicarella and the other guy, thanks for this opportunity to speak today about Bill 551. As a former Senator, I know Senator Kissel and I worked on many bills together, and I know that there's a great bipartisan view here and we're united in one major principle and that's creating good jobs for Connecticut residents regardless of whether they're Democrats or Republicans or unaffiliated. And I commend this committee for always keeping that in mind. But I was a participant in hampering that effort and I come here today to make amends. Senator, I don't remember whether you and I both voted for this bill, but we came to us about, quarter to 12, CNADA with a bill that was an energy omnibus bill. And in that bill was a line, one line that exempted solar energy from having to be installed by a licensed electrician.

So I just want to read to you, so I'm trying to do a mea culpa here and fix my mistake. I was wrong when I voted for that. Had we known that John, I think,

we probably, Senator, I'm sorry, we would have probably had a lot of debate about that, because the State of Connecticut defines electrical work as the installation, erection, maintenance, inspection, testing, alteration, or repair of any wire, cable, conduit, bus way, raceway, support insulator, conductor, appliance apparatus, fixture or equipment that generates transforms, transmits, or uses electrical energy for light, heat, power, or other purposes. Notice it doesn't say except from a solar panel, it says everything and we do that because we have some of the highest standards in the world for our electrical installation. And we're very proud of it.

This part of the bill was ill conceived at the time, received no debate. And I think it really short changes the career path that Representative Ackert has chosen, which I admire greatly. I'm not an electrician. I always hire electricians when I have electrical work because I don't understand it. It's mystifying to me. And I think I'm not alone in knowing that I need to hire somebody who really knows what they're doing. If we pass this, we will go back to everything, electrical requires an electrician's license. And it will also put people who have not been on a career path, put them on a career path.

And in response, Representative Osborne to your question, Senator Osten, who may be listening and may chime in, came and told us about a case where a dairy farmer, one of her constituents, the electrical work from solar panels were not properly grounded and it caused their entire herd of dairy cows to stop producing milk because the electricity was actually at a small amount going through the cows and stopping them from milking. It cost that dairy farmer according to Senator Osten, about \$4 million.

So you'll also hear from Dan McInerney who was a former inspector for me when I was mayor in

Bridgeport and Dan is the head of the IBW local, now in the Bridgeport area. He will tell you, if you're here, I'll just mention it because I know he's late down the list. He may not be here. He had a rejection rate of well over 50% close to 80% of installs that were just done improperly. Now, what you'll find out about this industry is that there are many times when there is a licensed electrician, but they're going between many jobs at the same time, and they can't possibly perform the job at the same level as a licensed electrician.

We're going to be creating solar careers, not just day jobs. Remember also that when we're working on our members are working on a power plant or a building, the switch box is locked, there's a lock, there's no current. As soon as an electric solar panel comes out of the box, it's generating electricity, there's no lock on it. So it's probably in some ways a little more risky than all the other electrical work that electricians perform. They're producing electricity as soon as they are handled. So really the way to look at this is we're clarifying what was a blanket exemption. It basically said that this work for solar didn't have to require a license except to tie in at the box to the service. So we're closing this blanket exemption, this loophole if you will and we're explaining it.

So as Ed Hawthorne mentioned, it's the grounding, the bonding and that work that is electricity and Tim could give you a scientific explanation of it later on, that requires a license, like Mr. Ackert holds, our members hold and we would respectfully request that this is approved. As you know, in the past, there were some disagreements with other trades. This clarifies the jobs on this, the particular parts of this job which are requiring an electrical license and those that aren't. I would say the way to think of it in your mind is, it's about half requiring an electrician and half not. Is that a fair Representative Ackert or is that a

fair? I know I'm not supposed to ask you questions but, okay, that concludes my remarks and I'm certainly happy to answer Representative Ackert's question.

REP. D'AGOSTINO (91ST): Representative Ackert -- Senator.

SENATOR KISSEL (7TH): I just want to acknowledge you, Bill, and I don't know if I should call you Mayor or Senator.

MR. BILL FINCH: Anything but late for supper.

SENATOR KISSEL (7TH): But you can always call me John and this is your second bag at the apple.

REP. D'AGOSTINO (91ST): I think I'd prefer that witnesses call the members of the Representatives and Senators and we call the witnesses. Mr. Finch.

SENATOR KISSEL (7TH): I'm sorry about that. Mr. Chair, I'm just trying to be collegial. Thank you so much for taking the time and testifying.

MR. BILL FINCH: Senator, it was good to see you.

REP. D'AGOSTINO (91ST): Representative Ackert.

REP. ACKERT (8TH): Bill, you may be late for dinner tonight. There's a lot of testimony going on. We're going to be late for dinner too. So listen, Bill. I am the one that wants to grow good quality careers in the State of Connecticut, I been battling that in this building. And just recently, one of my technicians decided to leave and go back to solar. It's called poaching. We could make this change, in this legislation, we don't have the work force to do it. We have an agenda here in Connecticut to meet some climate goals and the way to do that, one of the ways to do that is to put as much solar on as we can safely, as you mentioned, I actually went out

and jumped on a roof, last year's a video somewhere's of it.

As an electrician, I don't want to be climbing roofs. I want the people that are professionally trained carpenters and racketeers, they call them, they get up there, they don't want to do electrical. They want to go up and put racks on a roof so that the roofs don't leak. They want to put that very safe panel installation. I've done it. I know exactly how to do it, and it's essentially taking your computer and plugging it in the wall and, but I would, again, if there's things that we could do to grow this business and grow the careers and get better paid electricians out there, I'm all on board. But until we make structural changes to allow us to grow this trade, I can't stop the installation of solar panels to wait for people to be licensed. You and I agree that I think the safest people would be up there doing, especially on the grounding and bonding stuff.

State of Connecticut has regulations. We have to be properly licensed. We have to pull permits and they have to be inspected. If any one of those is slip because somebody doesn't do their job. We have, right now, the same thing is happening with our building inspectors in the State of Connecticut. We don't have enough of that. We don't have enough because why? Because they come from the license trades. And so I have enough licensed people in the trade to go into that business and go in and be the good quality inspectors that we want. Then we have things that happen, and cows not producing milk. And that is the struggle that I have with this, and if we could find a way to work together to make that happen, it'd be great.

But right now I can tell you, there's, I had a electrician stopped in one of the largest electricians in my district. He employs about 70 people, install seven solar panels a day. I'm trying to help us meet our climate goals, paying

good quality people to do the work. And that's just one company. And about 70 people, a third of them are electricians cause the electricians has to do the conduit, the wiring and the proper connection to plug a solar panel in. It's like plugging a computer in and it's that safe. I've done it and I've got video of doing it.

So on the big jobs that we talk about, the big solar jobs that we're talking about. the big, the farms or solar farms. And again, it comes down to the proper people doing the work, the training that's out there. But our inspectors to do the follow up on those too. So we have things to work on together here talk. So, and I want as much solar to be put out there and put out there properly and I want to grow our trade. So, and have those be the ones that are doing the work. If we want to shut down solar installations in Connecticut and slow them down because we don't have the workforce, then pass this legislation.

MR. BILL FINCH: Well, if that's a question, I could just respond by saying that in your part of the State, it may be different. But in the Bridgeport region, the unemployment rate among the IBW members is now around 50%. So the workforce is not being fully utilized. And our economy is relatively sluggish in that area for hiring electricians. The other thing I would point out is that in Massachusetts and Rhode Island, this exemption doesn't exist and they have more solar per capita than Connecticut does. So I think it's incorrect to State that there'll be less solar if we eliminate, if we clarify this exemption.

And I think the other thing to keep in mind too, in terms of proving how this was a mistake in the first place was that the legislature, previous, Senator, you may remember this. We created a PV license which was a lower skill, lower remuneration level. And then the next year I believe, or the two years after we basically cut the knees off from the PV

license, which there's only about 30 of them in Connecticut. We want to create careers just like you have with your employees. And I think the way to create careers is to make sure that electricians are handling electricity in all cases. It's really hard to understand how in any way, shape or form we can have our definition of what's electrical work that I read.

But then say if the electricity comes out of a solar panel and I would say, and Dan McInerney will be here later, ask him about the rejection rate and whether or not all that work you said is being performed by electricians really is or not, because we don't believe it is. And we also don't believe most of these companies that you're going to hear from are using apprentices, which could also keep the price under control and be a good pipeline to careers. I know you want to create careers. I know we all want to create careers. I really do think getting back to our normal definition of electricity and how you have to have a license to handle all those things would help to create more careers.

REP. ACKERT (8TH): I appreciate that. And I think that, one of the bills I put in, I don't think it's going anywhere, unfortunately, it was going to actually increase our license inspectors in the State of Connecticut, which is woefully low and.

MR. BILL FINCH: Great idea.

REP. ACKERT (8TH): And I can guarantee you that the people working in Massachusetts should probably have a license inspector on those shops just so, you know, that. Because that legislation passed up there, but they want to keep putting solar in. So there ain't a lot of license inspectors showing up on those Massachusetts shops. But thank you again, Bill, as always for your advocacy for what you believe is what we need to do and, we agree on a lot of it. It's just how we get there.

MR. BILL FINCH: And I thank you for coming to our training center recently. It was great to see you there.

REP. ACKERT (8TH): That place is fun is awesome. And I just, I got an opportunity to with Senator Kushner and others to go to some of the union training facilities. Top notch, top notch. Thank you.

MR. BILL FINCH: Thanks for coming.

REP. D'AGOSTINO (91ST): Thank you other questions from committee members? Representative Osborne.

REP. OSBORNE (16TH): Quickly, Bill. Good to see you.

MR. BILL FINCH: Nice to see you Representative.

REP. OSBORNE (16TH): The irony is not lost on me that last time we saw each other, we were at the Environmental Summit.

MR. BILL FINCH: That's right.

REP. OSBORNE (16TH): Learning all about solar energy. So I think I'm hearing a distinction between the plug in the solar panel that goes on somebody's roof and the major solar installations, the farm installations and the more complicated electrical types of connections. Would you agree that there's a distinction between those two types of solar installation? And might there be an opportunity for a distinction in our regulatory scheme for those two types?

MR. BILL FINCH: There's been a lot of discussion about that. I can tell you that our members don't agree with that. They've been zapped working on a solar project. Just the electricity is electricity. I go back to the definition of electricity. There is, when we passed this large energy omnibus bill,

we ignored our definition of electricity. It's okay, I voted for it. I'm guilty. I was wrong. I plead some ignorance because here I am trying to change it back. We should not, I don't think ever exempt anything from that definition. I think it's playing with fire and I think it could be, we want to keep everyone safe and maintain the highest standards of electrical wiring workmanship.

REP. OSBORNE (16TH): Do you know offhand how much of the solar installation in this State are these larger, more complex electrical farm type installations versus the stuff that's going on my house?

MR. BILL FINCH: Yeah, I wouldn't know. I could get that for you, but I--

REP. OSBORNE (16TH): I'd really be interested.

MR. BILL FINCH: --basically how much residential, how much commercial, how much into the grid and how much on your home?

REP. OSBORNE (16TH): If that's the distinction. Yes.

MR. BILL FINCH: Okay.

REP. OSBORNE (16TH): Thank you. Thank you Mr. Chair.

REP. D'AGOSTINO (91ST): Thank you Representative. Appreciate it. Other questions from committee members?

CLERK MJ SHANNON: Mr. Chairman.

REP. D'AGOSTINO (91ST): Please.

CLERK MJ SHANNON: We have Senator Osten online.

REP. D'AGOSTINO (91ST): Senator.

SENATOR OSTEN (19TH): Thank you very much. And sorry, I can't be there in person, today. And I'm somebody that loves to be in person. So I really, really, very much miss being up there today. So, I just wanted to say that a lot of this had to do in, the particular case that happened was a stray voltage case which, is something that I never heard about before. I know that PURA has taken out a docket on stray voltage to look at some policies relative to what happened. And I think part of it could have been dealt with, they didn't cut, the herd did not completely not produce any milk at all. They did produce milk but just not at the level that they had been producing.

And it took a couple of years to figure out what the problem was. And the problem was that there was stray voltage coming from the solar system that they were paying for in order to decrease the amount of electricity they were using. And they not only had to stop using the solar system, they had to replace the herd because the stray voltage was going through the water trough where they were drinking from and the herd did not get over the shocking that they were experiencing relative to that.

And so I think that this is something that we should be talking about. Although in my research on stray voltage and I encourage people to just Google on the committee, stray voltage and see what happens. Many other States have a requirement for systems to be checked more regularly and for longer than what we do right now. So that's something that I think that we should be looking at. And Tim, Representative Ackert, I'll give you a call later and tell you the stray voltage story. Thank you.

REP. D'AGOSTINO (91ST): Thank you, Senator. MJ. Anyone else online?

CLERK MJ SHANNON: No more questions online, Mr. Chairman.

REP. D'AGOSTINO (91ST): Thank you, Bill.

MR. BILL FINCH: Thank you.

REP. D'AGOSTINO (91ST): Next MJ.

CLERK MJ SHANNON: Next up online, I have Jillian Shipchack. I'm adding her right now.

REP. D'AGOSTINO (91ST): Great. Thank you.

MS. JILLIAN SHIPCHACK: Hello.

REP. D'AGOSTINO (91ST): Good afternoon.

MS. JILLIAN SHIPCHACK: Good afternoon. My name is Jill, I'm a lifetime Connecticut resident and I'm speaking to you as a Hunt based full spectrum consumer. My story with hemp based products, specifically full spectrum hemp products started a few years ago, when I had a premature baby and I was suffering from severe postpartum depression. I was navigating a very tough start, that my son had with his life. So I started full spectrum products. And I never looked back. As this bill is enforced, with THC limit of one half milligram per container, it would rob me of the products that I take that help me with my PTSD. Full spectrum products in Connecticut, then this ruling will be crippled.

Furthermore, this type of bill will eliminate the therapeutic benefit of products that have helped me and so many people like myself, including my friends and family that have dealt with similar issues in life. It's just not unfair, it's sad to think that someone like myself that found so many benefits with my postpartum depression journey and my continuing PTSD that I would have to drive to neighboring States to continue my wellness journey to find full spectrum hemp products. I'm not a candidate that would go to a death dispensary as those products are

way too potent. They would get me high, and my anxiety would just be extremely increased.

Considering everything that was talked about today. I am all for reasonable regulations including, but not limited to better childproofing. But just, taking away the full spectrum hemp products and diminishing the accessibility to consumers like myself and the State, I believe would be a huge mistake. As a Connecticut resident, I do not support any one that had their hand in supporting this bill and I ask you to strongly consider my testimony. And all the people that I know that have found stability in their life from these products. Like I said, I'm not wanting to-- the dispensaries to stop their growth. However, I believe there is a way that we can allow two separate consumer bases to shop where it's most comfortable.

And to find the products that can soothe both sides of the coin, those that have that use THC to get high, and those that use full spectrum hemp products to find wellness in their life. It's my prayer and my hope that you consider my testimony and allow me to continue using full spectrum hemp products in our State of Connecticut. So I continue to be the best mom to help guide my son in his journey as he's only three years old. Thank you so much for hearing me.

REP. D'AGOSTINO (91ST): Thank you. Questions from committee members. Anyone online MJ?

CLERK MJ SHANNON: No questions online Chairman.

REP. D'AGOSTINO (91ST): Thank you. Thank you for your testimony.

MS. JILLIAN SHIPCHACK: Thank you.

REP. D'AGOSTINO (91ST): So, next are we on 14?

CLERK MJ SHANNON: Yes, she's online.

REP. D'AGOSTINO (91ST): All right. So we're going to, we're going to start enforcing the three minute rule MJ.

CLERK MJ SHANNON: Perfect.

REP. D'AGOSTINO (91ST): If you don't mind, just so I can make sure committee members are home before midnight. And again, I would encourage folks if people are here together on a particular issue, want to come up and testify together. Let MJ know maybe we can move you up in order if you're willing to come all together and testify on a particular issue, and then we'll relax the three minute rule if we've got a group and we can hear a collective concern on a particular bill that would I think benefit everybody. So, MJ, can you? Yeah, there you go. Great. Okay. So Anne Marie Rosado Higher Health. And is she in person or online?

CLERK MJ SHANNON: She's online?

REP. D'AGOSTINO (91ST): Great, Miss Rosado. Can you hear me?

MS. ANN MARIE ROSADO: Yes, I can. Can you hear me?

REP. D'AGOSTINO (91ST): Great you're on. Thank you.

MS. ANN MARIE ROSADO: Right, awesome. Distinguished members of the committee, thank you for taking the time to hear my testimony today. My name is Anne Marie Louise Rosado. I'm the founder of Higher Health in Meriden. My company provides medical evaluations and certifications for individuals who wish to enter the medical program. But most importantly, I am a patient as well. I'm part of the impaired driving task force for the State DOT. And I'm also was part of the first wet lab, green lab, which was the first Federally funded driving study in the country where we added alcohol

to cannabis to study the effects in driving. We'll also be doing that in April again.

So Higher Health was established in 2019 and I personally guided hundreds of patients into the alternative method of plant-based medicine. At that time, the medical program was robust and thriving with over 50,000 patients. Today, we're around about 41,000. My passion for that began by advocating to allow chronic pain to be passed and thank you to our Lawmakers who listened and changed the lives of many for that. Right now we're struggling a little bit with a shortage and my business has taken about a 50% decrease. The reason that people aren't renewing is because they don't have accessibility to medication.

Right now, what's available is gone from about \$28 an eighth to almost a \$50 range. So my fear for that and the reason that I also advocate for this is because I don't want people to go back to illicit medication or opioids. I became a widow at the age of 46 because of that. So I don't want to see that happen to other people. What's out there right now is we're missing edibles. We only have gummies, we've removed RSO from the menu. We don't see those two to ones. We don't see those minor cannabinoids. So it's pushing people to an illicit market, whether it is black market, whether it is going back to pharmaceuticals, whatever it may be, but the program isn't as robust as we'd to see it or as safe.

Our medical patients are the most loyal and educated clientele. So if we're looking at removing that pharmacist from the dispensary and it's because of a fiscal issue, I think that needs to be re-evaluated because our patients deserve a little bit more. The reason that I, even though it's financially difficult for me right now, that I keep an office, it's because of my aging and my mentally challenged clientele, they deserve more. This is what's best for them. In the past two years, with the Social Equity program, we wanted to make sure that we

included everyone. I want to make sure that there is inclusion for my patients, especially my geriatric and my pediatric. They deserve better. We all deserve better and especially those of us who have been around since 2018, 2019, let's not forget that medical is what brought cannabis to the State of Connecticut.

We are the OG's. We are the ones who brought it here. We are not corporate. We are mom and pop. We are brick and mortar, our CBD stores, our hemp farmers, people like myself who have been sweating it out. We are the ones who got punched in the face laughed at for this stigma, but we're still here. We're still fighting. We're collaborating. We want your help. We need your help. Look to us for that advice, for that education because we believe that collaboration is what brings celebration and what brings success. Thank you for your time.

REP. D'AGOSTINO (91ST): Great. Thank you so much. Appreciate the testimony. Questions? Anyone online MJ?

CLERK MJ SHANNON: No questions online.

REP. D'AGOSTINO (91ST): Thank you, Miss Rosado.

MS. ANN MARIE ROSADO: You're welcome. Thank you for your time.

REP. D'AGOSTINO (91ST): Thank you. Patricia Marr.

CLERK MJ SHANNON: She's online, Mr. Chairman.

REP. D'AGOSTINO (91ST): Thank you MJ.

MS. PATRICIA MARR: Hello?

REP. D'AGOSTINO (91ST): Hi, Patricia. You're on.

MS. PATRICIA MARR: Okay, thank you. Good afternoon. And thank you to the committee for the

opportunity to speak on House Bill 5150. I'm talking today specifically in relation to section eight to the pharmacist and Telehealth. My name is Patricia Marr. I've been a pharmacist for 35 years and a proud UConn graduate and I've practiced in the State of Connecticut my entire career all in the retail pharmacy setting. The last seven years, I have been a dispensary pharmacist in the medical marijuana field. I've seen firsthand the benefits of what having a pharmacist on site at the dispensary does for the medical patient.

From the initial consultation to the ongoing discussions concerning therapy, dosing, medication options, the patient benefits greatly from the ability to have the pharmacist on site to answer any questions face to face. Patients trust the pharmacist as an integral part of their medical marijuana health care team. I see many elderly patients and they have difficulty completing simple necessary tasks such as renewals or registrations due to the fear or lack of technology. And if we move to Telehealth, I'm afraid many patients would discontinue their care by taking away the ability to see the pharmacist in person.

I've answered questions, I've listened to concerns and have just been a shoulder to lean on for comfort or reassurance. Many patients on a daily basis. Express how grateful they are to have a familiar face to see and how much they trust and value our knowledge and professionalism. Coming into the dispensary is a daily, weekly or monthly routine that patients look forward to. If we replace that with a face or voice over a computer or phone line, we are doing a great disservice to our patients and the foundation of what the State of Connecticut's medical marijuana program was built on. I oppose the bill. And please consider the patient's well being and the role of the pharmacist that plays in that. And I thank you so much for your time.

REP. D'AGOSTINO (91ST): Thank you very much for your testimony. Questions from committee members? Online MJ.

CLERK MJ SHANNON: Non online.

REP. D'AGOSTINO (91ST): I think in case there's anyone else testifying on that issue, There's, we've been a bit seen as leadership of the committee and the testimony combined with frankly DCP weighing in against the committee bill, which they rarely do, carries a lot of weight with us so that I can let you know, you don't have to spend too much more time on that testimony. It's likely to come out of the bill that will be voted at a committee and we'll be keeping the pharmacists in the dispensaries for the medical patients. Next is Catherine Donovan BDO USA.

CLERK MJ SHANNON: I do not see her online, Mr. Chairman.

REP. D'AGOSTINO (91ST): Okay. Thank you MJ. Shawn Magill, TheCBGGurus, LLC. And followed by Jacob Honig. So both from the same company. So they're welcome to come up together or do so online.

MR. SHAWN MAGILL: We do have separate things written out.

REP. D'AGOSTINO (91ST): Same company, same issue, roughly so, go ahead. Come on.

MR. SHAWN MAGILL: So I'll go ahead first, I guess. So, good afternoon, everybody. My name is Shawn Magill. I'm co owner of TheCBGGurus, a small hemp farm nestled in the rolling hills of Northwestern Connecticut. I'm here today. Not only to represent myself, my business and all the other hemp farmers across the State, but also as a Representative of my customers ranging from cannabis connoisseurs to cancer patients and everyone in between. As a cannabis farm that practices regenerative

agriculture and grows food crops right alongside our hemp. We love our ability to develop direct relationships with our customers while being a positive community forward facing business and beacon of education for the cannabis community.

I don't want to say that I'm here in opposition of anything because that has such negative connotations. So what I will say is that HB 5150 as written would effectively put me out of business in the State of Connecticut. I'd love to shine some light on the situation from my perspective as a medicinal plant, chemist, farmer, and local business owner. Here at the CBG Gurus, we clearly have a lot of love for CBG, the mother of all cannabinoids but it is very clear that CBD products are the most in demand in the hemp market. Under the legislation that redefined THC as total THC and set a cap of 0.3%, the possibility of growing CBD flour to sell as raw flower in Connecticut was essentially eliminated.

A main point I'd like to discuss is the natural maturation process of CBD hemp plants. As a hemp farm registered with the Department of Agriculture, we are required to get a pre harvest compliance test on each individual hemp variety. At this point, the hemp must be below 0.3% total THC and they even allow a little extra wiggle room calling it a range of air. After receiving a passing result, we are allowed a 30 day window to let the crop mature and harvest. To bring up two examples of CBD flower that we grew last year for pre harvest compliance. Our frosted grapes tested at 0.2% THC and 4.3% CBD.

Our Resurrection Kush tested at 0.24% THC and 5% CBD. After ripening, being harvested, cured and trimmed the frosted grapes tested at 0.58% THC and 14.6% CBD. The Resurrection Kush tested at 0.65% THC and 14.9% CBD. We are proposing a ratio of 20 to 1 total cannabinoids to total THC for all hemp products particularly extracts, raw flower, and pre rolls. These are non-intoxicating full spectrum

hemp products that the community needs. We have been blocked from getting some of our most popular products into our local dispensary. Meanwhile, our customers are continuously asking why our products are not available on a broader scale. So I'm here today asking for your help for the people that this plant benefits in life-changing ways on a daily basis for the people that keep me farming. Thank you.

REP. D'AGOSTINO (91ST): Jacob. I'm sorry, Shawn.

CLERK MJ SHANNON: Nope, you got it right. That's Jacob.

REP. D'AGOSTINO (91ST): I wasn't sure.

MR. JACOB HONIG: Thank you, members of the General Law Committee, again, my name is Jacob Honig. I'm co-owner of TheCBGGurus with Shawn Magill. Before I address the dangers of proposed Bill 5150 I'd like to reiterate how the current Law that's in place, Public Act 2379 hurts our business and puts the hemp industry in a dangerous legal situation. As Shawn explained, the hemp flower is testing between 0.3 and 0.6% total THC after harvest. So under the current Law, DCP considers our hemp flower to be high THC hemp product, and high THC hemp products are defined as marijuana.

So not only is our hemp flower and smokable products currently defined as marijuana by the DCP, but we're not even authorized to sell these "high THC hemp" products to the marijuana dispensaries because we're only licensed to sell hemp, not marijuana, and this is according to the DCP. So, furthermore, with the current legislation, our 1 to 1 CBG to CBD tincture is less than one half of a milligram of THC away from the 25 mg per container cap. The current regulations need to change to allow our products to be sold and to give hemp manufacturers a speck of room for error so we can manufacture products without fear of breaking the Law. If 5150 passes as

written, it will end the hemp industry in Connecticut completely.

As the bill currently stands, all of our products contain more than 0.5 mg of THC per container and would become illegal. We have no way of taking the THC out of our extract or products because we don't use any chemicals in our extraction process. Therefore, under section one of Bill 5150 would be unable to make any compliant hemp products and will be forced to go out of business in Connecticut. Furthermore, the proposed legislation requires all hemp products to be individually packaged as single servings, that's section 18 of proposed Bill 5150. Almost none of our products can be individually packaged in an economically feasible way other than our pre rolls, which again are currently illegal.

Yet again, in this scenario, the bill passes as it's written, we are forced out of business in Connecticut. So in my written testimony, we have submitted two proposals to fix 5150 in Public Act 2379. These proposals will continue to offer last year's protections for consumers from public health concerns while offering a pathway for CT hemp, farmers and manufacturers to succeed. So I urge the members of the committee to draw from our written testimony and consider a 20 to 1 total cannabinoids to total THC ratio, as the basis for a realistic and equitable definition of hemp. I hope we can take this opportunity to make a monumentous step, towards fair and equitable hemp Laws by creating an example in Connecticut for the rest of the country. Thank you.

REP. D'AGOSTINO (91ST): Look at that perfect timing. Questions from committee members? Senator, Senator Maroney.

SENATOR MARONEY (14TH): Jacob have any States passed Laws along the lines of requiring that 20 to 1 ratio that you mentioned?

MR. JACOB HONIG: Colorado had a really long legal battle. The hemp industry there was trying to propose this type of ratio. It never ended up going into action. So we would be really a leader across all the States with this type of legislation.

MR. SHAWN MAGILL: I also would to point out most of the other States still follow the Federal Legislation which defines THC as DELTA 9 THC. And that limit is set at 0.3% for Delta 9 THC. And our products do pass that standard. The flower that I provided examples of, upon maturity tests around 0.12%. Delta 9 THC. But again, it's just over 0.6% total THC. So that redefinition last year is what caused the illegality there. And a lot of these other States are still going off the Fed Law, which refers to THC as Delta 9 THC.

SENATOR MARONEY (14TH): And I think you, I mean, I guess our issue right with the Delta 8 and that other States have looked at, I think, banning some of the Delta 8 products. And I think we've mentioned that, something new keeps coming up, right? This Delta 8, the THCA and the goal is ensuring safety. So, we've seen that, across the country calls to poison control have increased because a lot of kids are having the gummies with the Delta 8 and--

MR. SHAWN MAGILL: I'd also say that a lot of those gummies probably are going off, of that, Fed Law and playing the mass loophole. So, if you have a gummy, that's 5g, you can put a lot of THC in there and still have it be less than 0.3% and you're not required to put any other cannabinoids in there. So you're consuming just THC, whereas with some sort of ratio, you'd be required to put these other, non-intoxicating cannabinoids in there and I can't refer to a specific study but, it has been proven that at a ratio greater than 5 to 1 of non-intoxicating cannabinoids to THC, the really intoxicating effects of THC are largely, I can't say eliminated but really, negated.

MR. JACOB HONIG: And we're going to be looking at products that, with a 20 to 1 ratio that's far beyond 5 to 1. And I again, as Shawn said, and I want to emphasize these products are non-intoxicating. They are really actually hemp, they're really made from hemp, we really grow it under our department of AG license here in Connecticut. And if any of you would be curious at all and have never tried a hemp smokable pre roll or any products. We have some today if you'd be so brave. But, just to really nail that point in, these products are wanted by people. And they can't access them anywhere right now and they really are non-intoxicating.

SENATOR MARONEY (14TH): And so the testing you mentioned is that through DoAG or through DCP and how does that process work?

MR. SHAWN MAGILL: So as a hemp farm, as I mentioned, we're required to do pre harvest compliance testing on each individual variety, so all the different types of the hemp that we grow, each one has to get tested before we're even allowed to harvest it. And that is done by the Department of Agriculture. They come out to our farm, they take the samples and they love to leave all the leaves on there and all the stems and everything because they want us to pass and they know with all the extra leaves and everything, we're more likely to pass. We love DoAG so they come out to the farm, they take their samples and they bring them off to the lab. And right now it's normally 5 to 10 day turnaround time between when we get the samples taken and the results. And as long as those results are below, they actually define as delta 9 THC.

But you have to, science decarboxylate everything in their testing process. So it's very similar to what the total THC number would be. So for that pre harvest compliance testing, we're required to be below 0.3%. And then after that, we're required to

get a full panel of testing done through a licensed laboratory, before we're allowed to sell any of our final, products in their final form. So that pre harvest compliance test just basically allows us to harvest the crop. And there are not any other seeds available on the market that could get us below that 0.3% total THC mark it doesn't exist, and people have been breeding cannabis for 20 years to get it below 1%. So it's been very difficult and it's really, we're at the edge of what the genome can produce.

REP. D'AGOSTINO (91ST): Representative Osborne.

REP. OSBORNE (16TH): Thank you, Mr. Chair. So I'm trying to learn and trying to understand. So I want to make sure that the ratio is that having other forms and correct me if I'm not getting this right, the ratio that you're proposing, when you add different forms of cannabinoids to the product, I said it, to the product that actually reduces the intoxicating effects of the THC that is in the product, is that correct?

MR. SHAWN MAGILL: Yeah, absolutely. And I mean, even along, you know, anybody in the marketplace, I've heard being in the marketplace, a lot of people sometimes take too many edibles or whatever, too much THC. I've heard this story a million times, grandma ate the whole chocolate bar or whatever. So a lot of the times people say go take some CBD or another minor cannabinoid because that's going to make you sober you up a little bit.

REP. OSBORNE (16TH): So next time my dog eats the gummies, that might. No, no, I mean--

MR. SHAWN MAGILL: Exactly.

REP. OSBORNE (16TH): So sorry, so when we're talking about and I I'm forgetting the name of it, it's the Delta 8 or the Delta 9. The one that we--

MR. SHAWN MAGILL: So Delta 9 THC is the one that the plant naturally makes. Delta 8 THC people make by taking CBD and using a bunch of chemicals and turning it into Delta 8 THC.

REP. OSBORNE (16TH): And that's not what you do. You grow a natural product that occurs this way, correct?

MR. SHAWN MAGILL: Correct. Naturally when CBD hemp grows, there is a small concentration of Delta 9 THC that exists just like if you look at most marijuana cultivars, there's a small concentration of CBD or CBG that exists in these other cultivars.

REP. OSBORNE (16TH): Thank you very much. Thank you for helping me understand and thanks for coming today guys.

REP. D'AGOSTINO (91ST): So look, I mean, I guess a couple of things from my perspective, at a high level, you guys all got into a business, you're growing products with THC, you're making products with THC, and we can sit here and debate till the cows come home. No pun intended. Whether that gets you high or not and the level of intoxication, all right. You've heard today and I think the singular concern emanating from this bill is if it's got THC in it, we don't want to get into a situation where we got to have enforcement agents going out there in a convenience store and figuring out, well, this one's got this particular ratio and no offense to your hat doing math, asking cops to do math on what's in it and whether it's intoxicated or not, and while your stuff is regulated by, DoAG other products coming in the State are not.

So the singular concern being addressed by this bill is to take all of these products and get them into our dispensaries. Now, I just, I heard you and we heard absolutely what you just said about not being able to sell them, that we need to correct because that's not, I want to be very clear, that's not the

intent. The intent is that all of those products that you make should be sold and be available in dispensaries. And if there's a regulatory issue with that, we're going to correct that. But the lane that we've established for these products with THC is our dispensaries, and that's where they should be sold and that's what this legislation is meant to do. I appreciate that a grower, a manufacturer who is making these products wants them sold through as many avenues as possible.

But this State has been very clear when we passed this Law and people who are in the business before we do it, knew it was coming and took a business risk on the products they were making when we were going, we telegraphed what we were going to do and, I feel bad about that but people make business decisions all the time and the regulatory scheme changes and we legalized cannabis THC in a regulatory marketplace. And so the purpose of the bill that we have before us as a committee is to say, above a minimum threshold amount, I heard everything you said about you can't avoid that.

That was the intent was to get as much of this product as possible and say, if it's got THC I don't have to worry about an enforcement agent knowing you go into a convenience store or a liquor store or whatever, it shouldn't be there. They don't have to do math. They don't have to do ratios. They don't have to determine potency. It's sold in one place and one place only. And the advantage that you're going to have is we're going to be able to say, hey, those products that they make are blessed by DoAG, regulated by DoAG, have the imprimatur of State approval.

And we can say this should be displayed right front and center in the dispensary as Connecticut grown hemp/CBD. However, you want, whatever you guys want to call it, products, that are sold. Absolutely your stuff should be sold in dispensaries. And we're going to make sure we take steps to correct

that, but that's the only place that should be sold. That's the purpose of the Act. So I let me just sort of get your reaction to that.

MR. SHAWN MAGILL: I mean, I would say just the first point is, I understand the legalization of cannabis, marijuana, but I don't think that in the legalization of marijuana, you meant to make CBD smokable flower which is very medicinal and totally non-intoxicating illegal, which is effectively what happened.

REP. D'AGOSTINO (91ST): Look, this is the point you're telling me it's not intoxicating.

MR. SHAWN MAGILL: Do you want a pre roll? I'm serious.

REP. D'AGOSTINO (91ST): Clearly. Look I don't want to even get into the debate. That's the whole point of what we're proposing here is to be able to say these products have--, somebody wants to make pure CBD stuff. That's fine.

MR. SHAWN MAGILL: That's what this is.

REP. D'AGOSTINO (91ST): But, if it's got the THC.

MR. SHAWN MAGILL: No, but that's what this is. It's CBD, you cannot grow a flower, which is what the hemp is. It's a flower that has no THC in it. You cannot do that. You cannot grow that.

REP. D'AGOSTINO (91ST): I appreciate that. We actually have an exception in here for just the flower product if you saw it, right. We're still carving out that piece on the flower in the bill. The 3/10 percent on a dry way basis for cannabis flower, or cannabis trim is still segregated out from that 0.5. So we're recognizing that, but at the end of the day, that product that you're making, you understand what we're struggling with, is we've got this whole span of products out there that say,

oh yeah, no, don't worry that's just the CBD and then you look at it and it's got--

MR. SHAWN MAGILL: What they're saying, it's hemp and then it has a ton of THC in it.

REP. D'AGOSTINO (91ST): Exactly. So we're trying to--

MR. SHAWN MAGILL: I understand that.

REP. D'AGOSTINO (91ST): --[inaudible 2:56:35] an issue that admittedly you are not responsible for, and that you are addressing responsively in how you're doing it, and you're getting caught up in the wash and I don't see a way to excise you out except to say that your products, as I said, should have a special status in dispensaries and be able to say that's the product, the hemp product that can be sold in Connecticut because it's regulated because it's overseen by DoAG as opposed to other hemp products that are out there.

MR. JACOB HONIG: I'd like to say, I think we have a good understanding of your position in regards with selling these products in dispensaries. And we encourage you to look at my public testimony that I submitted, which has some ideas that address your concerns, and will help actually implement this in the Law. But again, I want to really emphasize that in the Bill 5150 as it currently stands, the one serving per container thing is ridiculous. And again, the hemp flower has more than 0.3% total THC. So it does nothing for us, to help make that available in dispensaries.

MR. SHAWN MAGILL: And in regards to only being available in dispensaries, I think that's a potentially pretty big availability concern and might also steer consumers either to online markets or back to the black market. I mean, I stated our farms in Northwestern Connecticut, we have one dispensary that's within a certain radius, so and

meanwhile, I could type in Google on my phone and find weed online that can get delivered right to my house. So I think just from a availability perspective, we don't want intoxicating hemp products to be available anywhere either. We don't want that. We understand that it makes us look bad. We're not trying to sell marijuana as hemp, we're trying to sell hemp, and we're hopefully trying to come up with the right words that would allow us to grow hemp as it exists and sell it to customers like that mom who doesn't want to get marijuana, she wants hemp and a lot of other people too out there. The marijuana's whatever, too intoxicating for them. So they need these hemp products to mix into their consumption habits.

REP. D'AGOSTINO (91ST): Great. Thank you. Other questions from committee members? Just again, a note for, I know there's other testaments that look, you know, Jacob and Shawn did a great job of advocating for. This is a good debate for the committee to hear on this particular issue. So I'd encourage other folks to sort of marshal their comments through them as well. And again, you told me a long time ago, right, if you're winning, shut up, you know. So, these guys have done a really good job, I would say, presenting the case, think about what your testimony is going to be. I don't want to prevent anybody from testifying, but you might undermine the case they just made. So just be careful about how you go forward and just this good advice from committee members. You guys do a great job and thank you for the written testimony. I appreciate that and we'll continue the dialogue. Thank you.

MR. SHAWN MAGILL: Thank you, Chairman. Thank you, everybody.

REP. D'AGOSTINO (91ST): Mike Trahan, I saw Mike earlier, there you are. Mike, do you have anybody with you you want to bring up? Great, terrific. Yeah. And MJ, we'll relax this since they're

bringing a bunch of people up on solar. We'll relax the three-minute rule. Thank you.

MR. MIKE TRAHAN: Good afternoon, Mr. Chairman, members of the committee. Can I introduce you to a few folks to you? This is Alice Horgan from Sunnova, Kyle Wallace from PosiGen to my left. We have two, I believe, Michael and remotely, Paul Lamoureux from Trinity Solar and Bronte Payne from SunPower. My name is Mike Trahan. I'm Executive Director of the Connecticut Solar and Storage Association. Our 40 members are residential and commercial solar installers and developers doing everything from supplying projects, engineering those and designing those all over the State of Connecticut. This is the fourth or fifth time that I have testified on this bill. Most recently, last year, over the last 10 years. Yes, this has been going on for about 10 years, a little more than 10 years, and the arguments that are being made in favor of this bill and ones like it are mostly centered around safety issues and workmanship issues. I can tell you, just a quick response to some of the comments that were made before we are licensed. We are insured. Our solar projects are inspected by professionals all over the State of Connecticut.

In those 10 years since this issue first started, those arguments haven't changed. They've been dispensed with this committee and one other committee. I can tell you one big thing that has happened since this argument first started. By the end of this year, the number of solar-installed projects that have been installed in the State of Connecticut, inspected and improved will be eclipsing 100,000 systems. We'll have done 100,000 systems have been installed in the State of Connecticut approved by professionals. And I would hope that we would think that if the system's not broke, it doesn't need any fixing. I don't wanna go on much longer. I know that the two folks and the two online will speak in some detail. And I'll cede to Alice first from Sonova.

MS. ALICE HORGAN: Thank you very much. Thank you, members of the committee. My name is Alice Horgan. I'm the Government Affairs Manager for Sunnova Energy. We're a leading solar energy service. We have about 400,000 customers across the US. We partner here in Connecticut with local business and installers, some of whom are here to share their testimony today. I'd like to start off by giving a brief overview of the current statutory requirements for installers for residential rooftop systems, and this is all in my file testimony. So a PV installer must have a PV-1 license to perform installations, erections, repairs, replacements, alterations, or maintenance of photovoltaic systems, including storage or distribution of heat, power, light or other purposes to appoint immediately inside the structure or an adjacent end-use. An E-1 master electrician's license for any electrical work as defined by Connecticut statute, for any action to an existing panel, junction box, wiring or circuits on the premise. The installer must have an E-2 electrician's license or a PV-Two license to be in the employ of the licensed electrical contractor. An employee of a company-installed PV system must have a PV-1, P-2, E-1 or 2 license, or be an apprentice to one of those licenses and working under the direct supervision. And an employee of a licensed contractor may do the hoisting, placing an attachment of modules without a license currently.

So all the installers and dealers that Sonova partners with have up to date business licenses, comply with regulations and have the proper certification to perform the various aspects of the installation of a rooftop solar system. Our technicians are fully-licensed and certified to address the ongoing operation and maintenance and the monitoring of inverters, solar panels, battery wiring and connections. And in this current statutory regime, licenses are required when the work performed is related to the specialty. And there's a historical exemption for the work that

does not need specialized knowledge. This exemption for hoisting, placing an attachment of PD modules has existed over the past decade throughout the establishment of Connecticut's robust solar market.

Residential solar has been critical to making progress in the State's aggressive climate and greenhouse gas reduction goals. As far as we know, we have not -- there have not been any major safety incidents regarding the installations of residential solar. HB 5151 makes changes to that solar exemption license statute by eliminating this exemption for employees of licensed contractors who would otherwise be able and properly supervised for the placement of this anchoring and panel for PV panels. So if this bill were to sign into law, an electrician would be doing non-electrical work. And so this change in exemption creates a restrictive and unnecessary requirement on a key labor segment that's already understaffed. Distributed energy installation jobs represent more than half of the installation and construction-related employment in the sector. And according to associated builders and contractors, the construction workforce shortage topped over half a million workers in 2023. We shouldn't be adding limits to clean energy transition to the job force. The adoption of additional and unnecessary license requirements would lead to an increase in cost of rooftop solar, which should be borne by homeowners and small businesses that are looking to go green. You know, solar represents a great opportunity for savings for customers and Connecticut has some of the highest electricity rates in the nation. And so we shouldn't be penalizing folks seeking to install rooftop solar, who are trying to address our climate crisis. Thank you.

MR. KYLE WALLACE: And my name is Kyle Wallace with PosiGen. I'll just add a couple of points and the first is just to clarify what exactly a non-licensed worker can do on the job. Because they are not doing the conduit, the wiring, the inverter, the AC-

disconnect switch, the breakers, all of that stuff is being done by the electricians, including the grounding and bonding. What the unlicensed workers can do is they can unpackage the panels, they can move them up to the rooftop, they can measure, put on the mounts for those panels and place them in and anchor those. That's the placement and anchoring that this bill would delete from the exemption. Those are the three words: placement and anchoring.

So that is the limited scope that the non-licensed electricians are currently performing. And this has been talked about as a safety concern and I just want to make it clear that I don't know that that is a valid concern because in this very bill, it also adds an exemption so that ground-mount racking systems wouldn't have to be installed by an electrician. The grounding and bonding is the same, whether it's rooftop ground mount, it is the same. And so treating a larger installation that is more complicated, like a large, you know, five-megawatt project in a field differently than the rooftop racking system that is far simpler to install. I think that's a mismatch. You're saying that the rooftop installation is more dangerous from a grounding and bonding perspective. And that's just not true. So that's just one thing I wanted to point out, is the form and function of the racking systems are the same. And so this bill actually is creating exemption and then removing one from rooftop.

The second point I wanted to address was that this bill won't have a negative impact on the existing solar installer workforce in Connecticut because there is the pathway of becoming apprenticeships. And I just want to say for PosiGen, we employ eight licensed electricians that under current ratio requirements by statute allows us to have four apprentices. Those spots are all filled. We do use apprentices. We want to have more apprentices. One of our unlicensed workers is currently taking courses so that when a spot opens up, they can be

our next apprentice. If we wanted to make all of our non-licensed workers apprentices, let's say we had 10 unlicensed workers, to make all of those apprentices under the current ratio requirements, we would have to hire 28 new journeyman electricians just to have the 10 existing installers become apprentices. That's not practical. We don't need 28 more electricians. We have eight. I mean, we're more than quadrupling our number of electricians to just make our installers apprentices. So that's not really a solution. It's not really a pathway because it's mathematically not possible to do. And if you have every solar company in the State facing that, that's gonna be a massive problem. Like Representative Ackert said, there's not the workforce there to make that possible.

You know, this really, in my view, is not a job creation bill, this would be a job killing bill for that very reason. And I just also want to be clear that the solar installer is a career path. Like I mentioned, we are unlicensed workers. They are working towards apprenticeships when those spots are available. They can also become foreman. They can move to other operational and management positions within the operations of the company. There are clear pathways for a career, for good paying jobs through the current structure. And as Mike said, there's been over almost 90,000 installations in the State to date and we'll cross 100,000 this year. There is no real problem here on the safety side so just want that for consideration. And I'll pass it to, I don't know if it's Paul or Bronte.

MR. MIKE TRAHAN: Well, yeah, if Bronte is there to cover some new ground. Bronte.

MS. BRONTE PAYNE: Yeah, hi. I submitted written testimony but I will keep my comments brief, as Kyle and Alice covered it so well, but I'm Bronte Payne. I'm a manager of policy and strategy with SunPower. SunPower is one of the nation's leading providers of residential solar, battery storage and energy

services. We currently serve more than 550,000 residential customers across the US. And we employ customer or we employ staff directly in Connecticut and really partner with a robust network of dealers, primarily small independent businesses. I mean, I agree with all the comments made by Kyle and Alice and really wanted to drive on the point that I think Kyle was making at the end that the current list of license-exempt work really provides a meaningful entry point into the solar industry to work as solar installers, allowing workers to gain valuable training and build the careers that are needed to support the state's clean energy goals.

I also want to make a distinction that unlicensed workers are not untrained workers,. These installers that are doing things like policing and hoisting and the anchoring and things that would be exempt if this bill was to pass. Our workers that are trained, they are just not workers that are completing the electrical work component of the installations. So I think removing the placement and anchoring from the list of license-exempt work would really severely limit the work that these training skills installers are able to do. As Kyle mentioned, hurting the industry overall and potentially removing jobs that provide a meaningful career pathway today. We know that this would exacerbate existing workforce shortages. It would slow down the installation of rooftop solar and harm the [inaudible 3:11:21] transition to clean energy. So we really encourage the committee to either oppose the bill or amend the language to remove the proposed deletion of placement anchoring.

MR. MIKE TRAHAN: Thanks, Bronte. Our last speaker, Mr. Chairman, Paul Lamoureux from Trinity. Paul, could you start with your credentials? And if there's any issues that we haven't addressed already, can you touch on them?

MR. PAUL LAMOUREUX: Hi, good afternoon. Paul Lamoureux. I'm the field operations manager and

electrical license holder for Trinity here in Connecticut. So they've addressed most of the things that I wanted to. There was a couple of questions that came up during this that I did want to address. One was the cost for an apprenticeship. So average schooling right now is \$10,000-plus for somebody to register to become an apprentice to go through the electrical schooling. The question about the panels producing voltage. Honestly, this is no different than somebody who can walk in the Home Depot by a generator right now, start it up, plug an extension cord in and you're producing voltage. The difference is the modules are designed with safety features. So when they're connected, it's not producing more than one volt per module. This is something, and string voltage, you're not getting more than 30 volts within 30 seconds of the system being connected.

The other thing that I did want to talk about is really the separation of the work. Really, there's no difference than if you're having a motorized skylight installed on your home. I wouldn't want an electrician cutting a hole through my roof and I wouldn't want a roofer connecting my electrical system. These are two different trades.

REP. D'AGOSTINO (91ST): Paul, thank you. Yeah. Well, I think that last point is really what is the whole issue. And I think we'll have questions for the electricians when they come up as well, which is from my perspective, who's cutting the holes in the roof? [laughs]

MR. PAUL LAMOUREUX: Yeah, those are done by the roofers, by the installers.

REP. D'AGOSTINO (91ST): Say that again.

MR. PAUL LAMOUREUX: Those are done by the installers who are actually trained and certified to... We have the manufacturer racking system come out and train these guys and these are the ones

cutting the hole through the roof for the penetrations, not the electricians.

REP. D'AGOSTINO (91ST): And you're saying that if we eliminate this language, the electricians would be cutting the holes in the roof?

MR. PAUL LAMOUREUX: That would be correct.

REP. D'AGOSTINO (91ST): Okay. I think we'll be interested to hear from the electricians on that because I don't think we want... I will say the number one complaint that I hear is, you ruined my roof. Not that the system is not working, not that the cows are electrified or whatever. It's that, you ruined my roof. So I guess I'm not hearing either side saying how they're gonna address that. Frankly, what I need to hear from are the laborers and you need probably licensed laborers up there, or oofers to do that work. I don't know what the... how do you train that person to do that particular work?

MR. PAUL LAMOUREUX: So most of our work -- so the way our teams work in Connecticut is we have a five-man crew. So we have three installers who are doing the lifting of the modules, the racking, the mounting, everything non-tool-related connections. So I've talked to the state building official, state electrical license. And what they've determined is if it requires a tool, it has to be done by electrician. Whether it's a PV electrician or E electrician. If you take the tool out to make a connection, that is electric work, Plug-and-play modules is not considered electric work. It's no different than plugging a lamp into your wall.

MR. MIKE TRAHAN: And I'm sorry, what's -- maybe you can answer, what's a racking system?

MR. PAUL LAMOUREUX: The rails -- so the mounting brackets that mount to the roof, the rail system that the modules mount to.

MR. MIKE TRAHAN: Gotcha. Okay. All right. I'm sorry. Questions from community members? Tim, please.

REP. ACKERT (8TH): Thank you, Mr. Chairman and thank you all for your work that you do. What is the workforce ratio, while you use that term? What is the workforce difference between how many non-licensed roofers, carpenters, racketeers, compared to electricians? So it's gotta be, you gotta employ more non-licensed than you do probably licensed. Right?

MR. PAUL LAMOUREUX: Correct. Because we need electricians in other departments besides just install. I currently have 65 electricians working under me. I have 10 electrical apprentices. I have two PB electricians. I have 11 PV apprentices. Trust me, I'm a 100% proponent of the PD licensed, not as a replacement for installers but in addition, to help with the limited workforce of electricians. I've been pushing this program here for five years. Um, like I said, we've got now two PV licensed and I've got 11 apprentices who are helping us, in a time where it's really getting tough to find qualified electricians.

REP. ACKERT (8TH): Thank you. But my question was more to the non-licensed group. So, like I include the apprentice being part of a licensed group, PV part of licensed. How many of the non-licensed workers do you employ?

MR. PAUL LAMOUREUX: So we have currently 76 installers.

REP. ACKERT (8TH): 76 installers.

MR. PAUL LAMOUREUX: Correct.

REP. ACKERT (8TH): That may be affected by...

MR. PAUL LAMOUREUX: If this bill were to go through with the current ratios, I'd either have to terminate or hire an additional 100 electricians.

REP. ACKERT (8TH): Good luck finding them. Thanks.

MR. MIKE TRAHAN: And just for clarity, I would say when we say solar installers, we mean the unlicensed individuals on the rooftop.

REP. D'AGOSTINO (91ST): Got you. Okay. Represent Brown.

REP. BROWN (56TH): Thank you, Mr. Chairman. I don't know who would like to answer this question, but I had a recent experience with one of your companies. I won't say which. and it was a nightmare on my part. And I wish I was not one of the 90,000 people you mentioned earlier who are signing up for this program because I had a leak in my roof that I could not identify where it was coming from. And as someone who's not that skilled and talented, it took me on the roof to go up there and to find out that it was actually a hole that one of the folks came in to drill to place your bracket that actually put the hole in my roof that I couldn't identify, until it was too late. When I'm talking water damage in my sunroom as a result because my roof is on a pitch. And so the original cause of the leak wasn't leaking through there. It was flowing down my roof and as a result, creating damage.

I also didn't like the experience of folks who came out to install it. I know you said there was someone licensed at all times to be there, but no one who was working on my roof at the time, spoke English. My questions went unanswered. We had to call the rep who actually came out on their sales call in order to bring someone back to me to answer a question. And so for you to say that there's always someone licensed there, I'm gonna have to doubt that because no one licensed was there because

I needed someone to speak English. And unfortunately, I only speak one language. So I could not ask questions of the people who were physically doing the work in real time on my roof. That quite frankly was because I was hounded almost every day by someone saying these are all the benefits. And I got my bill last week. It's \$450 for electricity on top of my \$120 that I pay for this solar. And so I don't see the savings frankly. And I also don't see the quality of workmanship because we're hearing about this every day from people who are getting solar installed that there's something not right once your folks leave. And so we have to ask, as a committee, what's the problem? And so we're looking at different avenues. I know you said you've come in front of us over 10 years because we're still looking for that solution. And I think it's real. I think either the industry needs to propose, what should we be looking at in order to make sure that this isn't happening so consistently? And so I would be eager to hear from you all if there are some solutions you think that would address this problem without going to something like this.

MR. MIKE TRAHAN: Representative, your project was approved by your local building official?

REP. BROWN (56TH): Yes.

MR. MIKE TRAHAN: So the licensee, or the licensee on your project, the electrician on your project, could have been only a Spanish-speaking individual. It's his license that's up if something goes wrong on that project. So he signs off or he or she signs off on that work and then that work is eventually approved by the local billing official. If there's something wrong with the system. I understand we have consumer complaints. When you do 100,000 projects over 10 years, you're going to get some complaints. I understand. And there is a process in place through DCP and other avenues to seek, you know, to make yourself whole in those situations.

You know, I'm happy to talk to you afterwards. I'm happy to talk to any-- I field calls from individuals. I field calls from people call me up, they find me on the internet and they say, Hey, jeez, I got a problem with my system, and I get it taken care of. And trust me when I say that, you know, when our members and I can't speak for every company that installs in the State of Connecticut. That's part of the problem. The members of our organization are very astute in understanding of the problems that are faced by some consumers and they're on it. I'm sorry, you had the situation that you did.

REP. BROWN (56TH): I was also just going to say I totally understand the roof penetrations are probably one of the number one complaints of just that they don't always go well. And so I agree that that is a very real issue that needs better training, whatever it may be. But I also want to be clear that I don't know that a electrician doing that work of drilling into the roof and putting the mounts on, I don't know that that's going to make this any better.

MR. MIKE TRAHAN: No. And I would agree with you on this, that sentiment. And then one last thing I just want to say, if you wanted to become a regular apprentice in the State of Connecticut to be an electrician, there's no cost to you as long as you're a Connecticut resident. And so it's not \$10,000, it's actually free.

MR. PAUL LAMOUREUX: The schooling. So in order to become a PV apprentice or an electrical apprentice, you have to go through a schooling program. The schooling program is about \$10,000 plus.

SENATOR MARONEY (14TH): Great. Thank you.
Representative Fazzino.

REP. FAZZINO (83RD): Thank you, Mr. Chair, and I just want to set the record straight that

Representative Brown, you are talented, if not at handy work, so... [laughter] Thank you all for being here. I am not going to ask a question about the specific language in the statute. It more directs to the statement of purpose of the statute and that sort of animates the legislative intent that we have in place with a particular policy. So when we're talking about a project that is under the direction of a properly-licensed solar contractor, I just don't really know what ;under the direction; means with respect to a solar installation project. Can one of you shed some light on how exactly directing a solar project would look like? What are the job description of someone who is actually directing a solar installation? What steps do they have to do to see a project through all the way to the end? What does it look like in practice?

MR. MIKE TRAHAN: Yeah. in my testimony, Representative, I listed a number of the responsibilities of the electrical licenseholder on the job, but Paul I'll let you run through the supervision issue that the Representative was asking about.

MR. PAUL LAMOUREUX: Yeah, so as far as our installers, we have three levels. We have junior, senior, lead. Lead is most experienced, most training, like I said, these guys are the ones taking lead of the roof work. The installation of the brackets, the rails, the modules. The licensed electrician is taking responsibility from the electrical connection point on the roof down through the inverter, through the disconnects, to the tie-in at the electrical system.

REP. FAZZINO (83RD): So, is it fair to say that the project director is the individual either, or do they have to be directly on-site or do they have to be just available for communication in the event of troubleshooting? Or are they ultimately the... so first of all, you know, that is one part of my question, and then the other part of my question is,

are they ultimately the person where the buck stops with respect to a particular project? Are they the person who assumes the ultimate responsibility if something does go wrong? Or as you said, Mike, is it the contractor itself or themselves who because if something goes wrong, it's their license at stake. Are they the person who assumes the ultimate responsibility?

MR. MIKE TRAHAN: It's the licenseholder. Paul, did you want to expand a little bit on that? But the latter half of your question, the answer is yes.

MR. PAUL LAMOUREUX: As far as the installers, that would fall under the home improvement contractor license. As far as the electrical work, that would fall under me being a licenseholder for Connecticut.

SENATOR MARONEY (14TH): Are there any further questions? Okay, Senator Cicarella.

SENATOR CICARELLA (34TH): Thank you. So you said that you have groups of five that go out. One of which has the license? Just for clarity for the first question.

MR. PAUL LAMOUREUX: Yes, we have one electrician and one apprentice.

SENATOR CICARELLA (34TH): So the other individuals that, you were mentioning the other three, what is their job and what is their training?

MR. PAUL LAMOUREUX: So they are all trained by our manufacturer of the product we install on-site. And they are responsible for unpacking the modules, getting them to the roof, installing the brackets, installing the rails and connecting the modules to the rails.

SENATOR CICARELLA (34TH): And how much training do they receive?

MR. PAUL LAMOUREUX: In order to be a lead, they have to be working with us minimum of a year.

SENATOR CICARELLA (34TH): And then the other two individuals that are also probably drilling holes and doing other things on the roof, about how much training do they get?

MR. PAUL LAMOUREUX: So the lead is actually the one making the penetrations on the roof. He's been here a year. As far as measuring the roof and setting the rails that's usually done by our junior and senior positions. Juniors could be fresh green and then they work their way up through training.

SENATOR CICARELLA (34TH): Got it. And I know there's multiple different companies, so I'm sure it's probably different. How many crews are subcontractors compared to employees? Is there somebody that could answer that or give me an estimate?

MR. MIKE TRAHAN: It varies.

MR. PAUL LAMOUREUX: So, for clarity, we currently have 24 in-house crews and we have 7 subcontractors.

MR. MIKE TRAHAN: It varies by company. But I'll let Kyle, start --

MR. KYLE WALLACE: I'll say, I mean, our electrical work is all done in-house and we use subcontractors when needed if we have a lot of volume in a particular month that we can't get to on our own. But a tip, we try to do as much in-house as possible.

SENATOR CICARELLA (34TH): And how many crews do you normally have in Connecticut?

MR. KYLE WALLACE: We have about four currently, I believe. Four crews.

SENATOR CICARELLA (34TH): Okay. And is that about the same for you guys?

MS. ALICE HORGAN: So we use dealer models. So we actually work with Trinity and other local businesses. And so we used to, you know, we do the back-end of that. So we do the operation and management of the services of the solar panels.

SENATOR CICARELLA (34TH): Okay. Thank you very much.

SENATOR MARONEY (14TH): Representative Rutigliano.

REP. RUTIGLIANO (123RD): Thank you, Mr. Chairman. Just a couple of quick questions. So DCP is responsible for the licensed workers that go on people's roofs. Correct?

MR. KYLE WALLACE: Yes.

MS. ALICE HORGAN: Yes.

REP. RUTIGLIANO (123RD): Okay. So the number one and two complaints that I get, my constituents, and my district's close to Representative Brown's constituents is, a) the holes in the roof, leaky roofs. It's number one. Number two is, is that the actual savings on the electricity doesn't appear. Who, even though DCP may license the folks that do the work, who is responsible? Is there any regulatory authority on the contracts that you guys generate with consumers?

MR. KYLE WALLACE: Yes. DCP is also the enforcement of that.

REP. RUTIGLIANO (123RD): So enforcement or do they approve the contract?

MR. KYLE WALLACE: Well, they are home improvement contracts that are regulated by DCP.

REP. RUTIGLIANO (123RD): Okay. So what recourse does a consumer have if you, you know, listen, I've heard the pitch, you know. Where it's 40,000 to put up on my roof and my bill is gonna be \$25, no more than \$90. And then in Representative Brown's case, all of a sudden his bill is \$400. Is that just a DCP complaint? What recourse other than hiring a lawyer and going to court would a consumer have?

MR. KYLE WALLACE: I mean, DCP if they like, let's say the system is not producing as much as it should, then that's a production issue. A performance issue that certainly can be corrected and enforced through DCP. Sometimes it's just really looking at the electricity production of the system, the customers usage, because it's not uncommon for people's electricity usage to change. Especially if they get, you know, an EV. If they have, you know, changes to their usage patterns because of who's living at home. There are things like that that also factor in. And so you really do have to look at what the total savings are in terms of that potential change in consumption, what the production is. And so it's a bit of a, you know, when it comes to savings, I think that's one of the challenges. That it's not always going to be like \$25 a month every month. I mean, it depends on the size of your system. Was it intended to offset 100% of your needs or was it 70%? And in that case, you're still going to have a bill and that bill is still going to potentially increase as utility rates increase. And so you still are avoiding a larger bill, but it's harder to like know what that counterfactual is because you're only seeing the bill in front of you. So it just without knowing the specifics of the situation, it's hard to say generally like what...

REP. RUTIGLIANO (123RD): Say that again...

MR. MIKE TRAHAN: Oh, and consumers also have the option of approaching PURA, and through PURA their Office of Education Enforcement. And they're

actually have some new policies that they placed on home solar installers that start this calendar year. So they're more involved in enforcement of contracts and things like that.

REP. RUTIGLIANO (123RD): Well, I probably could have a few more questions but it's been a long day. I have more concerns about that side of the business than maybe some of the other stuff. Because the complaints are numerous and we're not talking about a couple of \$1,000 here. I mean, people are getting quoted for the roof systems, 40,000, they're getting in signing contracts that are 20 years long. They're remortgaging their house, whether or not they're experiencing any savings. I have no idea. I'm not even really sure how long the solar panels last. I know they have a lifetime, right? Isn't it 15,20 years,?

MR. KYLE WALLACE: A 25-year warranty typically.

REP. RUTIGLIANO (123RD): Warranty. But do they diminish over time the amount of capability they have?

MR. KYLE WALLACE: At the end of the life, it's typically around 80% of what it started?

REP. RUTIGLIANO (123RD): Okay. So, I mean, that's where my questions lie, but I know that doesn't apply to the bill we're talking to today. But while we had you here, I thought we'd asked them. Thank you.

MR. KYLE WALLACE: And just on that, I believe there is a bill in Energy and Technology that is looking to address some of these consumer protection concerns.

REP. RUTIGLIANO (123RD): Thank you, Mr. Chair.

SENATOR MARONEY (14TH): Are there any further questions? MJ, are there any questions online?

CLERK MJ SHANNON: Not online, Mr. Chairman.

SENATOR MARONEY (14TH): Okay. All right. Thank you very much for testifying. Next, I believe is Kevin O'Connor. Is he online, MJ?

CLERK MJ SHANNON: No, he's in person and he's going to have some people with him.

SENATOR MARONEY (14TH): Okay, great. Thank you. Just make sure you push the button and identify yourself.

MR. STEVEN NARDIELLO: Is that good? Yeah, perfect. My name is Steven Nardiello and I have Sheila Fenton here with me. We're both representatives of small business hemp retailers. I prepared a brief statement I will read to you now. So we oppose bill HB 5150 and let me tell you why. In life there is good and bad in everything. There are good politicians who do what's right to protect the free market for fellow Americans, no matter what. And there are bad ones who do the opposite and monopolize them for big business. There are good hemp retailers who have been compliant since their first day in business five years ago, with third-party testing organic products serving Connecticut's residents in a consultative hands-on approach, like your CBD store who we represent. And there are bad ones who sell synthetic THC and marijuana illegally behind the counter and other illicit drugs. This only hurts the good guys and it only hurts us, because the other guys don't care about what law you pass. We on the other hand do.

I oppose this bill because it's blanketing us all together unjustly. These restrictions are an attack on the free market and it will destroy our businesses. Not only that, but also, it hurts thousands of your constituents who will not be able to get these full-spectrum non-psychoactive products anymore. And they rely on it desperately. And they

can't get it at adult-use cannabis market because they're exclusive to your CBD store. A little bit of THC has a lot of power for the human body without affecting the brain in any way. I heard a debate earlier with D'Agostino about what's psychoactive and what's not. Well, you know, we've been doing this for almost 10 years. We have Dr. Tony Ferrara and we know what's psychoactive and what's not and CBD is not psychoactive. Even with the natural trace amount of THC that's in there. But it is incredible for the endocannabinoid system. There's TED Talks on it that I do strongly encourage you all to look at before you pass this bill. Five milligrams per container is enough. We could make that work and be able to help people on a regular basis with months' supplies of CBD. We do not get people high. We're not interested. We do not want to compete with the marijuana dispensaries. We want to help people and we're passionate about it. And we would just hope that you could hear us out today about that and do not pass this bill, please. Would you like to say anything, Sheila? And this is Sheila Fenton.

MS. SHEILA FENTON: Good afternoon. I know we seem to be beating a lot of horses to death today, but I'm here to represent my customers. I will get emotional. My customers are amazing. I have helped more people in 4.5 years of working for your CBD store than I could ever imagine. And now this law is going to take away products that are helping my customers, without being on opioids, without being on marijuana. They don't want to be high. They don't want to damage their guts, their hearts, they don't want to mask symptoms. Cancer, PTSD, autoimmune disease, anxiety, I've seen it all. I have played therapist for 4.5 years and listened to these poor people who have found relief from full-spectrum products. They are not getting high. They don't wanna get high. When this law passed in October, our business went down and that stunk. But the customers that I had that came back after they went to a dispensary and said, 'Oh, excuse me.

Hell, no." Older customers that can't handle THC. This minimal amount that does not cause a psychoactive reaction for them is beneficial. If it's higher, much higher and making them higher, it's not gonna be beneficial. I've had customers who have gotten products at dispensaries who have fallen because the amount of THC is just too much. Whereas they were managing their symptoms well with the federal amount allowable by the US farm bill in 2018. Less than 0.3%. I am passionate about this because I have seen it. I have witnessed it. There was also discussion today about this has only been for two years that marijuana has been legalized. Folks. We've been selling CBD products, full-spectrum CBD products, for six years. We got three times as much time under our belts and it's been successful and it hasn't been a problem. So please reconsider. Thank you.

SENATOR MARONEY (14TH): Thank you. Are there any questions?

SENATOR CICARELLA (34TH): Right, right, we got to ask questions. [laughter]

SENATOR MARONEY (14TH): Yeah. Yeah. And I'll ask some after. Senator Cicarella and I do have a few questions.

SENATOR CICARELLA (34TH): Just briefly. So when we're talking about the seltzer drinks that have the 5 mgs. of THC, the individual that was testifying said that would change someone's, you know, state of mind if you will. But the 0.5 which will be fine if it's under 0.5 for CBD products won't change somebody or alter somebody's, I guess physical ability, as you said, people are falling. So if you're still able to have hemp products or CBD products that are under 0.5, what's the problem with that?

MS. SHEILA FENTON: So under 0.5 is basically is nothing. We're talking about 1 mg per serving. So

the seltzer products with 5 mgs., we don't carry. That's a different ball game.

MR. STEVEN NARDIELLO: And to add to that, we're talking more about month supplies, three months' supplies. It's not about the individual serving. That seltzer that we did a little bit of our due diligence, they sell a seltzer that's technically five servings, but the whole container has 5 mgs. and consumers are drinking the whole thing. What we're dealing with is in tinctures and month supplies, or 100-count of gummies that are not psychoactive even if you ate 50 of them. And that's when you add all those milligrams together, it will breach the 5 mg. threshold. But it's not because we're dealing with, you know, high-concentrate THC products.

SENATOR MARONEY (14TH): Thank you for clarifying that.

MR. STEVEN NARDIELLO: You're welcome.

SENATOR MARONEY (14TH): Now, how many states does your CBD store operate in?

MR. STEVEN NARDIELLO: So we're in over 30 states.

SENATOR MARONEY (14TH): Okay. Are there other states that, you know, I mean, I know there are states that have banned Delta-8, and then I understand Virginia passed a law where they do have a ratio but it's a 25-to-1 ratio. So, are you operating in Virginia and can you give us, if so, I know you probably owned a local franchise so you may be able to speak to that. I was just wondering.

MR. STEVEN NARDIELLO: Sure. We do have some stores in Virginia and I know what they did in Virginia was harsh. It was like passion really hard, just completely and eliminated the possibility of full spectrum. But we do, I mean, some other states that we do operate in that works well is like a 10-to-1

ratio. Or like there's two gentlemen here who were the farmers that recommended like a 20-to-1. Anything like that is a lot more feasible for us to be able to create a high-quality product without the psychoactive properties and be efficient.

SENATOR MARONEY (14TH): And how does the licensing work for your store now? Like, do you have a license with the State or can you go through that?

MR. STEVEN NARDIELLO: So we're more of like we're a franchise and we're a wellness center. I mean, it's not easy to open up these franchises. There's a lot of hours and hours and hours of study, research and education. As far as a license, we have our normal licensing practices that you would open any business which register with the Department of Revenue. You know, we're paying all taxes, of course. But Connecticut doesn't have, let's just say a specific hemp license that we would be able to, you know, which I think would be a really good idea to help to tell the difference between like a wellness center like ourselves or a smoke shop down the street. And, you know, in your testimony, you alluded to good actors and bad actors and unfortunately, sometimes like the bad actors ruin it for everyone. But I mean, I guess this is probably not something to answer now, but how can you propose regulations that can help us separate out the good actors from the bad actors? Unfortunately, I think that's what's spoiling it now, is the bad actors. So, no, I understand that. I will say that working with Sunmed, your CBD, so would be a good way for you to, you know, we've done self-regulation from the very beginning. I mean, we deal with the FDA. We make sure things are compliant or third-party tested, we spend \$70,000 a month on just third-party lab reports with USDA agriculture or farmland.

So when it comes to how to still take care of the good people versus like the good actors versus the bad, I think you should take a look at the franchise as a whole and maybe make certain exceptions for a

franchise business model that will meet all your requirements that you present. And I think we'd have to look more towards the testing requirements than necessarily a franchise, right, or a business organization. But so suggestions on testing and what you're doing would be appreciated. So, yeah, we do third-party testing. Seed-to-soil. Soil-to-oil. We're gonna test the plant for heavy metals like microbial. We're going to break down the cannabinoid parts per million. Because the FDA went to like 100 locations and they didn't have what they said they did at all. So that's important. We test for pesticides, I couldn't spell or pronounce. But the big one is heavy metals. You gotta know where you're growing your hemp because if it gets in the soil, it gets into the nutrients, it gets into the plant and it's gonna get you sick. And if you take a look at our testing policy and procedure replicate that. Let us help you. Don't put us all out of business and bankrupt us, put us to work. We would happily volunteer our time, effort and energy to help do this the right way for the people doing the right thing.

MS. SHEILA FENTON: And that was when I first started with the company 4.5 years ago, it was kind of the Wild West with CBD products where, you know, it's always TJ Maxx and Marshall's and everybody. And that's one of the things that we strongly tell our customers, and not even just our customers, but anybody that comes into the store just asking questions. If it doesn't have a third-party lab test, walk away.

MR. STEVEN NARDIELLO: Right.

MS. SHEILA FENTON: I know there were several studies done back when the stores first opened that... And I know I looked at a bunch of different ones and it was anywhere between 30-something and 70-something percent of a lot of products that were tested, didn't have the amount of CBD in them that was touted on the labels. That's why that third-

party test is important. And that third-party test also proves the amount of THC that's in the products. And we have samples of lab reports right in our stores that we show customers, scan this QR code, you will find how much of each cannabinoid is in here. We educate our customers so that they are smart consumers. And I think a lot of consumers are also not given the credit that they deserve. We have a lot of people that are skeptical when they walk in the door, you know, and a lot of people who it was earlier discussed. I don't want any gummies because I had a gummy once before and that was a bad experience. Not our gummies. Totally different ball game. So it's important that we recognize that people are gonna make first off, their own choices. But a majority of people are gonna make educated and well thought-out choices. We carry broad spectrum products with no THC in them.

MR. STEVEN NARDIELLO: At all.

MS. SHEILA FENTON: And yes, those products sell well, but there's also a lot of customers that use those full-spectrum products because that little bit of THC, even not psychoactive, is far more beneficial for them, for their relaxation, for sleep, for pain, whatever it may be. Taking that off the table for them and then having to go to a dispensary where dispensaries are going to have much higher amounts of THC and they're not going to get the benefits from those products.

SENATOR MARONEY (14TH): I have questions about testing but I know someone else is coming later and I'll ask them backend in the interest of time. So thank you guys very much for your... Actually, MJ, are there any questions online?

CLERK MJ SHANNON: No questions online.

SENATOR MARONEY (14TH): Okay. Thank you very much.

MR. STEVEN NARDIELLO: Thank you so much, guys.

SENATOR MARONEY (14TH): Okay. Next, Benjamin Pomeranz.

CLERK MJ SHANNON: Mr. Chairman, he has asked to not testify so we can skip him.

SENATOR MARONEY (14TH): Thank you. Kevin Callahan.

MR. KEVIN CALLAHAN: All right, good afternoon, Chair Maroney, distinguished members of the committee. My name is Kevin Callahan. I'm here today with StubHub, the world's leading ticket resale marketplace, testifying in support of Senate Bill 15. That's the all-in pricing legislation to require businesses to disclose the full cost of different goods and services upfront. I'm really only gonna focus on the live ticketing portion of it. I do have written testimony which you can look at as well. But really, when we look at Senate Bill 15. Our own experience around all-in pricing is you really formed our perspective on this issue. So back in 2014, we voluntarily began displaying all-in pricing to buyers in the hope that the approach would 1) appeal to consumers, really would drive business and help create a competitive advantage to differentiate StubHub. And maybe even eventually draw the industry in to follow suit. Unfortunately, that really didn't happen. So what we saw was that our use of all-in pricing actually confused StubHub's buyers who assumed that the prices displayed did not include fees, and would ultimately be more expensive than a lot of other competitors in the space. We saw business actually shift away from StubHub in a pretty unsustainable manner.

And so for competitive reasons, we really had no choice but to revert back to the former form of pricing. So this experience has really driven our perspective that laws are needed in this space to implement all-in pricing equitably across the industry to achieve transparency and eliminate consumer confusion. So I really want to thank you

for the opportunity to speak here today and support and really appreciate the leadership of the Governor, the Attorney General and certainly the General Assembly, as you're looking at all-in pricing. We want to be a partner and a resource to you as you continue to address this issue and look forward to helping out however we can. Thank you.

SENATOR MARONEY (14TH): Representative Ackert.

REP. ACKERT (8TH): Thank you and thank you for your testimony. It was interesting. So you came out and said, we're gonna show you everybody, here's what the ticket costs here. And they went over to Ticket Joe's and Ticket Joe didn't put that on, right?

MR. KEVIN CALLAHAN: Right.

REP. ACKERT (8TH): And so, oh, we're gonna buy it here. But they also then got the additional fees added to those tickets not knowing that there was gonna be added. So when they get their bill, but they've already bought the ticket.

MR. KEVIN CALLAHAN: Yes, in some cases, or as you are looking at different prices or comparing across different platforms, our price would be higher because it was inclusive of the fees. And then comparing that, obviously, I'd go the cheaper route. But as you get through a checkout process, certainly, the fees would be incorporated.

REP. ACKERT (8TH): Rather than being shown upfront.

MR. KEVIN CALLAHAN: Right. It's added on afterwards and then you're still at the same price range.

REP. ACKERT (8TH): Right. Thank you. Thank you for your testimony. Thank you, Mr. Chair.

SENATOR MARONEY (14TH): Representative Rutigliano.

REP. RUTIGLIANO (123RD): Just a quick question. I really do appreciate you being in favor of this. It's a huge problem in the industry that we've been, you know, you start the process of checking out and by the time you're done, the tickets are, you know, almost 20% higher than when you started. But I have one question just out of curiosity. So, say you're reselling an NFL ticket, right? And they have an authorized reseller now, it's not illegal anymore. But the team actually puts a fee on. They charge a fee. But how would StubHub or any ticket network handle something like that where it's the originator of the ticket that's charging the fee. Not really. It's not your fee, it's their fee?

MR. KEVIN CALLAHAN: Yeah, I'd have to double-check on that, but I think the way it's intended to work would be that those fees would be included. If you are purchasing on our platform, that all those fees would be upfront or you'd see the price. And then as you are going through and checking out, there'd be an itemized listing of what those fees are, so that you're aware of, you know, where they came from.

REP. RUTIGLIANO (123RD): All right. I'll leave it at one. I appreciate you supporting it because I think it's a good consumer protection. I think it's a good consumer policy, so I appreciate it. Thank you.

MR. KEVIN CALLAHAN: Thank you.

SENATOR MARONEY (14TH): Thank you. Are there any further questions? MJ, are there any questions online or...?

CLERK MJ SHANNON: No questions online.

SENATOR MARONEY (14TH): Okay, great. Thank you very much for your testimony. Next, Kyle Wallace.

CLERK MJ SHANNON: He went earlier.

SENATOR MARONEY (14TH): He went earlier. Okay.

CLERK MJ SHANNON: Yes, Mr. Chair.

SENATOR MARONEY (14TH): So Carl Tirella.

CLERK MJ SHANNON: Yes. And he's gonna be joined by Ben Zachs.

SENATOR MARONEY (14TH): Okay. Yeah. All right. Thank you very much.

MR. CARL TIRELLA: Thank you.

SENATOR MARONEY (14TH): Please proceed.

MR. CARL TIRELLA: Senator Maroney, Senator Cicarella, Representative Rutigliano and members of the General Law Committee. My name is Carl Tirella and I am co-founder of Budr Cannabis, a retail equity joint venture. Budr currently has locations in West Hartford, Danbury, soon to be Tolland and three new locations in 2024. We appreciate the opportunity to offer comments on HB 5150. First, we would like to offer support for the direction the committee has taken to address concerns with the shortage of cultivators under the existing Section 149 framework. As others, our operations have been challenged with a supply shortage which is driving up prices and making it difficult to compete with surrounding states. The cannabis consumer is very sophisticated and loyal to certain strains and brands and shortage can and does result in loss of customers looking for something specific to their needs. Given this, we agree that it is important to offer alternative paths for those Section 149 cultivators who have been unable to get up and running under the provisional licenses. However, we urge the committee to consider A) moving up the date for the moratorium for granting provisional Section 149 cultivator licenses in Section 9 from December 2025 to December 2024; and B) to specifically

require that a Section 149 applicant must have a final license prior to opening a separate equity joint venture.

We understand there needs to be some time to assess conversion applications, but we believe significant time has passed for existing provisional license to determine whether they can make it work or need to pursue an alternative path. Time is of the essence as the market is already challenged due to delay. Further, it is an imperative that we close off unintended loopholes. The intent of the 149 license was to build cultivation in the State. But we now see that Section 149 licenses are opening other verticals such as dispensaries without having operating cultivation facilities. And in some cases, without even starting construction. But I also would like to speak to an issue that's not in the bill, which is respectfully request the committee to consider. As an equity joint venture, we believe our social equity applicants are disadvantaged by being held to a seven-year moratorium on ownership transfers. Seven years is a long time in any industry. And we fear that this timeframe can disincentivize certain social equity applicants who may prefer to be party to a change of ownership earlier in the process. We believe that this holding period should mirror the three-year holding period required for the social equity lottery winners. And we ask that the committee consider adding this language into the legislation.

And then, also in my written testimony, I just wanted to state that I do agree with the DCP and their RP, or in the pharmacists' stance. So I'm not gonna go into that, but we do agree with their testimony on that. So thank you for your time today, and I'll pass it over to Ben.

MR. BEN ZACHS: Hi. Thank you. My name is Ben Zachs. I'm the Chief Operating Officer of Fine Fettle. At Fine Fettle, we believe we are Connecticut's cannabis company. We had three

medical dispensaries that are now hybrid. We have opened equity joint ventures. We've completed our social equity plan. We immediately, upon five days as we attested to, paid \$3 million for our cultivation facility. And we have worked and mentored and partnered with social equity operators across the State. And we do also agree with the direction of this bill, but believe that there are some key structural issues for the success of the market, creation of jobs and entrepreneurs, especially social equity entrepreneurs. And Connecticut's market is probably 30 to 35% less of what we expected. And the outputs and outcomes of new businesses have not come, in part because of market conditions, in part because of the economy. And that's had a huge impact on jobs revenue and success. So we agree with, by and large, what Carl said and appreciate his letting me chime in with him.

But two really key points that I want to hit on is the goal of the Section 149 was to build cultivation. And then later equity joint ventures were added. Folks are simply not building their gross. Some are even paying the \$3 million opening dispensaries, don't have space, don't have a location, doing nothing to push forward. And our market is strapped for supply and they're exacerbating the issue, which is having huge issues on the market. And also sending people to Massachusetts and other states to purchase product at a much lower price and much more available.

Additionally, we actually really like the opportunity for those who haven't been able to pay the \$3 million to have different access into the market by partnering with hemp and/or by paying a reduced fee and getting a micro-cultivation. However, those should not be stepping stones to take advantage of what we believe is a gift. So if folks do that option, we agree that they shouldn't get equity joint ventures. But also if you're going to have a micro-cultivation, you shouldn't be able to

pay less, have a lower cost of entry to build and then just be able to expand as the micro-cultivators do. So we believe that if you do keep this approach to allow folks to step down to a micro, that their canopy limit is capped. You know, we've had incredible success operationally. This industry. I'm really proud of all of our co-operators that we haven't had issues with traffic. We haven't had issues with legal product getting into hands. There haven't been more driving issues. We've created hundreds and hundreds of jobs across the State and tons of tax revenue and put that back into the town and then been good corporate citizens using our social equity plans, partnering with, with nonprofits and bolstering social equity entrepreneurs who have pushed into the market. And so we put in written language to change some of these pieces and we have other pieces in our written testimony. But Carl and I, our teams and our companies and our groups, we are operators. We're doing this every single day, understanding the market and working across boundaries to ensure success for safety access and patient care in the State using this really unbelievable plant. So, thank you.

SENATOR MARONEY (14TH): Thank you. Are there any questions?

CLERK MJ SHANNON: Online, Mr. Chairman, we have Rep. Allie-Brennan.

SENATOR MARONEY (14TH): Okay, Rep. Allie-Brennan.

REP. ALLIE-BRENNAN (2ND): Thank you, Mr. Chairman. Thank you, Carl. You spoke of your experience with medical patients and your concerns with the use of telehealth. I was just curious if you could elaborate more there, why you still oppose this despite the fact that you have a hybrid facility yourself?

MR. CARL TIRELLA: Sure. So I've been in cannabis for seven years and I chose cannabis to affect people and to really be on the ground to see what cannabis can do from the power of the plant. I used to operate three medical facilities. My second week on the job, I heard a cancer patient tell me, or a cancer patient told me, that they had hope for the first time in 18 years, right? So those types of things happen day in and day out. And seeing how patients open up and interact to pharmacists from on-site experiences, from breaking down to something about their family, to understanding their kids, to really alleviating -- to really being part of their journey. It is just going to be lost when that goes to telehealth. I mean, there's no such thing as a personal connection and that is over Zoom or anything like that. So we are happy that the DCP took the stance of removing, or stating that they would hope that the pharmacists keep on-site. And even though that we do have a hybrid license coming on and it's going to cost us more operational money, we really do think that the medical market needs it. And the preservation of the medical market is key to our business.

MR. BEN ZACHS: So I'll just chime in as well. So at Fine Fettle, we operated the three of the first seven hybrid licenses. We employ 14 pharmacists across our stores. And one of the realities of adult youths coming in is we have an incredibly trustworthy team who focuses on inventory. And part of the touch with patients has been lost and part of that is operational, and part of that is by need and demand and how many folks we can staff, you know. I'm not sure what the right operation is, but the flexibility to ensure that there is access to the pharmacist is really, really important. And so while we're not necessarily exactly aligned here, we want to ensure that pharmacists are running our hybrid facilities, that they are always available to patients. And however we can make them most available, most actively and most on time is key. It can take time for our pharmacists to be available

to the patients because of the change in operational flow. And so, you know, while I'm not exactly sure how it would look, the most important thing is that Connecticut's program and Connecticut's operators get the best access to medical practitioners. Because not only do our medical patients use the pharmacists, so do our adult use customers.

92% by the studies of people coming into our facilities are purchasing with a Health and Wellness benefit and that's in our adult use customers as well. That's not just the medical [inaudible 4:00:11] we're 100% are. And so, having optionality for the access to be quickly into a pharmacist, we think is really, really, really important and is for the good of everyone who actually comes into our facilities. We have three hybrids now, we're opening a fourth in Bristol and we wanna ensure that that access is there to give unbelievable customer service 'cause at the end of the day, we're a customer service business, whether it's for patients or the general public above 21.

REP. ALLIE-BRENNAN (2ND): Thank you. I think it's important to highlight what we heard earlier as well as your testimony regarding that. And just one more question, Mr. Chair. Carl, I know you mentioned briefly in your opening statement that--you talked about aligning the change of ownership holding period or EJVs without social equity lottery people. I just wanted to see if you can expand more on that. Just curious to hear more about that.

MR. CARL TIRELLA: Sure. So, there are two really key determining points on this and one is at a macro level. Seven years is an eternity in any industry and then in cannabis, it's even longer than eternity. So, I've been in this business eight years now in cannabis. I've seen multibillion dollar companies, hundreds of million dollars a company and then your local mom-and-pop shops who are doing great, doing great, doing great. And then, something happens in the market in year two,

year three where they're out of business, they weren't prepared.

So, I think it's doing a disservice to our social equity owners to really have that time frame in that respect. We wanna shorten the time frame to make it in line with the social equity lotteries. You're doing a disservice to our social equity owners. And then, secondarily, because of this unintended loophole of the section 149, we're seeing a huge saturation of retail and a huge saturation of retail ultimately devalues the license holders of our facilities. The more competitors that are in the market, like any business will devalue. But we're seeing that rapidly happen faster because of this unintended loophole with the section 149 license.

MR. BEN ZACHS: Right. And if we're trying to build a program that can create generational wealth for social equity owners, generational wealth is not being created by a business that's taxed at 28% on gross margin. 'Cause we can't deduct anything at the federal level. And so, if the nonsocial equity owner of licenses or a business says I'm gonna sell, but, oh, my social equity partner, you're left behind and so you can't have the exit for a longer period. Who are you ultimately helping? Especially as we've seen over time, valuations move down in the industry and that's been on the public stocks, that's been in private ownership. And so, in three years, we think is a reasonable time because it allows for the social equity partner and the business to really get up and running, to understand, to get its feet to see the market get someplace. But seven years is really long. None of us know exactly where any industry is gonna be in seven years. I mean, in three years of this, with just one year of us being open, we've we're constantly adjusting and changing this bill, but we have seen what happens to the outcomes and valuations of these businesses over time and for the opportunity to create wealth for these entrepreneurs change is change and opportunity is key.

And so, that's why we think changing from the seven to three to actually be at the same exact time as the grow licenses, the 149 which is three. So, it actually creates consistency between the two types. And especially since most of the equity joint ventures are retail and it takes an incredibly long time for the grow to actually get up and running, people might be able to sell off their grow before even being operational. We're 18 months in, there's one outdoor grower open. Now, we're under construction. I have no idea about anyone else. But if you're gonna hold that for another five and a half years for folks just on these EJVs, it's an incredibly long time and it's detrimental to only the social equity owner and entrepreneur.

REP. ALLIE-BRENNAN (2ND): Thank you. I appreciate those comments. Appreciate you both testifying. And thank you, Mr. Chair, I yield back.

SENATOR MARONEY (14TH): Thank you. Representative Brown.

REP. BROWN (127TH): Thank you, Mr. Chairman. I need help understanding the benefit to the social equity applicant from seven years to three years. How does that benefit them specifically? 'Cause one, in one instance, you have stability, seven years, you have to work with me regardless if you change your mind, you don't like our partnership, you have to work with me for seven years. Tell me the benefits of the social equity applicant by moving it to three years? You said maybe they decide that it's up to them to move over and so they have that option.

MR. BEN ZACHS: So, they can't. So conceivably, the nonsocial equity partner can sell their piece and then the social equity partner ends up with a new partner. So, if it's a 50/50 partnership and someone comes to me and says, Ben, I wanna buy you and we say, all right, great. I'll take the exit.

But now the social equity partner can't and now they're put in with a new partner who they didn't know.

Our social equity partners we've known for a minimum of 25 years. I mean, it's been in the newspaper. One was my babysitter, growing up. She seemed good and bad. A lot of bad elementary school Ben. So, they're with me and if the business though is still going and we don't get that option, the stability is actually still there from years, three to seven. It just gives the optionality for before.

It doesn't say, oh, you have to sell at three. It gives the opportunity because we have no idea where this is gonna be in seven years. What if there's federal legalization that changes things and Coca Cola wants to come in and do something differently or the pharmaceutical companies and they're still stuck or what if opportunities change?

And so, it gives the flexibility for chance and choice for the social equity partners just like anyone else versus holding them to a special credential that may be better in seven years as you know, but may be worse. And so, it gives the level of optionality.

REP. BROWN (127TH): And I think I agree with that in terms of giving them that option. How often would you imagine a social equity applicant terminating their partnership if we said three years was the rule? After three years, they terminate, where are they gonna go? How many options, how many available opportunities for them are there going to be? Who's gonna be left without a social equity applicant that they can go to?

MR. BEN ZACHS: So, they're still on the cap table.

REP. BROWN (127TH): Yeah.

MR. BEN ZACHS: Because the structure of ownership per the licensing phase is that they own on EJV's 50% and on section 149 which is three years, at least 65%. And so, their space in the business via an operating agreement is still held. So, it's not like saying, oh, you're out because that's corporate law. And so it's not like your partner and it's somebody's job and oh, you have to keep this job and then you're gone.

It's really on the ownership cap table side where everyone gets to make their level of decision based on their own ownership. And so, that's why we think the change is there and look, maybe someone says, you know what? I don't wanna sell. I love being a part of this. I wanna be in it. So, if we sell and they find the right agreement with their new partner, they can choose to do either/or versus be stuck with somebody or maybe they stay in and there's an opportunity for distribution and they keep a job and it works 'cause it's about choice ultimately and optionality versus force stay in. 'Cause there is, I don't believe there is a force out from the cap table.

REP. BROWN (127TH): Got it. Take care.

SENATOR MARONEY (14TH): Yeah. Thank you very much, Representative Brown. I've been struggling with this one as well. I think for me, it makes sense to align the length if they're both at three years and that to me is the stronger argument 'cause with efficient markets, if you know, a price is gonna go down in seven years and it goes down when you're gonna pay now.

MR. BEN ZACHS: Right.

SENATOR MARONEY (14TH): And so, that's why I didn't know if it necessarily would increase the value to them. But I think that, that aligning delay, increasing options, I guess too in case your choice is to leave.

MR. BEN ZACHS: Right. And also from the 149s, so if you--'cause we have a 149 with our partners and we will then have equity joint ventures with them and that's vertical. And so, the vertical benefit is strong from a tax perspective 'cause you can deduct all of your cost of goods sold from a grow and so, there's economic alignment by being vertical. And it only comes from the grow. But in that case, if someone wants to come in and buy the full vertical, the social equity applicant could sell their piece in the grow 149 but they actually couldn't sell the piece in the equity joint ventures that are attached to that grow and there is language within this bill to fix that.

Personally, our partners have been honestly the poster child of that law going wrong because of how we structured and they had to give up ownership of entities that they had been licensed on. And so we hope that that gets fixed. But in this case there's literally an alignment of the same ownership in the same business that they could sell one piece and not the other.

And so, we think the timelines being together is good. What we don't think is that it should be too quick 'cause then you create the California issue, which was, there were folks who were poster children and said, yeah, I qualify and then I'm out. But this creates some longevity being a part of it and then optionality with alignment on times.

MR. CARL TIRELLA: And just to add that we're purely retail, Ben's gonna be vertical. So, from a retail cannabis standpoint, almost every single market will play out that the valuations will go down over time. So, giving that option and that choice for that shorter time frame for the social equity owner will allow them the opportunity to choose whether they want to capitalize on that higher valuation at that point in time.

And that's all our social equity owners are asking is for really that choice and that personality and the intent is to give them control of the business, but this really does the opposite. So, making sure that it's not just us that get to choose when we wanna exit, but do it as a family.

Our goal is to create this partnership and decide with them, alongside them that this is either right for them or wrong for them and be there with them every step of the way.

SENATOR MARONEY (14TH): Thank you. Rep--

REP. CANDELARIA (95TH): I just wanna follow up on that three, seven years which I understand where you're coming from, it makes some sense. The reason that, that provisions put in there was actually protect the social equity applicant from being bought out, right?

MR. BEN ZACHS: Sure.

REP. CANDELARIA (95TH): So, what you're telling me if I understand correctly is if you decide to sell, they still need to stay within that venture?

MR. BEN ZACHS: Correct. As of as of now. There is no restriction on timelines of sale, but there is for the social equity partner, but not for the nonsocial equity entity. And just looking at Connecticut's cannabis space--

REP. CANDELARIA (95TH): Right.

MR. BEN ZACHS: Of the 18 medical operators and of the four original producers, only three are not the original license winners. So, of the 22 original businesses, 19 have changed hands, including two of Fine Fettle, we bought them from other license winners. One of ours, we won an application in Willimantic and then the folks in Torrington and then the guys in New Haven.

But everyone else has changed hands because of timelines of market. And so, it's part of the realities of our upcoming industry or up and coming industry that we don't know where things go and how things happen and sometimes the opportunity to get the bag is too good. And so, we won't be able to be able to do that.

REP. CANDELARIA (95TH): Thank you for that.

MR. BEN ZACHS: Yeah.

SENATOR MARONEY (14TH): All right. Representative Ackert.

REP. ACKERT (8TH): The more you guys talk, the more questions come to mind. So, it's good. So, being a business owner myself, I can understand some structure on this. So, you have a partner and the two of you are partners, can the social equity partner buy out the investor side after three years and be the sole owner?

MR. CARL TIRELLA: Conceivably, they can do it right now.

MR. BEN ZACHS: Sure, conceivably they could do it right now, yeah.

MR. CARL TIRELLA: Yeah. Because we can sell whenever. As the nonsocial equity owner, the social equity owner has to hold for that period of time. So conceivably, if they had the capital at a right value to buy us out, we agreed to it that sale could happen and they could be 100% owner of the business.

REP. ACKERT (8TH): Now flip that.

MR. CARL TIRELLA: Yep. That cannot happen until--

REP. ACKERT (8TH): After three years that you--

MR. CARL TIRELLA: Seven with the social equity joint ventures.

REP. ACKERT (8TH): With your change--

MR. CARL TIRELLA: Yes. [crosstalk 4:13:33]

REP. ACKERT (8TH): With your change, after three years, can you become the sole owner?

MR. CARL TIRELLA: Again, it would be the same type of deal. We would have to come to a fair market value of the business. They would have to agree to the sale. It's not a forced sale. They would have to agree to the sale and then obviously like any other business owner, they have the chance to create that generational wealth for them if that's what they choose to do so. So, that's how it would be.

REP. ACKERT (8TH): So, social equity partner doesn't have to be a partner after that point?

MR. CARL TIRELLA: They do not have to be a partner, but it would have to be a sale that was agreed upon like any other business.

MR. BEN ZACHS: Right. As of now, they have to be a social equity partner no matter what with any other partner or by themselves. Some social equity partners don't have ours. Ours are equity joint ventures, so they're based from other businesses. And so, they generally are partnerships. But they have to for seven years no matter what, stay in it as of right now.

REP. ACKERT (8TH): As of now as of now?

MR. BEN ZACHS: As of now.

REP. ACKERT (8TH): Thank you, both.

MR. BEN ZACHS: You're welcome.

REP. CANDELARIA (95TH): Can I follow up?

SENATOR MARONEY (14TH): Representative Candelaria.

REP. CANDELARIA (95TH): Just a clarification. You mentioned something that caught my attention was if let's say this stays in seven years, you decide to sell, you still have to get the approval of the joint equity partner. Correct?

MR. BEN ZACHS: No.

REP. CANDELARIA (95TH): You can just sell?

MR. BEN ZACHS: We can sell our piece --

REP. CANDELARIA (95TH): Because it's 50/50.

MR. BEN ZACHS: We can sell our piece. So, we can sell our equity in the business.

REP. CANDELARIA (95TH): So, the cultivation, you can sell but not the joint venture?

MR. BEN ZACHS: So as of now, we could sell any of it. We could sell the piece of the equity in our ownership in the grow. We could sell our ownership in the EJV's. We could sell our ownership in our medical dispensaries. The social equity partners cannot. So, we could sell to them. We could sell to [crosstalk 4:15:20]

REP. CANDELARIA (95TH): So, just for clarification, isn't the EJV 50/50 owned?

MR. BEN ZACHS: Correct.

REP. CANDELARIA (95TH): So, won't you need the equity applicants?

MR. BEN ZACHS: No, 'cause they could buy our--they could buy our shares in the business. So, let's just assume there's 100 shares, we own 50 and our

social partners own 50, someone could buy our 50 but not their 50.

REP. CANDELARIA (95TH): But you don't need the joint ventures--

MR. BEN ZACHS: No.

REP. CANDELARIA (95TH): Approval on that?

MR. CARL TIRELLA: No.

REP. CANDELARIA (95TH): Okay. Thank you.

MR. CARL TIRELLA: For being a good partner we did-- we'd offer them --

REP. D'AGOSTINO (91ST): Just to clarify, I mean, just to reset everybody for a second here though, because this is such a long debate for years and years and there was a lot of thought given to how long the social equity partners had to retain their ownership interest. And there were other concerns.

I appreciate the cursory concern of, okay, well, the gee, it's fungible, they should be able to do what they want with it. But there were a lot of enmity concerns about, ok, if we let them sell within a year, they're gonna get bought out and then we're gonna lose the entire social equity population.

So, I appreciate what you guys are saying, but I think no offense, I think we need to hear from Social Equity councils and Social Equity Partners directly, not a couple of rich white guys.

MR. BEN ZACHS: And honestly, we agree. Look, we agree.

REP. D'AGOSTINO (91ST): But again, I just want to reset everybody on this discussion here because I appreciate the sort of, and our reaction to it is [crosstalk 4:16:46]

MR. CARL TIRELLA: All of our social equity owners have signed off on this and they've put written testimony. Just so like --

REP. D'AGOSTINO (91ST): I'm sure they have.

MR. BEN ZACHS: Ours as well.

REP. D'AGOSTINO (91ST): I'm sure they have because believe me, we thought about that and the reason that was in there was because we knew there would be dollar signs thrown in front of social applicants to give us your name, we'll pay you a lot of money in a year and you'll be out.

So, there was a lot of thought given to why we were preventing the sale of those licenses on the social equity side when we passed this bill. And I for one, am not willing to unwind that two years into a program. So, just out of curiosity, why was the 149 a disconnect with those social equity? Especially, since the 149s aren't open--

MR. CARL TIRELLA: Again, there's a lot of compromise that had to be done to get this bill passed. And when you start pulling on one thread, you unwind the entire structure that got this together. So, I appreciate that you guys want, let's get this market going.

I mean, we all want to get this market going, but we can't do that by changing the foundation that it was built on literally two years in [inaudible 4:17:57].

SENATOR MARONEY (14TH): Other questions from committee members?

REP. BROWN (127TH): Just a point of clarification--

SENATOR MARONEY (14TH): Yeah.

REP. BROWN (127TH): If I could. Thank you, Mr. Chair. Just so I understand and I get the historical context behind how we got this bill passed. But I might understand that any person who originally signed up as a social equity applicant had the social equity partner. It's seven years if you decided to buy them out, you could be the sole owner of this industry because that's what we're gonna see.

I just wanna make that very, very clear. That's what's going to happen, the moment we allow people not of color to take over this industry, that's where we're gonna run into this problem because we tried to solve a problem and we're now creating another one, which is the equity that we thought we were gonna get is somehow about to be eroded, not after seven years, but potentially three years.

And if the market is gonna turn in four years after this two--this three year deadline, that benefits you all. Their valuation to your applicant devalues. So, it would be in your best interest if the market goes in the way you think it is to allow that person to stay for seven years.

Because their valuation could go down was what you guys said, it was to make the best benefit to the applicant, it may be better for them to sell in three because the market is gonna be good in three, but maybe not in seven.

MR. BEN ZACHS: Maybe.

REP. BROWN (127TH): Potentially.

MR. BEN ZACHS: Maybe and you said--

REP. BROWN (127TH): 100%. So, what I don't wanna see and this is what we all thought was gonna happen with this industry was that everyone's gonna partner up with the closest person they can find, partner

with them and then in eventually, in a year, two years, here's a check.

And to a partner, someone who's struggling, who's been through what they've been through when you write them a check like that, they're gonna say yes. And that's the problem. I've had a concern with the seven years from the very beginning.

I felt like my concerns were alleviated a little, but I think it's got gotten worse a little bit because this is not gonna be equitable in seven years. I can promise you that if we lose half of our ownership, which we will in seven or three, it's not gonna be equitable anymore.

MR. BEN ZACHS: No one has to take the option. And so the question is, if somebody thinks that three years is the better option for them or seven years is a better option for them, their operating agreement should give them the opportunity to make that choice. And our question is, where do they get the opportunity for choice versus forced held ownership?

Look, I don't know the right answer, exactly. But generally the argument of choice versus being stuck is what I think folks wanna understand because if you know where you stand in three years and you might not know where the industry is in four years. Sometimes, one in the hand is better than two in the bush. Or one in the hand might be better than point two, four years later. But you don't actually know either way.

So, it's the question of choice versus enforced action on timelines when others are not held to those timelines. And I don't know the right answer. I think that's a real concern and this industry, and Carl and I are saying this, but this industry should be diverse and this industry has a long history of problems around black and brown communities and the

goals and communities that have been impacted more by the war on drugs.

That's why we're placing businesses in disproportionate impact areas. That's why we have social equity plans. That's why we partner with social equity partners and we can look at it at the full framework and I don't envy you for trying to build something that you don't know what it's gonna be in three or seven years, but the goal should be opportunity--the goal should be opportunity and every other business owner gets that choice.

MR. CARL TIRELLA: And just to go on the record Budr is co-founded by Derrick Gibbs. He couldn't be here today because he just had a child four days ago or a week ago now, whatever it may be. So, he has a new daughter. He is a person of color. We found this together.

And we are, I mean, we're looking out for the community and want to do it the right way. We're all for social equity and making sure that it's done the right way. We're here to, like Ben said, fight for them to give them the choice and ultimately allow them that optionality and they're all in agreement with it.

SENATOR MARONEY (14TH): Okay. All right. Having no further questions. Thank you very much for your testimony.

MR. CARL TIRELLA: Thanks.

SENATOR MARONEY (14TH): Have a good one.

MR. BEN ZACHS: Thank you.

SENATOR MARONEY (14TH): All right. Next, Bruce Morris, former Representative Morris.

MR. BRUCE MORRIS: Good evening. I should have known this. I gotta press the button first. Good

evening, Co-chairs Maroney, D'Agostino, members of the committee. It is my privilege and my honor to be before you today after so many years. As many of you know, my name is Bruce Morris.

I'm the Director of Government Affairs for TicketNetwork and I'm here today to discuss Senate Bill 15, which we support with some important clarification about just one issue. TicketNetwork is a technology company and ticket resale marketplace based in Connecticut, serving consumers engaged in buying and selling of tickets to events in the state of Connecticut and across the country and globe. We've submitted a written testimony. So, I won't go through a lot of this and I'll get to the meat of what we'd like to discuss.

Well, I would say that Connecticut is the most forward thinking in terms of ticket legislation. They go around the entire country and you take a look at the bill that this committee passed in 2017, dealing with ticket transferability and then bolstering that last year with all-in pricing, you set the proper floor to make certain that consumers are really protected. You sustained a marketplace where true competition can continue to exist.

This year, the bill that's come forward however, in the right spirit of trying to make certain that we've got language that allows all-in pricing and transparency and TicketNetwork, we believe fully in transparency that at all levels, whether it's primary or secondary, that is in the best interest of consumers. But in so doing, the language as currently proposed, specifically talks about and let me just find my piece real quickly.

Oh, yeah, as currently proposed, SB 15 would impact practices, communist venue, publishing a range of face value prices before tickets go on sale and would be effectively impossible due to the dynamic nature of ticket pricing on both the primary and secondary platforms. And it's actually that

language where this time around it's saying as first advertised.

It is understood with federal legislation and everything else is going forward that what you really want to do and it's done in, no misintent, but this could possibly be misconstrued the wrong way. That you wanna make certain that from the time a consumer enters the procurement process, that their first time they see a price whatever is listed. And that's what your current statute says, that, that price is all-in, it reflects every charge that you two would ever have except for the fees associated with how the ticket might actually get transferred.

With that, I won't continue to go on, but that's the real meat of what we'd like you to just take a look at because current statute would, as you already have, it protects that if you go beyond it and do an advertisement, you're gonna have problems with your venues and everywhere else.

This was a problem in Canada, in fact, where prices were listed in advance 'cause they've got all-in pricing. And because of dynamic pricing and things changing, it's really at the point when you get to the website, you have some consumers were complaining, gee I can't actually buy the ticket for what was advertised. You need to stay with the procurement process. Any questions, Mr. Chairman or committee?

SENATOR MARONEY (14TH): No. Thank you very much. And did you send us some suggested language?

MR. BRUCE MORRIS: Yes, sir.

SENATOR MARONEY (14TH): Is that in your submitted testimony?

MR. BRUCE MORRIS: Yes. We actually did in the last paragraph. We submitted it but I'm glad I could

contact you afterwards and give some more detail and estimated language. I could have elaborated on other suggestions that are really good for transparency.

In fact, if anything, I would remind you of legislation last year that was submitted on SB 392 and look at our testimony. A lot of the testament was given then. There are a number of things currently going on in the country that go beyond junk fees, that deal with data privacy, delivery of tickets, anti-bots that we would gladly work with this committee to help put together a comprehensive piece that will actually continue to let Connecticut be the model it is.

I can tell you, I am very proud every time I talk. I was just in Maryland last week. And then even in Maryland, they were talking about the Connecticut's law about all-in pricing. Connecticut, New York are ahead of the curve no matter where I go. So, you're doing a phenomenal job and we appreciate it.

SENATOR MARONEY (14TH): Great. Thank you. Are there any questions? Representative Rutigliano.

REP. RUTIGLIANO (123RD): Thank you, Mr. Chairman. Good to see you, Representative.

MR. BRUCE MORRIS: Good to see you Representative.

REP. RUTIGLIANO (123RD): Real quick 'cause I've listened to every word you said, but I have to admit that I didn't get a chance to read the testimony. You're saying our intent was to have fee disclosure? You're saying that there's an algorithm or whatever the dynamic ticket price is a fancy way to say that they go up and down depending on demand?

MR. BRUCE MORRIS: Oh, yes. So, that certainly happens. Ticketmaster, based on the demand, the price of tickets go up.

REP. RUTIGLIANO (123RD): But does our bill as currently written just focus on the fees, not so much the fluctuation of the price?

MR. BRUCE MORRIS: What I'm saying, the challenge here is that dynamic pricing is going to happen. It's the when and the how that the bill comes in. If you're saying the when is any time a ticket is advertised, you must have all-in pricing. If you do that effectively, in January, someone's put something in the newspaper, you're gonna go to Taylor Swift's concert and they gave you the all-in price is \$52.

Of course, if they were in for a lot more than that. The person that comes to buy actually go buy the ticket, they had that advertisement, but they go to buy the ticket four or five months later, the price on that price ticket has changed. But this person is saying, I'm procured it based on this advertisement that I bought at this point in time.

REP. RUTIGLIANO (123RD): Would the fees be the same? I understand what you're saying. And I guess this is my question, if that \$50 ticket had \$10 with fees and you advertise it, when it gets to 75 or \$100 are the fees still \$10?

I think the intent of the bill is just for you to disclose the fee and I don't know if it interrupts with the dynamic pricing. So, if it does, I guess that's the base of my question.

MR. BRUCE MORRIS: I was just a little unclear, the last part of what I said.

REP. RUTIGLIANO (123RD): Okay. If the ticket is \$50 in January and \$100 in June, is the fee still the same. I think what we're trying to do is let the consumers know what the fee is before they even get involved in the process.

REP. RUTIGLIANO (123RD):

Because a lot of times in the bill that we did, the bill that you say is the model for everywhere else is, a lot of times you put the bill in your cart and by the time you got done all of a sudden, you're 20, 30% higher than when you started.

So, I guess what the governor is trying to do and what we would support, I'm speaking for myself and others, is that the disclosure of the fee but not really so much your pricing model on the ticket.

MR. BRUCE MORRIS: I guess we're saying the same thing in a different way.

REP. RUTIGLIANO (123RD): Okay.

MR. BRUCE MORRIS: All right. So, what I'm saying is, as long as you're saying it's at the time you're going to that website because you've got to disclose all the fees no matter what. Put your current statute. And we support that.

REP. RUTIGLIANO (123RD): Okay.

MR. BRUCE MORRIS: It doesn't matter to me whether that ticket sold for \$50 four months ago, if it sells for \$100 now, you're still gonna have to disclose the full fee. And what works well 'cause it allows real competition between the primary and secondary market because what people don't talk about often we talk about the extreme cases of the Taylor Swift.

But in reality, 40% of tickets are sold for less than face value on the secondary market. So, we prefer always being in a market where as soon as you go open up that page, the prices that you see tickets listed and that's your current law. That's what you did last year. The prices you currently see that's a full price and it cannot change any time during the procurement process.

REP. RUTIGLIANO (123RD): Meaning while you're online ready to buy it?

MR. BRUCE MORRIS: That's right. And here's why that's important to dynamic pricing because for dynamic pricing is what happens when you went to go buy the ticket at eight o'clock, but at 8:05, someone else got it online and that price of that ticket was different.

REP. RUTIGLIANO (123RD): Right.

MR. BRUCE MORRIS: Because it went up based on the demand. So, if you're the consumer, all I wanna know is I open the TicketNetwork, Ticketmaster or whoever it is, I take a look at, I see the seat maps. Before I make a commitment, I'm able to see, yeah, these six tickets over here's \$70, these are \$80. I can go look on SeatGeek's, these tickets here over 80, these are 90, that I know is a full price, that price cannot change as long as I'm online with them. And now, I can do real comparison shopping that allows real competition, allows a proper disclosure and transparency for consumers.

REP. RUTIGLIANO (123RD): I think I understand what you're saying. Okay. I think I understand what you're saying, but we're probably on the same page.

MR. BRUCE MORRIS: Yeah, we are.

REP. RUTIGLIANO (123RD): Okay.

MR. BRUCE MORRIS: In fact, sometimes I have actually argued that knowing the detail behind how that final price was derived is not as important as just knowing that the total price you told me upfront is the total price I pay in the end. Because you see upfront price thinking when you go buy a car or something, all you want, you're looking at price tags.

REP. RUTIGLIANO (123RD): Yeah.

MR. BRUCE MORRIS: And if you know that this Cadillac was \$10,000 and that one was \$11,000 you're gonna make an educated--

REP. RUTIGLIANO (123RD): Yeah. Well, that's before they got you with the warranty and everything.

MR. BRUCE MORRIS: Yeah.

REP. RUTIGLIANO (123RD): Yeah. So, what specific language in this bills interrupts that process?

MR. BRUCE MORRIS: The language, when we say that, first, the line is line 41. I believe it's line 41. Yeah, no person doing business in a state shop, advertise, display or offer any price. When you just leave it that broad, it's not giving you the when.

And what I'm saying, the when needs to be the language based on your current statute that says, which is similar to New York's, it shall be displayed in the ticket list in the--shall be displayed in the ticket listing prior to the ticket being selected for purchase.

REP. RUTIGLIANO (123RD): I appreciate your thoughtful answers. It's really lovely to see you, sir. And thank you.

MR. BRUCE MORRIS: Thank you

SENATOR MARONEY (14TH): And so, you know how the building works. This came down from on high. So, have you spoken to the governor's office about these changes to the bill that you want us to make to the government's bill?

MR. BRUCE MORRIS: No, I haven't done that yet, but that is fully our intention.

REP. D'AGOSTINO (91ST): I think I'd prefer that you have that discussion carefully enough--

MR. BRUCE MORRIS: Quite frankly I intend to have that discussion and we'll slide a few of the other things that really seriously Connecticut is the best. And we would be glad to share with the governor's office all the other legislation that is happening around the country and some of it that looks like it's pretty imminent, close to happening. So, that we can continue to stay on the cutting edge.

REP. D'AGOSTINO (91ST): Yeah. And federally as well. I think you've got some bills out there --

MR. BRUCE MORRIS: Federally, as well.

REP. D'AGOSTINO (91ST): Okay.

MR. BRUCE MORRIS: But certainly I would definitely have this 'cause--

REP. D'AGOSTINO (91ST): Yeah. If you wouldn't mind--

MR. BRUCE MORRIS: Yeah, this would be problematic with the governor--

REP. D'AGOSTINO (91ST): I mean, the discussion with the Governor [crosstalk 4:35:22]

MR. BRUCE MORRIS: The Governor would find and I'm sure before this actually would get passed that you would have the smaller venues and all coming out and saying this is a problem. This doesn't work, it wouldn't work for our box offices. That slight change and the possibility could be misconstrued.

Otherwise both of you as chairman would have to spend a lot of time on the floor when you bring the bill out, making certain that legislative intent was

such that people understand that it's when you actually go to the process.

REP. D'AGOSTINO (91ST): [inaudible 4:35:49] that in the house. Great. Thank you. We appreciate you doing that. Let us know how those conversations go and we'll look forward to probably a ticket year next year. I would imagine so. Thanks.

MR. BRUCE MORRIS: We'll do. Thank you, all.

SENATOR MARONEY (14TH): Duncan Markovich.

MR. DUNCAN MARKOVICH: Good afternoon, esteemed members of the General Law Committee. My name is Duncan Markovich, founder and owner of Better Ways LLC, small cannabis therapeutics business rooted in the heart of Branford and Connecticut's Shoreline since 2019.

For our commitment to education, safety, product efficacy and affordability and our overall love and defense of the cannabis plant, Better Ways has been awarded first place for Connecticut's best on the Shoreline, Hemp and CBD Store for the last four years after that category's creation.

I personally have well over 15 years of experience with this plant in community. I'm here today testifying against the current version of HB 5150 as a Connecticut native small cannabis business owner, Shoreline Chamber of Commerce member, Connecticut CannaWarrior, Connecticut cannabis small business alliance member and an overall concerned citizen for the cannabis industry unfolding here.

I'd like to remind the committee that just a few short years ago, our governor ran his campaign platform to empower the Connecticut farmer with the advent of this emerging Hemp industry.

It doesn't make much sense to have the very government then license us to create our sector in

this cannabis space to then legislatively shutter it and for all intents and purposes, hand it over to people who didn't create it. Where is the free market capitalism?

Why should my trusted business knowledge, passion, patience, experience and nonintoxicating federally legally compliant products now only be limited to a dispensary? With that option, what's your promise that all existing Hemp and CBD businesses and our products get equitably onboarded to dispensary shelves when that seems to be a limited option that you're offering right now?

That question was relatively rhetorical. This is a really bad luck and rather presumptuous that leaves many continuing to feel under supported by our state including our patients.

I stand strongly behind my colleague's suggestion of a 20 to one THC to CBD ratio for all spectrum naturally derived Hemp products supporting the entourage effect. I strongly stand behind issuing more micro cultivation and dispensary licenses.

Existing safe Hemp and CBD operators like myself should get inspected and also provided some pathway of licensing so that the state and the public can identify us as trusted sourcing unlike bad actors and their locations.

I also support existing hemp cultivation locations to be offered to social equity licensees so that we can rapidly reverse the supply chain issues that our state is currently facing. I have a lot of recommendations. Many I've emailed to all of you but we simply don't have the time to go over them today.

Much of the solution for these obstacles lies in my theme for today's testimony which circles back to the underpinnings of community. Which is the very cornerstone and focal point of any effective

legislators pursuit. Just this morning alongside Senator Cohen, we were at the Shoreline Breakfast where small businesses are considered to be the very fabric of community.

I urge all of you to reconsider the proponents within this bill that will shutter Connecticut's hemp industry. Please, truly think long and hard for how your legacies will be remembered with your decisions during this short session. I know what the real legacy will tell because the rest of our state and our country is watching earnestly.

Please do the right thing and support your local State's people. We've built one side of this industry. As you've all identified today, there are many, many components. We have every right to stay here.

REP. D'AGOSTINO (91ST): Thank you. Yeah, hold on. Let's see if there's any questions for you.

MR. DUNCAN MARKOVICH: Yes.

REP. D'AGOSTINO (91ST): Questions from committee members? Anybody online, MJ?

CLERK MJ SHANNON: None online, Mr. Chairman?

MR. CARL TIRELLA: Thank you. Continue to send us the stuff that you send as well. We appreciate the emails. MJ.

CLERK MJ SHANNON: Next up, we're gonna have Rebecca Goetsch.

MS. REBECCA GOETSCH: Good afternoon guys. Esteemed members of General Law, thank you for affording me the opportunity to speak with you today. I'm representing my testimony as well as the other members of the Connecticut Hemp Industry Association at this time. So, they allowed me to move from 79 to this position. So, I'm very grateful.

So, I would like to first extend my gratitude for continuing to keep hemp in the discussion as far as cultivation of cannabis in the state. It's something that we're all passionate about and we continue to try to carve out a space for the hemp farmers to participate in the legal use market. You have my written testimony.

So, I just wanna briefly reiterate something that we've talked about, which is, it really has to be at the micro cultivation level to really take advantage of the opportunities that the hemp farmers offer. So, we are small scale farmers. There's a select few large scale cultivators, but the pairing of the hemp farmer with the adult use space is really at the micro cultivator level.

And it's imperative that you understand that the licensing fee should reflect the canopy space offered by the micro cultivation license. It's my opinion. It's my honest opinion that it's still too high and is not offering true social equity at that price point. It'll be very challenging to create a robust, profitable business with that point of entry.

And the way the bill--the way I read the bill and I might be misreading it is that there's no path for license ownership for the hemp farmer in the way it's structured, it's more of a rental agreement if you will for layman's terms. And I'm only speaking to that at this meeting because I've heard discussion in the halls today, wondering why the hemp farmers wouldn't be responsible for the licensing fee.

And so, to address that, I'd just like to say that in the operating agreement, there may be ownership terms for a small percentage of the licensing fee. But I believe it's my understanding that the social equity licenses wouldn't afford for us to become majority owners in any way, shape or form.

So, I would like to see some language in an ideal world where there was a path to a cultivation license for hemp farmers. I don't see that happening in this short session, but I do appreciate the opportunity for the social equity applicants and the hemp ownership to create a partnership. And feel free to email or address any questions that you might have with that. Now we would --

REP. D'AGOSTINO (91ST): Did you give a suggestion on the fee structure that you would--

MS. REBECCA GOETSCH: I really like what we talked about last year, which is that \$12 a square foot and that \$12 a square foot stems from the price point for the cultivator license at \$3 million. And somebody suggested earlier in their testimony that perhaps the hemp farmer and social equity applicants have a cap, it's not an expandable license.

If that's the case, then it's really critical that you use that model of \$12 a square foot or something equitable and proportional to the amount of cannabis that would be able to be cultivated at the facility. Just makes sense. It's not to me.

REP. D'AGOSTINO (91ST): Sorry, I cut you off. Go ahead, you had something else you were gonna say?

MS. REBECCA GOETSCH: I just can't not sit here before you today and talk about the product side of things. You've heard a lot of testimony on it today. So, I don't wanna necessarily talk about-- You have my written testimony and feel free to refer to it.

But what I do wanna do is sit before you as a farmer, a mother of two children, a small business owner in the state of Connecticut, who's also eight years sober and does not use any intoxicating products. CBD got me sober and maintained my sobriety and it's very personal to me that people

who do not want to go to a dispensary, I would never go to a dispensary.

I've been out, I've visited hemp firms in Colorado. I've been to Vermont, I go to Massachusetts all the time. I would never step foot in a dispensary. To be clear to your point, I would not risk having intoxicated products in my space. I create CBD products with that in mind always. I make my tinctures, last year was the first year I made tinctures because they have ethanol in them and I'm not gonna go have alcohol in my shop.

So, I want you to understand that partnering with dispensaries, I understand is--I've never heard it so clear as I've heard it today that, that is the path for us to stay in business as far as this leadership is concerned. I respect that.

I respect in turn that you offer us a pathway that's comfortable for the regulatory framework of the State of Connecticut to stay in business, make my products with integrity and continue to support my community as a local community herbalist. I grow plant medicine that's non intoxicating and it's very personal. And I want to be able to share this with my community.

I have helped in the town of Killingworth, six local residents quit heroin and opioids. Six mid aged residents of my town who obviously for every reason under the face of the sun wanna stay anonymous with my CBD.

And when I help them, they need a lot of CBD. I have to serve them 2000 mg and they take that bottle like you wouldn't take normally. So, I just need you to understand and I think you do. I've formed relationships with many of you on this committee and I know you understand where I'm coming from. And I know, I have to believe in my heart that you don't wanna force me out of business.

So, I urge us in this short session to be creative, be collaborative and have a dynamic conversation about how I can continue to exist because I'm gonna say it here for the record as I've said to everybody, I am gonna continue to work with my community with plant medicine, whether these laws are passed or not. So, you will make me an illegal operator in the state of Connecticut.

REP. D'AGOSTINO (91ST): Just going back to the first part of your testimony--

MS. REBECCA GOETSCH: Yes.

REP. D'AGOSTINO (91ST): On the acre, I think you've given us this before, but the numbers, how many hemp farmers, the total acreage available?

MS. REBECCA GOETSCH: I'd like to get you an accurate number from the department of [inaudible 4:47:50] So, the number of acreage that's available is very different than the number of people with greenhouse infrastructure in place to accommodate that. So, if you would trust me enough to get back to you--

REP. D'AGOSTINO (91ST): Yeah, that'd be great.

MS. REBECCA GOETSCH: With something that's accurate--

REP. D'AGOSTINO (91ST): Thank you.

MS. REBECCA GOETSCH: I can do that.

REP. D'AGOSTINO (91ST): Yeah. That'll be very helpful.

MS. REBECCA GOETSCH: Yeah. And then I think Senator Maroney, you had some questions about our hemp, testing and licensing?

SENATOR MARONEY (14TH): Yeah.

MS. REBECCA GOETSCH: Perhaps--

SENATOR MARONEY (14TH): I was gonna ask some questions about the testing. And going back to the licensing, I think we are flexible in the pricing. I think that the \$12 per square foot number that assumes that everyone went to the 250,000 to get 3 million.

And I think it's an average of more than 50,000. That is the 250 although they do have that option. So, that means we're flexible in the number. I don't know if 12 is the right number.

MS. REBECCA GOETSCH: I understand.

SENATOR MARONEY (14TH): But I do have questions on the testing requirements. And so, how are your products tested now? What are the requirements you go through in order to bring something to the market?

MS. REBECCA GOETSCH: So, if just to be clear, so our hemp is tested through the Department of Agriculture, the plants that we and that are deemed federally legal at the 0.3% THC on a dry weight basis are tested by the Department of Agriculture. They come to our sites as my colleagues at CBGGurus explained, they come to our sites, they collect the plant material when it's wet, they put it in a bag and they combine it all together.

So, they will take multiple samples from my harvest, I mean, from my plot and ensure that the entire harvest averages at a federally legal level. From there, I'm allowed to harvest it. If I'm above this, the threshold of the 0.3%, I have to destroy my crop.

So, we aren't allowed to harvest anything that's not compliant with the federal USDA hemp laws that we operate under in the state. And then, from that

point, once I harvest the hemp, the onus is on me and my integrity to move forward down the path to the consumer.

So from there, we dry the plants and typically what after post drying, you remove the trim leaves and so you're left with the actual cannabis that's consumed in smoking form. And that's where you'll see the percent of both CBD and THC maybe go up a little bit 'cause you're removing some of the material that doesn't have as much of either cannabinoid.

So, our smokable products, I test again before I sell, either flour or joints. So, that way the COA that I give my customers is what they're consuming. That wasn't always the case and it's not a requirement. I choose to do that and I think most of the colleagues I know choose to do too because it only benefits us.

CBD is not at a high percentage in these plants without really good genetics. So, we want to be able to show our customers that it's not 12% CBD. We wanna show them that it's 18% CBD. So, I think most people in the industry will do that testing there.

And then, from there we make products. So, I blend that flour in with other herbs and make herbal teas. That's my primary product line. So, I don't do any additional testing 'cause I'm still using just the flour.

However, I have sent my flour to an extractor, my colleague, Mike Goodenough and he has provided me with distillate. Now keep in mind my business is so small that that was now 18 months ago, one liter of distillate has lasted me this long. So, I've had that liter of distillate tested. I know the math. I have a former degree.

I'm a scientist by training before this farming adventure. I was a molecular biologist. So, in my

workspace, I then dilute that distillate that's been tested into products and for the products that I sell, that are medicinal, that are potent, I then send that out for an independent third party testing.

So theoretically, I have had my plants tested by Department of Agriculture. I have performed a post drying test at my own expense through a third party lab, I have then tested through a third party independent labs as CBD store was suggesting, my distillate--my primary starting material and then I have a fourth test that goes on my products that are delivered to the customer. And that I will say, is how our industry operates. Those are the good actors.

So, we've paid for three testings across the products. Now, people who make edibles, I don't, people who make edibles definitely have another test on the edibles directly because to sell them, we all use QR codes as well. So, you want the customers to be able to take the QR code and go straight to that independent test.

SENATOR MARONEY (14TH): Is there a certification process? You wrote your third party testing for those third party laboratories that are doing the testing.

MS. REBECCA GOETSCH: We have been fortunate enough to have affordable access to out of state labs. So, I think that, that has changed perhaps under last year's law. I would strongly urge you not to strict any testing. People want to test and I can test for--in the 50 to \$100 range, I can test a lot. If you force us to go to in-state testing only, those tests are gonna be cost prohibitive.

People won't do them. You should give us as much flexibility as possible on the testing end because then I can send out 15 samples to get tested versus just one. And I urge you not to restrict anybody

who wants to test, to be able to test out of state.
I really do.

SENATOR MARONEY (14TH): Is there some means of
validating the testing? Like, of knowing that the
quality of [crosstalk 04:53:44]

MS. REBECCA GOETSCH: These are certified labs,
these are certified--

SENATOR MARONEY (14TH): Yeah, that was my question.

MS. REBECCA GOETSCH: These are industry standard
certified labs. Absolutely.

SENATOR MARONEY (14TH): Yeah.

MS. REBECCA GOETSCH: And they offer a menu so you
can test for mold. You can test for heavy metals.
There's a menu of testing. So, you can do a full
panel test or you can do a quick and dirty \$35, how
much THC is in this test? It tells you all the
cannabinoids. Yeah.

SENATOR MARONEY (14TH): Now, your products, do you
typically sell them on your farm or are you selling
--

MS. REBECCA GOETSCH: I only sell through my retail
outlet. I think what's also being missed here is
we're small businesses. There's no way I could
afford the expense of selling at the wholesale price
point to a dispensary, that doesn't work for me
pricewise. It just doesn't work.

And not to mention and I know I just was passionate
before, but truly my customers, myself, my business
are my core ethos. My actual values that keep me
doing this at a loss every year is because of my
community and my access with my community and my
interactions with my community.

I have an 82-year-old woman. She's one of my best customers. She comes to me because she doesn't wanna go to a dispensary 'cause the first time she went, she received product that had her call the ambulance 'cause she was scared of how high she got. And I need to stay there for my community. And I will.

SENATOR MARONEY (14TH): My understanding is there's approximately two dozen hemp farmers--

MS. REBECCA GOETSCH: Totally.

SENATOR MARONEY (14TH): Give or take in the state.

MS. REBECCA GOETSCH: That's correct.

SENATOR MARONEY (14TH): How many of them are selling to dispensaries, how many just sell like you do on their own retail store?

MS. REBECCA GOETSCH: So, to my knowledge, the only people I think Sweet Heal, Mike Goodenough, my colleague, who you'll hear from later, I believe he used to be in dispensaries and wasn't able to. I'll let him tell his story. And the CBGGurus evidently tried. I don't know anybody selling hemp products in dispensaries, myself. My number would say zero.

SENATOR MARONEY (14TH): So, the majority of you sell for a retail store in your own farm?

MS. REBECCA GOETSCH: Yeah, or at farmers markets in particular or maybe your local health food store, Edge of the Woods in New Haven. If you know them. I don't wanna villainize and negate completely all the head shops and smoke shops that do sell good products too. Some of our stuff is in there. But I think most of--myself, I'll only speak for myself, my whole mission is my own access as a community herbalist to my customers.

SENATOR MARONEY (14TH): Okay. Great. Thank you. Does anyone else have questions?

SENATOR CICARELLA (34TH): Just one.

MS. REBECCA GOETSCH: Okay, Senator Cicarella.

SENATOR CICARELLA (34TH): Do you know the reason why Connecticut so expensive to test the product where out of state is less expensive?

MS. REBECCA GOETSCH: We don't have a competitive marketplace. There's really only one or two labs. I think there's only one left. But I urge you not to use that as--

SENATOR CICARELLA (34TH): All right.

MS. REBECCA GOETSCH: As fact. That might be fiction. But there's no competitive landscape and there's probably not enough throughput. So, the wait times are extraordinary is what I understand from my colleagues. And so, there's not rapid turnaround and the price point, I've never even explored a Connecticut lab.

I used to use a lab in Rhode Island for my first two years. And now, I've formed a great partnership with one in Kentucky and I wait maybe five days, I can call them and ask them for it to be quicker without an added fee. Sometimes 10 days at the most. But I literally can get my compliance test done for \$50, say--

SENATOR CICARELLA (34TH): Where in Connecticut, it would be much more?

MS. REBECCA GOETSCH: In the 200. Last time I looked \$1500. I wouldn't test, honestly. I'm not [crosstalk 4:57:39]

SENATOR CICARELLA (34TH): 1,500 and you could get it 50 in Kentucky?

CLERK MJ SHANNON: \$1,500 for five panel testing and it's 250 in Kentucky for the same five panel testing.

SENATOR CICARELLA (34TH): Interesting. Okay. Thank you for informing that.

MS. REBECCA GOETSCH: So, my cannabinoid test is 35. He's talking about the five panel test, which is the mold and more advanced testing, that's 250 in Kentucky in Connecticut, it's 1,500.

SENATOR CICARELLA (34TH): Wow.

MS. REBECCA GOETSCH: But when I tell you, it's the turnaround time really matters.

SENATOR CICARELLA (34TH): Got it.

SENATOR CICARELLA (34TH): Thank you.

MS. REBECCA GOETSCH: I wouldn't choose to test at 1,500.

SENATOR CICARELLA (34TH): Thank you very much.

MS. REBECCA GOETSCH: As much.

SENATOR CICARELLA (34TH): That's interesting.

SENATOR MARONEY (14TH): Great. Thank you. Are there any further questions? Okay. Thank you so much, Becky.

MS. REBECCA GOETSCH: Thank you.

SENATOR MARONEY (14TH): Okay, Mr. Clerk, who's next?

CLERK MJ SHANNON: Next up, we have Kenneth Bastian with a couple others.

MR. MIKE GOODENOUGH: Speed over there.

MR. KENNETH BASTIAN: Are we gonna go that way? All right. We also have Ellen Brown.

CLERK MJ SHANNON: She's on.

MR. KENNETH BASTIAN: She's on? Ellen, would you like to begin?

MS. ELLEN BROWN: Good afternoon. Thank you all so much for your time. I really truly appreciate it. My name is Ellen Brown, I am a United States Air Force veteran. I'm a compliance trainer and I'm a hemp farmer in the state of Massachusetts.

I'm here today to voice concerns about different aspects of Bill 5150. Please appreciate that this is an abridged version of my testimony in order to not repeat and to be mindful of the committee's time. Line 814 to 816 states that only a micro business would be allowed to sell cannabis seedlings. I was hoping the commission could hold space, I apologize, the committee could hold space for the conversation of whether or not it would be better to allow for multiple licensing types to sell clones.

This would allow for a variety of cultivars that have different genotypes, phenotypes, different cannabinoid profiles, chirping profiles, so that way there is diversity in the market for the consumers, be it adult use or medical. And something I really wanted to talk about today are lines 4 through 19 and lines 1607 to 1608 pertaining to hemp products, serving sizes, and servings per container.

Respectfully, I don't see these regulatory hemp changes creating betterment for public health safety and welfare, but I do see it creating detriment to the Connecticut hemp industry.

The aforementioned lines need to be addressed to be more amenable to those whose livelihoods will be affected and those that rely on those CBD products.

I'm grateful for the committee's time and I'll be sending over more notes about the bill with my written testimony. I'd like to echo support for those that have spoken before including Erin Kirk, Anne Marie, Duncan, Luis Vega, and upcoming Michael Goodenough and Ken. Thank you all so much for your time. I truly appreciate it.

REP. D'AGOSTINO (91ST): Sorry. Before we move on, can you give me the seed concern again one more time on those lines? Just reiterate what you were asking for.

MS. ELLEN BROWN: Absolutely. Thank you very much. So, the exact lines are Line 814 to 816 in the states that only microbusinesses would be allowed to sell cannabis seedlings. So I was wondering if the committee could hold space to have the conversation, if it would be beneficial to allow for multiple licensing types to sell cannabis seedlings so that way there would be more cultivars available for consumers, be it adult use or medical. Making sure there's a varieties in different genotypes, phenotypes, cannabinoids and terpenes.

REP. D'AGOSTINO (91ST): I got you. Okay. Thank you. Appreciate it.

MS. ELLEN BROWN: Thank you.

MR. MIKE GOODENOUGH: And Ellen, you provide education in multiple states as mandatory by the state. That's from Massachusetts and what state?

MS. ELLEN BROWN: In the state of Vermont. So, thank you very much, Mr. Goodenough. I'm a compliance teacher and so part of my job is to read regulations and I'm also a United States Air Force veteran and I'm here as a veteran and as a farmer in

support of Sweet Heel and the other farmers and making sure that they are able to have legislative reform that's going to be beneficial for their livelihood and for those that rely on their products, the products that they create with integrity and customers in mind.

MR. MIKE GOODENOUGH: Thanks, Ellen. I guess I'll jump in Ken next. My name is Mike Goodenough. I am a Marine Corps combat veteran. I'm also a hemp farmer. I'm fifth generation in the State of Connecticut. We transplanted into this state and we were supposed to be able to sustain.

My family has been bleeding over the soil and the land of this state for five generations, and I prayed that I could give it to a sixth and that's not going to happen. It's because I followed, after begging. I've been testifying for nine years with you people, nine years, and I begged you to help our farmers have a crop with the USDA so that we could survive and have something different to go to market with. And you granted that in 2018. In 2018, 0.3% THC was the number that we went towards. That was the number that held federally.

There are federal guidelines which have money put behind those guidelines to come up with numbers and not guess and pie in the sky and wonder what 0.5 milligrams is compared to one milligram compared to five milligrams.

There's federal funding to give you guidelines so that you don't diminish and hurt the federally protected farmer that is growing a federally legal product which you have now made illegal and you are forcing us to sell in an federally illegal market in order to avoid selling illegal narcotics in your retail stores which are licensed and insured. How does this make sense?

The products that are being sold in your stores are not hemp derived. Stop putting them into our

industry. They do not come from my people, they do not come from my farmers. I manufacture over 110 products, 110 different brands around the country. I have 40 here in the state of Connecticut. Not one of them manufacture a product that is illegal and any of those stores yet you say it's my hemp that is causing this problem.

Those are illegal narcotics that are being brought in by drug industries that are covering themselves up with my term hemp, and you are now punishing my farmers. You are now punishing what is federally legal and turning it into something illegal because you don't know how to control it.

You have the greatest education system, Connecticut's EDU is stronger than any other EDU in the entire country. We have UConn, we have Eastern, we have numerous universities who have been digging into this since day one. Dr. Berkowitz has been running with this since 2015 and for you to turn around and be sourcing or looking for education from anyone other than our own EDU on what does a milligram do or doesn't do is ludicrous.

I do not understand what we're doing and I do not understand how we're going to backpedal now and hurt those farmers and those small businesses. Do you know 50% our CBD shops have closed down since you made your new laws which you still can't police the ranks of.

You have people here testifying that they're still able to buy drugs in their local stores, but you're going to come at us deeper to 0.5 milligrams per vessel, that's ludicrous. Based off of what science? If you want to know what 5 milligrams does, then go talk to people who are doing the driving studies in your own state and they're analyzing people consuming THC, and then what that inebriation actually does.

Start taking responsibility because you're killing us literally. I have vets who are checking themselves into mental institutions because what's happening in this room is impacting them greater than the combat that they served in to protect the flag that sits behind you. I have people who are losing their farms after generations.

I have store owners and entrepreneurs who are already enabled and trying to rise up and have men and have put money and time into the local community who are shutting their doors because of the audacity that comes from these new laws. It's ridiculous. And I beg you make a change.

All I see here is separation. I don't want this person to have an opportunity over there. I don't want this person to do this. I don't want somebody else to have something more. Well, let me tell you what I want, I want us all to thrive and succeed. I want us to be unified. We created the Connecticut Cannabis Small Business Alliance, which takes everyone from a basic user to a store owner, to the people who are making tires for the security trucks, to our farmers, to every single individual within the industry and we are offering you a bill that has recommendations on how to rectify this mess that we have in front of us, this mess which is ruining lives. Please understand.

REP. D'AGOSTINO (91ST): Does your companion of anything he wants to add? Thank you.

MR. KENNETH BASTIAN: Yes, I would like to present the bill we wrote.

REP. D'AGOSTINO (91ST): Give it to MJ.

MR. KENNETH BASTIAN: Yeah, the Clerk.

REP. D'AGOSTINO (91ST): Thank you. You want to give a summary of what's in it?

MR. KENNETH BASTIAN: Yes. So, let me just introduce myself. My name is Kenneth Bastian. I'm the owner of CT Hemp shop and I'm the owner of AI Web Tools LLC and I am the managing director for Connecticut Cannabis Small Business Alliance. I've been extremely affected by your last legislation. Okay? 95% of my products have become illegal and none of them are psychoactive. None of them. I recognize you. Yeah, you were at my shop.

Anyways I sit here before you today and I say please listen. All of our small businesses are being completely decimated, not included in this industry at all. All right. You guys say it's equitable. How is it equitable? We're shutting down CBD shops with non-psychoactive products only to let big MSOs sell them, Mr. D'Agostino. Do you have an answer for that?

REP. D'AGOSTINO (91ST): So we're happy to take your testimony guys. Do you have any further testimony you'd like to add?

MR. MIKE GOODENOUGH: Yeah.

REP. D'AGOSTINO (91ST): We got some more people behind you.

MR. MIKE GOODENOUGH: We'd like the labs to not cost so much in the state. We can't support anything small batch. That \$1,500 divide that across a farmer who wants to make 100 tinctures. That 100 tinctures be \$15 just to be on the floor just in lab costs. We would like to make sure that all of the CBD that's going into these dispensaries isn't coming from Oregon and the large MSOs who are bringing in those products today, every bit of CBD in those spaces have not come from a single hemp farmer within the state.

Not only do we want that, but we'd like for the distribution -- the simple fix to this whole problem is distribution. If there was somebody who handled

distribution and verified what they're selling to these stores like they do for every other regulated product that we have, then there would be no problem.

The distributors would be the ones to hold accountable, instead we're making new rules. Trust me, I know you guys are trying your best in certain areas, but we're stuck in this vortex of complexity and things we don't understand. We would like the EDUs to become more involved.

We would seriously like you to turn to our local EDUs and the professors who are teaching this to the next generation because they're what's important. These are the CEOs and the people who are going to drive the companies of our future and right now they're just as confused as you are. And that's insane.

We'd also like for you to look at what I grow as a crop. It doesn't need to be destroyed in a year. Basic agriculture tells you to store a certain percentage of your harvest for three years in case there's a drought or a blight.

We would like for you to take into consideration the integration of small businesses and models that help a small business owner not have to incur the fees that are equal to the large size enterprise. They're never going to survive having to pay the same prices for their point-of-sale systems, for the delivery fees, and everything else associated.

We'd like you to put on your economics hat and actually take a look at what's happening with the small businesses around us and enable them to be successful within the cannabis business. Not just lock everything into the THC realm of the dispensaries, which right now are controlled by a large group of people who are large size enterprise.

Everybody uses the term MSO, it's the wrong term. A large size enterprise has to act a certain way. It is their business. It is different than mid-size and it is different than small, but make an envelope equal to the small and to the mid-sized business so we can succeed too. We cannot reach their level.

And we're also asking that you follow the federal guidelines that are actually put out there for you. The reality is those guidelines are things that answer questions that have money and components that go behind them.

I'm also asking you to look at your extraction. You're asking us to not produce anything with chemicals. You want it considered to be a synthetic. But then you're telling me to remove the THC from my hemp. Do you understand that you're saying use a chemical to do that?

The only way to get rid of THC out of my hemp is with chemicals. You have to think about what you're putting in front of us. It doesn't make any sense. You've built an industry and now you're tearing it asunder. And Representative D'Agostino, you said that you only had one marketplace, you don't.

The hemp marketplace was here first at 0.3% and that was there very specifically before the cannabis business was and now there's a cannabis business and oh, by the way, we gave away gifting and grow-at-home, that's a third market. You have three markets that we need to address and by locking THC into one of them doesn't change anything.

REP. D'AGOSTINO (91ST): Okay. We're all said. Are there questions? Representative Osborne.

REP. OSBORNE (16TH): Thank you for your comments. I'm actually very touched by your impassioned plea to us here today and I have a very specific question. With respect to an organic product and us saying we don't want chemicals, we don't want

chemistry used on this, and I know you've been here all day, so I know you've heard the other testimony, does the cannabinoid -- and I'm going to get it wrong.

MR. MIKE GOODENOUGH: You're right, go for it.

REP. OSBORNE (16TH): The ratio that you've heard prior people testify about, having that CBD ratio to THH, does that remove the issue of not having to use chemistry to have the THC not be intoxicating.

MR. MIKE GOODENOUGH: 100%. Yes.

REP. OSBORNE (16TH): So if we were to adopt a --

MR. MIKE GOODENOUGH: Cannabinoid. I say cannabinoid because I say cannabis, not cannabix and so say it any way you feel comfortable.

REP. OSBORNE (16TH): So adopting that Cannabinoid ratio would, in your opinion, solve that intoxicating problem of the THC because it will be coupled with these other cannabinoids?

MR. MIKE GOODENOUGH: Five milligrams is what your current driving studies are showing, five milligrams is what gets someone to a point where they shouldn't be behind a car and we don't want anybody driving behind us. .

My biggest concern are people who consume things and get behind the wheel. Granted don't want children to have it and everything else. But first and foremost, the reality is that that 20 to 1 ratio gives you a ratio where it matches the need to be able to put a 3,000 or 2,000-milligram tincture out there to help those patients and no, it won't be psychotropic

But put your hats on for a minute. The digestive tract in the upper portion of the body digests almost immediately as opposed to an edible, which

goes to the stomach. Each one of our membranes absorbed differently. Something that's applied to the skin is not going to get you high. This organ doesn't impact or absorb in the same way.

Just think about it the way you normally would take anything else, whether it's a pill, whether it's smoking. Smoking is instantaneous. It has a shorter life span. Every one of our organs are a different method of delivery.

And the reality is I get the drinks, I truly get the drinks. It's your upper digestive tract and it's instantaneous. And I wouldn't want anybody consuming rapidly in that mannerism, especially if they're also consuming other things unless their intent was for that. And so we have to remember which organ and why we want to control that level of that organ.

You could put 1,000 milligrams on your skin and it's not going to affect you, and that might be a little bit of an exaggeration. But the point is each organ is radically different and I get the drinks. I truly do. That's the cleanest organ for most people. Whereas the rest of us pollute the rest of the organs that are there, whether it's smoking, whether we have bad gut health. All of the other layers there have different impact. So I'm sorry, I didn't --

REP. OSBORNE (16TH): No. Thank you for your help in educating me.

MR. MIKE GOODENOUGH: Yes, ma'am.

REP. OSBORNE (16TH): I appreciate your testimony today.

MR. MIKE GOODENOUGH: And we're here to help. We're here to give you guys as CCSBA ears to every layer of the vertical that's there. Every small business that exists. If you want to talk science, we'll

talk science. I'll bring in professors and assistant deans from seven different universities because I work with all of them.

They all send students to my farm to learn from. I've yet to see one person come to my farm. Although, I've extended the invitation radically to every individual at every testimony and I'll do it again here today. If you want to have discussions around any of these variables, come have those discussions.

REP. D'AGOSTINO (91ST): I don't know how many times I have to say it. This is not a debate over what level of THC here and who's got what and who's making, this is much simpler. Okay? You make products with THC in it.

MR. MIKE GOODENOUGH: Yes, sir.

MR. KENNETH BASTIAN: I don't care about the level. You make products with THC in it, yes, after we did your market, we went through a whole process where we created a new regulatory marketplace for THC products.

And right now we have multiple marketplaces open for these products and philosophically what this legislature decided, now maybe they're going to change their mind, I don't know, is that there should be one path for those products regardless of level. I hear what you're saying. Oh, don't worry about it. I can drink a drink with this much and I won't be intoxicated, but if I drink a drink with this much, I will be intoxicated and I can put this on.

We're simple people up here for the most part. All right. And for the most part, what resonates with us is we spend a lot of time and effort creating a marketplace for THC products and you want your own marketplace for it, the package stores now want

their own marketplace for it, somebody else wants a market place for it.

I understand. I understand from your perspective, it's completely different products. I get that. I'm trying to explain to you what's driving this bill.

MR. MIKE GOODENOUGH: Yes, sir.

REP. D'AGOSTINO (91ST): And we have said, and I want to reiterate --

MR. MIKE GOODENOUGH: But we don't want. We have already taken and built our businesses and built our farms around something that you've already made legal and support us to do.

REP. D'AGOSTINO (91ST): And this would alter that? I recognize that.

MR. MIKE GOODENOUGH: So you're going to destroy every small business and every farm, then just tell us. Tell us you're shutting down hemp because I spent \$80,000 last year sending to your new labels and your new labs. I bled as deep as I could bleed to try and match your new laws and now you're going to give me new ones.

REP. D'AGOSTINO (91ST): We made it pretty clear last year --

MR. KENNETH BASTIAN: Can we just ask you to read our definition we wrote that literally addresses the problem you're trying to close the loophole for.

REP. D'AGOSTINO (91ST): We will, we're looking.

MR. MIKE GOODENOUGH: Thank you.

REP. D'AGOSTINO (91ST): But I want to be very clear that we are not looking to prevent these products from being made or sold in Connecticut. And to the

extent that we need to refine and readdress our law -- we thought we did this last year, but to the extent we didn't, we will make it absolutely clear that these products can be sold and can be made.

They just need to be sold and made in accordance with the regulated structure that is different than the one you're operating with now. I get that. I totally get that and it's not fair at all.

MR. MIKE GOODENOUGH: So my house loan was called in because I might be getting my money from cannabis.

REP. D'AGOSTINO (91ST): I'm sorry, sir. But listen to me, the regulatory structure of the state of Connecticut is our responsibility, not your mortgage. I'm sorry you got into a field knowing full well by the way that the state was going to regulate a competing marketplace for it and now have to react to that and we're going to do everything we can to make sure your products can be sold.

MR. MIKE GOODENOUGH: Products are federally legal.

REP. D'AGOSTINO (91ST): But our responsibility is not your mortgage. Our responsibility is to the entire state of Connecticut and a regulated marketplace for cannabis.

MR. MIKE GOODENOUGH: Correct.

REP. D'AGOSTINO (91ST): And to sit here and say, forget it, don't worry, we should allow an entirely separate marketplace to exist with 20 to 1 ratios and in a separate testing scheme and products that still get you intoxicated. I can smoke a number of joints or edibles that you guys make and get the same level of intoxication.

MR. MIKE GOODENOUGH: No, sir.

MR. KENNETH BASTIAN: No, sir.

MR. MIKE GOODENOUGH: Illegal products that don't match these standards can get too high. That's not our products, sir. [crosstalk 5:20:10]

MR. KENNETH BASTIAN: We are happy to have your products sold in our stores, right?

MR. MIKE GOODENOUGH: And your dispensaries which are not federally legal, which takes my business and my farm and it puts into now not being federally legal.

REP. D'AGOSTINO (91ST): You've made your case. If this legislature wants to have a separate marketplace, frankly unregulated or less regulated for your products, that's what they'll do.

MR. MIKE GOODENOUGH: It exists, sir, federally in every single state already.

MR. KENNETH BASTIAN: I think Amazon and order things.

REP. D'AGOSTINO (91ST): The out of state stuff we know we have an enforcement issue with, that's a separate.

MR. KENNETH BASTIAN: So you're going to let Amazon sell things to my neighbor but not small business.

REP. D'AGOSTINO (91ST): The idea here is that all of this stuff, it will make it a lot easier to just regulate and ban because we can look at it and say -
-

MR. KENNETH BASTIAN: You can't ban Amazon from selling it or sending it. You can't do anything.

MR. MIKE GOODENOUGH: Our state can't impose laws on somebody in another state, sir.

MR. KENNETH BASTIAN: So literally you're [crosstalk 05:21:07] against only your people.

MR. MIKE GOODENOUGH: It's just us.

MR. KENNETH BASTIAN: Say it, you don't care.

REP. D'AGOSTINO (91ST): We can regulate THC in the state and that's what we're going to do. That's what we have done. But look, I get it, you guys have made your case. You're going to get a chance to testify too. Hey, the way this works is you sit down and you testify. Are you guys all set? Do we have any further questions for members? I'm going to ask you to -- Are you signed up?

UNKNOWN SPEAKER: Yeah.

REP. D'AGOSTINO (91ST): Okay, then wait your turn. Any questions? Thank you, gentlemen.

MR. MIKE GOODENOUGH: Thank you.

SENATOR MARONEY (14TH): I don't think they'll vote for you.

REP. D'AGOSTINO (91ST): Mr. Clerk.

CLERK MJ SHANNON: Yes. Up next, I have TJ Elgin. No. After that, I have Alison Sicard.

MS. ALISON SICARD: -- of the General Law Committee for being present today to listen to my testimony pertaining to an act concerning cannabis and hemp regulations. I'm a mother of two grown children, daughter and granddaughter of registered nurses, great granddaughter of an Algonquin medicine healer, and a lifelong educator. .

Hence, I begin my testimony by reflecting on our nation's history with cannabis and hemp. So we all understand the roots of our relationship with it. Current legislation can either repeat or prevent the mistakes of our past

Seventeenth century American hemp farmers were incentivized by the US government to cultivate hemp for rope, clothing, and sails for ships. Nineteenth century cannabis was a common ingredient in medicines. Early 1900s, following the Mexican revolution, immigrants bringing their familiar recreational herb with them were scapegoated for inciting marijuana induced violence. Subsequently, by 1939, 29 states had regulations that outlawed marijuana.

Then we had the marijuana tax Act of 1937. But then in World War II, the United States Department of Agriculture launched a hemp for victory campaign where 375,000 acres of hemp were grown in America. Then we had the Shafer Commission, which I'm sure you're all familiar with. It was bipartisan, concluded that personal use should be decriminalized.

President Nixon ignored these findings, declared a war on drugs and created the DEA in 73 more regulations in spite of reports from the New York Academy of Medicine, as well as both the Kennedy and Johnson administrations absolving cannabis from propaganda misconceptions of inducing violence or being a gateway drug. Ask yourselves who the casualties are of this war on drugs? I am, our farmers are, our small business owners in the state.

According to the ACLU by 2010, over half of all arrests were for pot, with minorities three times more likely to be targeted. Personally, I have been arrested and incarcerated for possessing a plant which was first cultivated over 12,000 years ago in China. A self-regulatory infrastructure for cannabis already exists within the legacy community of growers, caregivers, small business owners, veterans, and folks who appreciate and nurture the essence of this herb.

History has shown that government regulations lead to criminalization. I implore you to adopt a

narrative of reclassification in lieu of regulation. Cannabis is truthfully an adaptogenic herb that engages and supports our internal endocannabinoid system that all in vertebras possess. Oleander, castor beans, giant hogweed, hemlock, bleeding hearts, some of you have plants more toxic than cannabis growing in your backyard. Consider cannabis like tomatoes but far less toxic in these nightshade cultivars.

I just want to grow my own, using native free sunshine and share my harvest of healing with folks. You're trying to regulate an herbal supplement essentially. I am astounded at the level of what I can only describe as acts of reefer madness, which permeates our policies and saturates our time better well spent tackling the real plagues of society such as human trafficking, hunger, and homelessness.

My heart sunk despondently when on the opening day of the new session, I was attempting a discussion in the lobby with Representative Rutigliano when he tapped me on my chest stating that he would never vote in support of anything pro-THC. That was a hard not to hear and a hard pill to swallow with such blatant unreceptiveness to public sentiment or public opinion.

History does repeat itself and your decisions decide your legacies and families' futures. Are you a staunch supporter of spreading the propaganda of free for madness or are you engaged with the people to create innovative policy that reflects the people's interest? Please listen to the farmers, small business owners, caregivers patients, veterans. We are the people. Thank you for your time.

REP. D'AGOSTINO (91ST): Questions or comments from committee members?

REP. RUTIGLIANO (123RD): I'll be happy to comment. I don't remember touching anybody --

MS. ALISON SICARD: I do.

REP. RUTIGLIANO (123RD): I don't. So I completely
--

MS. ALISON SICARD: I guess your word against mine.

REP. RUTIGLIANO (123RD): And I thought you are the
silly asylum.

MS. ALISON SICARD: I am. I am advocating for all
plant based medicine.

REP. RUTIGLIANO (123RD): I think I was against
silly asylum that day.

MS. ALISON SICARD: But you said to THC, so you got
your words mixed up perhaps. And I understand that
we all mistakes.

REP. RUTIGLIANO (123RD): Just to be clear for
everybody and I know we don't want to extend the
conversation. I support it, grow your own. We are
against the commercialization of cannabis. If you
want to grow it and smoke it, we thought God bless
you, have a good time. It was the commercialization
that we had issues with.

MS. ALISON SICARD: Can I use sunshine to grow it
without a license?

REP. RUTIGLIANO (123RD): Yeah. When this was
proposed, as far as we were concerned, me personally
and some of my colleagues, we were totally okay with
whatever you wanted to do in your own house. Why
you yell? You want him to yell at you. So you have
a great day.

MS. ALISON SICARD: I will have a great day.

REP. RUTIGLIANO (123RD): Let's all be clear on
what's going on here.

MS. ALISON SICARD: Thank you.

REP. RUTIGLIANO (123RD): It's the commercial --

MS. ALISON SICARD: You're much more polite to me now than you were then.

REP. RUTIGLIANO (123RD): Well, I have --

MS. ALISON SICARD: You can be clear on federal law as well, which I'm not going to sit here and reiterate the data that's been shown here.

REP. D'AGOSTINO (91ST): Other questions from committee members?

MS. ALISON SICARD: I know that D'Agostino has state today he prefers not to do math, but there needs to be --

REP. D'AGOSTINO (91ST): Thank you, ma'am, for your testimony. We appreciate it.

MS. ALISON SICARD: -- some of that being done and some data. I appreciate you too.

REP. D'AGOSTINO (91ST): Thank you.

CLERK MJ SHANNON: Up next online we have Nick Costanza.

REP. D'AGOSTINO (91ST): Nick, can you hear us?

COUNSEL NICK COSTANZA: Yes.

REP. D'AGOSTINO (91ST): You're on.

COUNSEL NICK COSTANZA: Great. Good evening to the honorable members of the General Law Committee. Thank you for the opportunity to provide testimony here today in regards to HB 150 in addition to the corresponding written testimony I've submitted as

well. My name is Nick Costanza and I'm General Counsel for the Can + Botl Company, which created the first ever micro dose THC beverage product and brand canned social tonics

Canned products were created in 2019 based on our co founder's passion for giving adults a social alternative to alcohol through safe, low potency, great tasting THC beverage products made with natural ingredients. Our products are currently available consumers in over 40 states throughout the US where permitted and are available in one milligram, two milligram, and five milligram THC formats.

Because low potency THC beverages like Can are an alternative to alcohol, we've always believed that these products can and should be regulated in a similar fashion as well. Specifically, we believe low potency THC hemp beverages are appropriately regulated and sold through state regulated hemp channels whereas high potency THC products are appropriately regulated and sold through cannabis dispensary channels where both high potency and low potency THC products can be sold.

It's been exciting to see so many states adopt this sensible approach and permit the sale of low THC hemp beverages both inside and outside of the dispensary channels, including especially Connecticut with the sale of manufacturer and products up to five milligram THC per beverage that are regulated by the Department of Consumer Protection. However, we're deeply concerned that the proposed 0.5 mg THC per container limit and HB 5150 will result in the elimination of the low THC beverage market for Connecticut, its businesses, and consumers.

We believe Connecticut's existing hemp plans already contain key provision that sufficiently protects against certain concerns raised by policymakers, including packaging and labeling requirements like

warning statements, FDA related statements, for example, cannabinoid potency testing requirements and also a ban on synthetic cannabis.

There's also at least four additional safeguards that we respectfully encourage the committee to implement into HB 5150 that are already used in other states where these products have proven to be safely regulated, sold, and consumed inside and outside of the cannabis dispensary channel.

The first of which is restricting the sale of hemp products with more than 0.5 milligrams of THC of persons that are 21 and over and requiring age verification prior to purchase. The second is limiting sale of hemp beverages with more than 0.5 milligrams of THC by entities with liquor permits and entities that apply for, pay for, and obtain a registration from the DCP to be a hemp retailer or hemp wholesaler.

There is a testing requirements for hemp products that are akin to those already in place in Connecticut for cannabis products for quality and safety purposes such as testing for heavy metals, microbial, myotoxins, pesticides, and solvents. And finally to implement an excise tax on the sale of hemp products that is equal to the excise tax applicable to cannabis products.

So in conclusion, Can respectfully urges the committee to revise HB 5150 to contain a five milligram THC container cap for manufacturer hemp products that is currently already in place and to consider incorporating at least the four additional safeguards I've discussed today in HB 5150 to ensure that Connecticut's hemp laws are sufficiently rigorous to enable these products to continue being safely regulated, sold, and distributed in the state.

I thank you for your time and I also informed the committee that I've submitted written testimony as

well further laying out these points and support along with supportive exhibits.

REP. D'AGOSTINO (91ST): Thank you. Questions from committee members? Anybody online, MJ?

CLERK MJ SHANNON: No questions online, Mr. Chairman.

COUNSEL NICK COSTANZA: Thank you.

CLERK MJ SHANNON: Up next, we're going to have Katie Covett with Jennifer Fell.

MS. KATIE COVETT: Good evening. My name is Katie Covett. I live in West Hartford and I'm here to speak in general support of HB 5150. I'm one of four co-founders of Soulstar Connecticut. We are one of the teams approved for the Section 149, social equity cultivator license and we're the only 100% female owned and led company. We aren't backed by a large company because we ourselves are experienced cannabis operators.

HB 5150 provides a real opportunity to improve upon a social equity program that while well intentioned contains a number of built in barriers that disadvantage the very people who should benefit from the program in the first place. Last year, we stood before many of you here to share our story and push for changes that would help teams like us to get our businesses off the ground and we've made great progress since then.

Our team recently paid the state of Connecticut the required \$3 million fee to accept our social equity license, which is \$3 million that doesn't go towards any of our actual start-up costs. The fact that this \$3 million barrier was placed on income-limited groups like ours while the four non-social equity cultivators paid a reduced fee of \$1.5 million will remain one of the true injustices of the Social

Equity Program, but it's a challenge that our team has accepted.

Right now with HB 5150 you've created an opportunity for many of the groups here today to work together to address some of the challenges facing the social equity teams. So let's dive in. Right now our team's biggest struggle is finding available and appropriately zoned property within the DIA.

And so we strongly support the language under Section 9 which permits outdoor cultivation operations within the DIA community. This provision would open up agricultural lands for cultivation within DIA communities. It would encourage more environmentally sustainable operations require less start-up capital and create more diverse products.

We also strongly support the provision under Section 2 to redefine the disproportionately impacted areas to include any tribal reservations. Let's make it easier, not harder for social equity groups to succeed and build partnerships with tribal communities.

And our team also strongly supports the provision under Section 3 which allows social equity licensees to partner with hemp farmers. We see this as a win-win for the industry. Social equity groups will have the opportunity to leverage existing agricultural land and the hemp farmers years of experience, which when you think about it is very similar to how other social equity teams have partnered with established operators to launch and fund their businesses.

But we don't think it's right that the hemp farmers and social equity applicants should be punished for forming those partnerships. And what I mean by punished is that we do not support the provision requiring hemp farmers to give up their hemp licenses. Instead let them keep their hemp licenses and take a smaller stake in the social equity

license, which is already really required by the ownership and control rules.

And second, we do not support the provision requiring social equity groups to give up their opportunity to form equity joint ventures. Why would you eliminate the opportunity for social equity groups to create additional social equity group ventures and make it more difficult for the social equity cultivators to build a profitable business.

Our team also strongly opposes Section 17, which prohibits discounting and promotions on cannabis products. Cannabis retailers do need the tools to manage their inventory and keep customers engaged. And even though it might not seem like it, we do think that this issue is also a social equity issue.

In markets that have those kinds of restrictions on discounting, what happens is that the more established better finance groups will take more risks to win over customers with discounts and if they get caught, they know that any fines or penalties are worth the rewards for customers, knowing that they have the best deals. They can afford to take those risks. In contrast, new groups to the market, especially social equity groups will not be able to afford those kinds of risks.

And finally, in reference to the language in Section 11 on telehealth and pharmacists. We strongly urge the committee to listen closely to the patients and the pharmacists who the foundation of this cannabis market was built on whether the pharmacist should be required on site. We thank you for this opportunity and we hope that you will recommend the provisions of 5150 that create a more diverse and equitable cannabis industry.

REP. D'AGOSTINO (91ST): Thank you. I'm sorry, I was just take -- give me the section you pose on the hemp piece again?

MS. KATIE COVETT: Sure. That's Section 3 which allows social equity licensees to partner with hemp farmers.

REP. D'AGOSTINO (91ST): There's a part of it you were opposed to.

MS. KATIE COVETT: Oh, sure. So we oppose the section that we don't want the hemp farmers to be punished. So they should be able to keep their hemp licenses if we're able to partner together to create a grow. And then we also do not support requiring the social equity groups to give up their EJVs.

REP. D'AGOSTINO (91ST): Got it. Thank you. Questions from committee members? Representative Ackert. Thank you.

REP. ACKERT (8TH): Thank you, Mr. Chair, and thank you for your testimony. So Section 9 that you touch base on regarding -- so you're struggling with space you said or location.

MS. KATIE COVETT: Correct.

REP. ACKERT (8TH): Do you think that in these areas, with Section 9, that you'll be able to find those spaces also?

MS. KATIE COVETT: Absolutely. So what I believe Section 9 does is permit outdoor cultivation in a DIA municipality. So instead of being in the blue area on the map, which is largely -- it's hard to find a space. Sometimes it's neighborhoods where people live, you can't put a grow operation there.

But in those communities, if you expand the map, they do have some land, specifically agricultural land, we would still be in a DIA community, be able to create jobs impact that community. It's just not in the specific census track that was created to

create or to enable someone to become a social equity applicant.

So it's just expanding the -- like Hartford. Hartford is a DIA. Only certain areas of that DIA we could locate our facility in. What we're asking for is that if there's anywhere in Hartford where we could locate, we would have a much easier time finding our home.

REP. ACKERT (8TH): Okay. That's what I was trying to get down to. So you've looked at areas that you can -- in these areas that you can expand to that. So this actually does expand the area and opportunities.

MS. KATIE COVETT: Correct.

REP. ACKERT (8TH): So that's what I was interested in getting that into.

MS. KATIE COVETT: Yeah, within the same community.

REP. ACKERT (8TH): Great. Thank you. Thank you both. Thank you, Mr. Chair.

REP. D'AGOSTINO (91ST): Thank you, Representative. Senator.

SENATOR MARONEY (14TH): Thank you very much for testifying. You didn't touch base on allowing the 149 to convert to the micro cultivators. And how do you feel about that? I think you actually brought that idea to us. I was a little surprise to not hear you testify.

MS. KATIE COVETT: Yeah. I also like that idea. I think that's a great pathway. I think how the bill is currently written, you would also have to lose your EJVs. And for us, the EJVs are really key to making sure that we can be profitable. We can kind of diversify our business. We would love to be a micro cultivator with our EJVs.

And I think for some other groups who are really struggling with that \$3 million because it was a struggle we got there, but then paying 1.5, I think that would be helpful for some groups. We also support that. We want to bring more people into this industry who want to be in it, and I think the barriers right now are pretty high. If we can reduce that, we're all for it. We don't feel intimidated by that.

SENATOR MARONEY (14TH): And then I think one of our other intents, it is in the language now, but that we do plan on adding is to allow conversion to a micro cultivator and to negotiate with the hemp farm as a micro. So is that something that you would support?

MS. KATIE COVETT: That is also something we do support.

SENATOR MARONEY (14TH): Okay. Thank you. Thanks for your comments. I think if we keep the license fee at the \$3 million for the 149 cultivator to negotiate with the hemp farms, it does seem fair if they keep at least one if not both the EJV.

MS. KATIE COVETT: Okay.

SENATOR MARONEY (14TH): Thank you.

MS. KATIE COVETT: Yeah, we would really appreciate that.

REP. D'AGOSTINO (91ST): Okay. Other questions or comments? Marcus.

REP. BROWN (127TH): Thank you, Mr. Chairman. Do you have any opinion on going from seven years to three years?

MS. KATIE COVETT: I really appreciated what your comments there and what I think should be asked is

what do the social equity individuals want? They should be the ones deciding, it should be the Social Equity Council with them coming to you with what makes to them. I'm not the Social Equity individual on my team, so I don't feel that I can speak to it.

I really think it's their call. Some of them may make a different decision, but I agreed with what you said. It's really up to them. And I do also feel like seven years from now, it could be completely wiped out and they're off the map and that's not the kind of industry we want to be a part of. I don't think it's the kind of industry you wanted to build. So I am skeptical of provisions like that.

REP. BROWN (127TH): Thank you.

MS. KATIE COVETT: Mm-hmm.

REP. D'AGOSTINO (91ST): Other questions? Anyone online, MJ?

CLERK MJ SHANNON: No one online, Mr. Chairman.

REP. D'AGOSTINO (91ST): Thank you. Thank you. Appreciate your testimony.

CLERK MJ SHANNON: Next is Jennifer Fell.

MS. JENNIFER FELL: Good evening to the Chairs, vice chairs and the ranking members as well as the rest of the members of the General Law Committee. We are grateful for your thoughtful leadership in consideration in crafting this legislation and we appreciate the opportunity to provide testimony regarding HB 5150.

I speak today on behalf of the Connecticut Cannabis Chamber of Commerce. The chamber is a membership organization representing a diverse cross-section of leaders in the industries from cultivation to

delivery to dispensaries, manufacturers, transport, and other non-leaf touching services.

The chamber was established in 2022 to promote sensible policy, responsible growth, and effective development of Connecticut's cannabis industry. Connecticut's adult use market began with a license lottery cultivator application process in 2022. .

Recreational sales started in January 2023 with seven dispensaries and now there are over 30 with the potential of that to more than double. And we've seen the sales in the adult market steadily increase to about 15 million a month with December holidays bringing an outlier of 17 million

Access to capital though remains one of the most significant hurdles for the majority of cultivators. Aside from the four existing medical cultivators, only one new cultivator and two new micro cultivators have entered the market thus far.

Availability of flour and biomass is a critical concern for dispensaries and manufacturers at this point, as you're well aware of. That being said, many cultivators are actively under construction. So for example, if you're coming in 91 you can see in a building where the chowder pot used to be. I'm sorry if that was a sad moment.

We know with one or two additional cultivators coming online in 2024. As is expected, this will immediately bring significant relief to the flower shortage that we're seeing. It's important for us to acknowledge that the changes that we are proposing in the legislation will not bring that immediate relief as they are looking forward.

We do maintain continual contact with our membership throughout the year. Learning from sharing their insight and experience and to establish and refine our legislative initiatives, our leadership circle

members regularly convene to discuss and on the specific provisions.

So there have been a number of our membership here. They may have some unique perspectives as you've heard throughout the night, but what we represent is the majority vote of chamber membership in the leadership circle.

With that being said, I'd like to share our specific positions around HB 5150. In the current bill, we support many of the sections as written, including the definition of high THC hemp products, prohibition of the sale of multiple servings of hemp products.

Although we do know that there could be some consideration for beverages to be broken out of that. The clarification to allow two EJVs per each section 149 cultivator, enhance access to pharmacists via telehealth, and methodology to apply for the relocation of dispensary and hybrid facilities.

Additionally, the chamber provided some recommendations for amendments to the bill. Section 149 cultivators partnering with hemp farmers or converting to micro cultivators are controversial within the chamber membership. Provisions for the hemp partnerships are defined in the bill which prevent the EJVs and require the full \$3 million investment for licensure and establish a level of fairness and palatability within our membership. .

They feel comfortable with saying yes, you can be outside of the DIA on these existing hemp farms with the trade-off of losing EJVs and maintaining that 3 million, and although we have concerns about the negative impact of the change that it would cause on social equity

In terms of the new provisions for micro-cultivation, the chamber would like to see these new

operations be located within the DIA with a limit of 10,000 square feet and without the opportunity to scale up. So right now as it exists, they could come in as a micro cultivator and continue to grow until they -- and then eventually apply for full cultivation at 250,000, which is probably what everybody would have done if that was their first opportunity.

REP. D'AGOSTINO (91ST): I'm sorry, is the objection of that we didn't get a chance to do it so nobody else should?

MS. JENNIFER FELL: No, that's not the objection. I think --

REP. D'AGOSTINO (91ST): What is the objection then? If grow is a concern and this needs more [crosstalk 5:47:26]

MS. JENNIFER FELL: So I think the objection is that they're stepping down, they're paying one million, they're not paying three million and they're able to enter the market there without paying the three million to become a full cultivator. And the chamber also recommends that hemp partnerships and the micro cultivator conversions are captain first come first serve basis as well. So putting some sort of limitation on how many people can move into those roles.

We also support the bill's provision for a sunset date on Section 149 cultivators to receive their provisional licenses. We recommend an earlier adoption date than the December 31st, 2025. .

Another priority for the chamber that was not included in the bill and you've heard several people talk about it today is to reduce the EJV social equity applicant ownership from seven years to three years and I know there's been some speculation we've had some conversation around that, but it was a vast majority that supported that within voting

And then in final response to HB 5150, the chamber strongly opposes the prohibition of cannabis establishments from engaging in advertising or marketing that includes discounted prices or other promotional offerings, which market experts believe would be detrimental to the industry as a whole.

So we acknowledge there's limitations in a short session. We look forward to further discussions in the next session on operational concerns that include branding reform, packaging reform, potency limits, which also may remain high priorities for the chamber's members. But thank you very much for your time and would love to answer any questions that you may have.

REP. D'AGOSTINO (91ST): Are there any? Any members in person or online? Great, very comprehensive. Thank you. Appreciate it.

MS. JENNIFER FELL: Thanks.

CLERK MJ SHANNON: Next up online I have Ivelisse Correa. She's coming in.

REP. D'AGOSTINO (91ST): Great. Thank you to. What's her name, MJ? Ivelisse?

CLERK MJ SHANNON: Ivelisse.

REP. D'AGOSTINO (91ST): Ivelisse, you there? Oh, there we go. Can you hear me?

CLERK MJ SHANNON: Yeah, I think she's now, Mr. Chairman.

MS. IVELISSE CORREA: Can you all hear me?

REP. D'AGOSTINO (91ST): Yeah, perfect. There you go. There you are. You're on. Oh, we just lost it.

MS. IVELISSE CORREA: Okay.

REP. D'AGOSTINO (91ST): No, I can hear you. Oh, there you go. Okay. Perfect.

MS. IVELISSE CORREA: All right. Thank you. You guys can hear me okay?

CLERK MJ SHANNON: Yes.

REP. D'AGOSTINO (91ST): You're good. Go ahead.

MS. IVELISSE CORREA: Okay. Wow, this is really -- I'm sorry. Let me just move this over here. I'd like to begin by thanking the committee for allowing me to speak today. I'm a little frustrated. This is a couple of years in a row now that I've come forward to the committee to warn you guys about problems that you're going to have.

I have this testimony written, but instead I'm going to tell you a story about someone I go to church with. Elderly man, cancer patient, he doesn't like smoking cannabis, but everyone in church knows that I do it because I smell louder than the sermon.

So this man has bone cancer and he cannot access CBD. He's been having the hardest time with it. So, I've had to sit there and source it for him just to give it to him. What is being done to the hemp industry is unforgivable. What is being done by -- why does it keep switching? I need to change my background after.

REP. D'AGOSTINO (91ST): You're good. You're coming through okay.

MS. IVELISSE CORREA: Okay.

REP. D'AGOSTINO (91ST): Yeah.

MS. IVELISSE CORREA: So what's being done by lobbyists to the existing cannabis industry is just

going to push it further underground. Right now, there's a shortage while the legacy market is thriving. I think the additional attention and publicity that has been provided by William Tong to the Legacy market and the pesticides and the mold and the fact that we have the highest mold and mildew limits in the country and our medical cannabis program is horrifying. So, raising the profile on that and just letting everyone know that this is what the regulated market brings you has really done a lot for the legacy market.

The horrific fact that we started out with Vince Candelora, talking about locking black and brown men up. You don't need to sit there and stay the race. Black and brown people have traditionally been sent to prison more, prosecuted more despite the fact that we usually sell cannabis at lower rates, just according to the studies, it's frustrating. It's disenfranchising. .

This is going to continue to be a disenfranchisement rather than looking to create a marketplace of former legacy vendors who have now been bought out by Connecticut to an equitable market. I don't think that there's any dispensaries that are 100% black or brown owned. Everyone has to partner up with a mainstream operator. This is basically Cara Lef and blackface. This is their plant in black face. This is an insult.

And to talk about workforce training, workforce training, you don't need it. That's why the ATF exists. If black and brown people needed workforce training in the cannabis industry, the ATF, all these other agencies, they just wouldn't get our tax dollars. It's clear that black and brown people know how to run businesses, oh, I'm sorry and you're still being kept out of it.

You have people still sitting in Connecticut prison and I'm able to go buy weed on an iPad with some mold on it down over a western street, down the

street from the prison. This isn't right. This isn't fair. Besides being able to grow out in the sunlight, there's not much about this bill that anyone should be a fan of. To sit there and say that the state of Connecticut is not responsible for a man's mortgage is disgusting. Should we not be helping a farmer out?

We already don't do enough for farmers in this country as it is. So, to sit there and say, hey, I understand what you're doing is federally legal, but I don't care, go do something else. I mean, is that serving constituents? This isn't. This is serving lobbyists, this is serving donors, this is serving everyone else except the people it was meant to serve.

There's still no equity here. There's still people sitting in Connecticut prisons for cannabis. I don't know what else to say other than the fact that I'm not sure if anyone's listening to us or if this is just a formality. If this testimony is just, hey, we're going to do what we want anyways because it seems that's what's happened every other year.

First of all, me witnessing a whole argument between a senator and a constituent, that's crazy. That is absolutely bananas and y'all need to be ashamed of yourselves. Y'all need to be ashamed of yourselves because no one's listening to cannabis consumers. Y'all talking about all these --

REP. D'AGOSTINO (91ST): I think we've gotten the message and you're over your time. Is there anything else additional?

MS. IVELISSE CORREA: Cops not going to be able to sit there and peg me for a DUI after seven minutes and the reason is my pupils stopped dilating after that. So, I don't know what y'all talk about enforcement or anything else, but please speak to actual consumers and I thank you very much for my time and allow me to go over.

REP. D'AGOSTINO (91ST): Thank you. Good luck in church this week.

MS. IVELISSE CORREA: Yeah, I'll need it.

REP. D'AGOSTINO (91ST): Thank you.

MS. IVELISSE CORREA: They want my testimony. Thank you.

REP. D'AGOSTINO (91ST): MJ.

CLERK MJ SHANNON: Up next on my list I have Joe Grabowski

REP. D'AGOSTINO (91ST): Welcome. Thank you.

MR. JOE GRABOWSKI: Thank you. Thanks for bearing with us members the Law Committee. It's been quite a night here. I have my two partners here also from Sarene Craft Beer. We're based in Bridgeport, Connecticut. And I had a whole thing prepared but I've heard everything that some people have said before us. I've heard kind of where you guys are coming from with regulating THC and I don't want to waste any more time on what we were talking about. You tap, my testimony, it's online.

I think we offer a unique position. We've been selling these products in Connecticut for about a year now. We are a licensed beer wholesaler. We know about regulations, we know how to keep these things safe and age gate and all that kind of stuff. I echo the sentiment of trying to get regulations out there. I think we are any position.

We've seen this, we operate in five different states. We see all how these, specifically THC, beverages are being sold, not just in Connecticut but in other states. There's other states that are embracing a bifurcated market, as you said,

Representative D'Agostino, to great success and I'd love to show that another time.

There's some other states like Minnesota that have really embraced this and they did a rollout of the adult use market simultaneously with hemp-based market. They have a 10-milligram cap, anything under 10 milligrams can be sold by anyone who registers with the state, it's monitored by cannabis. I think there's been some back and forth on should liquor stores have it, these people have it.

We've picked as a beer wholesaler, a liquor store we thought was easy for the legislature. It's already there. There's a system in place. I have to register every beer that comes into the state. We have to send in lab tests for the ABV. All those things are in place. We would embrace that and that's I think where our heads were at when we were talking about how do we properly regulate this. The alcohol channel seemed like a proper place.

There are other models in other states and I think just to see all the other impassioned speakers that have been here tonight, there are ways that this could be done, still monitored, regulated, and kept safe. And also some of those products that I think have been at issue are not what we're selling. As far as I know and I know that we don't sell it to anybody that doesn't have a liquor license, period.

No, we're not selling to a gas station. We're not selling to anybody that does an age gate. We sell the dispensaries. And what we've seen is that a lot of these products are unregulated and they're way above the milligram cap that you guys put in last time around, which we think was a fair milligram cap. And I don't want to get into the science and all that kind of stuff.

What we think is there is a model that works in other states, we've seen it and part of it is taxing

it and when you tax it, these products you are talking about, these Seltzers, they're not going to go to a dispensary. The reason is, first of all, there are no beverage manufacturers currently in Connecticut. Nobody in the adult use segment makes a beverage.

There's a reason for that. It doesn't sell in a dispensary. In Massachusetts, it's 1% of sales, okay. So, that's kind of what we're talking about. People go to dispensaries for higher-dose products, the products that we are selling, they have up to 5 mg. The number one selling product in a dispensary is a pre-rolled joint, pre-rolled joint is 150 to 200 mg of THC. You would need to drink 30 of the seltzers that we sell, the 5 mg. In order to equal the same amount of THC in that joint, it's almost four gallons of liquid.

So, we're just talking about a totally different product here. And I understand trying to get that into a dispensary channel. But what I'm telling you is that it doesn't sell in a dispensary channel and there's reasons for that. And if you take it out of there and you could keep it and tax and regulate it, that money could be used to enforce the gas stations, the bodegas, the places that they're gonna still sell.

When you guys go to a 0.5 mg cap, they're still gonna sell those products. They're not gonna stop selling these products. And we need to enforce, you know, those bad actors are giving us a bad name quite frankly. And we're trying to do the right thing here, and we came into this before there was any cap and then you put in a 5 mg cap. I've had drug control at our warehouse. I've been working hand in hand with them.

I actually was in essence, training them on how to look at the labels, show them the certificate of analysis, and scan the cans. They've been looking at us as kind of advocates, and I think we bring a

unique perspective to, you know, the legislature, the General Law Committee. We have seen this work in other States and again, we've seen a lot of passionate speakers here today.

I think there is a different avenue that can be explored where not only can they be kept safe, you know, in certain stores where however we wanna do that, but they don't have to be relegated to a dispensary. And if you're relegated to a dispensary, they will be gone and there'll be zero revenue from that. You're not gonna get that revenue from a dispensary. Matt, do you have anything?

MR. MATTHEW SCHULMAN: I mean, Joe covered most of what I wanted to say too. But I just, again, thank you guys for being with us. And it's very clear your razor focused on getting everything into a dispenser channel that has THC, and that makes it's beautiful in its simplicity. But there's so many people you hear speak today because it just doesn't work.

And you can say you're putting it in there and allowing them to have a market, but the dispensary channel doesn't want these items. I'll give you an example with the 5 mg beverages. These things are, again to Joe's point. 1 g blunt, you can have 150 to 200 mg. You can buy it for \$15 in a adult use dispensary. It weighs 1 g. You can fill your pockets with, you can fill in one of these seats. You can fit about \$20,000 worth of product. That is an adult-use dispensary in one seat here. You need about a trailer, a tractor-trailer to fill about \$20,000 worth of hemp-based THC beverages.

And so, when you have to move these products to dispensaries, you've got them carrying satchels. They can only carry so much in the satchel. They gotta move everything to a vault at the end of the night. They don't wanna deal with volume of these beverages, and you haven't heard any. You've heard

dispensaries talk today and adult-use dispensaries talk today. None of them have issues with the 5 mg cap that we've spoken to, and you didn't hear it today either.

And I think there's more testimony coming later about the same fact. So, I think we're trying to get to is common sense. What we think is a common-sense solution, it does mean that we do have to bifurcate somehow on some level of THC allowed. But again, we're not talking about products that get people extremely high. At 5 mg, we debate whether someone's gonna feel that or not. But again, the most common products we're talking about at adult use are 150 to 200 mg. And that's 50 to 60% of the sales of those stores. This is less than 1% of their sales. They don't really want it, it doesn't move there. That's why you don't have a beverage manufacturer. You will not have any beverages in your stores at all.

So, all these people that are saying the consumers that want consumer choice, it doesn't exist if we move it to the adult use dispenser. So, I know it makes sense elegantly and simply, but without totally reinventing and throwing out the baby with the bathwater alcohol channels do have all these points that you're talking about in terms of lab testing, label registration requirements, 21 plus.

There is a real avenue to moving it, and I don't want to get a whole debate on about the package stores and what they're grabbing or who does it. But it doesn't necessarily even have to be alcohol channels. But I think it, in terms of, without having to re-invent the entire wheel to satisfy a whole lot of constituents. There is a whole channel that exists already. That's kind of makes it much simpler than trying to redraw the whole thing up from scratch and allow a second market in that sense. There already is an avenue. As Joe said, we've had ECP, we've had liquor control, never

stopped by our warehouse before. We've been in business. what?

MR. JOE GRABOWSKI: Eight years,

MR. MATTHEW SCHULMAN: Eight years. They came, they've been here several times since we started selling these hemp. So, they're all over this. There is an avenue for enforcement here. So, we can supplement that with additional tax revenue. Joe mentioned the Minnesota model. They're pulling over a million dollars a month in tax revenue currently just from hemp-based beverages. They have a 10 mg cap.

You guys have already sensibly set, I think 5 mg, and we're not advocating for that to increase. But we've seen what happens. They don't have the same kind of complaints from hemp farmers. They're generating a ton of tax revenue to help enforcement to get the bad actors. The 100 mg gummies you see in the gas stations, all that other stuff is taken care of, you can't do it without enforcement.

So, it's one thing to regulate it's another thing to actually act on it. And so, I think there's maybe a path that makes everyone kind of happy. I don't think anyone's advocating against it really at the end of the day. So.

REP. D'AGOSTINO (91ST): I mean, Okay. So, there's a couple of issues, right? I mean, the first one is just the policy choice that we have to make. Is that do we want these products no matter how you describe it isn't intoxicant. And I can drink, maybe I'm not gonna drink a case, but somebody downs 12 of those 5 mg Seltzers they're high.

MR. MATTHEW SCHULMAN: Sure. Yeah.

REP. D'AGOSTINO (91ST): Okay. So, there's a policy choice that we have to make. Put that aside, let's say we go down your path. Why not then in

restaurants? They have the same that the architecture exists there for beer and wine to be sold in restaurants. Supermarkets, beer is sold there, same architecture, same fault. So, you understand the policy implications of what you're saying aren't just as simple as Seltzer beer. No problem. Just follow that to a market.

There's a lot of policy implications to what you're suggesting. There is use your words in elegant simplicity of what you're suggesting. Should we go down that path? I'm saying there's policy implications to what you're saying that we all have to wrestle with. That's kind of the overarching point there. I'm sure from your perspective as a wholesaler. Right. I mean, you'd want it sold in supermarkets and restaurants in packaged, why you'd want as many channels that follow the beer self-scaffolding? Yeah, of course.

MR. MATTHEW SCHULMAN: I think we're trying to present something in the spirit of compromise. And so, for us, where you guys want to draw the line is up to you. But I know it's 1% in the dispensary channel.

REP. D'AGOSTINO (91ST): And then once we do that and we say, okay, package stores only, then next year it's, well, why not in the supermarkets, and the next year. And again, this is, I mean, you know, everybody here has got to figure that out from a policy standpoint.

MR. MATTHEW SCHULMAN: Yeah, totally.

REP. D'AGOSTINO (91ST): Or is it the policy choice that we made, which was THC as an Intoxicant has one avenue? Again, I'm not the arbiter on this. I'm the voice of what we did, and what we're trying to fit it into. And if the committee's pleasure and the legislature's pleasure and society's pleasure is to change that, it will. I go back to something I've

been saying a lot, which is, we're two years into this marketplace.

You know, we may not be here right now on this, but 10 years from now, everyone might say, yeah, THC Seltzers, that's what we want and we want it on tap in a restaurants like Bud Light. I don't think that's where we are as a legislature, but that's what we're wrestling with. But I appreciate the structural option you're presenting. Questions from committee members, Tim.

REP. ACKERT (8TH): Thank you, Mr. Chair. Thank you for your testimony. Do we know what amount of sales have been approximately in the State of Connecticut with this product?

MR. MATTHEW SCHULMAN: Yeah, we probably have a pretty good in case. We're one of the only wholesales I believe selling it. So, we probably, we believe we've sold about. I'd have to run a report but in we haven't quite been a year but if I'm annually, it's about 30,000 to 40,000 cases, but it's growing every month. That's about retail-wise, it's about 90 to \$100 a case.

REP. ACKERT (8TH): And you said it's taxed?

MR. MATTHEW SCHULMAN: It's currently not. We're advocating for you to use. And again, looking at Minnesota's model who's actually embraced it. A lot of the hang-ups is from retailers, is mostly the confusion about, is it legal. Is it not the laws are changing? We decided to, you know, we decided your interpretation was it was legal at the time, so, we got into it. But a lot of retailers are kind of waiting and seeing where you guys go with it, which is maybe a wiser decision, maybe not.

MR. MATTHEW SCHULMAN:

But for us as I mentioned in Minnesota, the market where they've bifurcated the market. They have

adult use. At the same time, they launched a low-milligram beverage option for hemp farmers. They're pulling over a million dollars a month in revenue. It's about they're only seven months in, I believe last month's data was the last we got in January. It was about 1.2 million in revenue, and that's 10% of retail, which matches the adult use segment. So, that's just from the have beverage side, not from the adult use side.

So, there is a real market from consumers for this that doesn't exist when you put it through the dispensary channel, and it does allow that is a lot of enforcement dollars to try to get rid of a lot of the products you guys are talking about. It's a THC eight or it's a Delta nine, it's Delta eight is a THC 8. We're specifically talking about Delta Nine, which is the naturally occurring. And then is it intoxicating, is it not? Should it be in this market, or should it not? You already have the cap in place. Is it a lower resistance avenue?

That's why you hear a lot of the impassioned testimony of like if you put this in, I also say as a side note, I mean, this is a 1 to 1 replacement for alcohol. So, on in a lot of ways, and I think if you look at studies from 34 years ago when this adult-use market was just coming into existence, you don't see a lot of that data because it was only, you know, 2% of the alcohol market.

What we've seen is very recently, a lot of federal studies showing the exact opposite, especially among younger consumers. So, I would say from 21 to 35, there's a lot of studies that suggest that this is essentially they're making the decision whether they wanna have one or the other. And this is specific to beverages also. I mean, this is a social, this is what we've done.

We've had a one-lane for intoxicating products for a hundred years almost, and we've opened up a second. It's natural that it's gonna compete with it. And

so, it's a wholesaler. I can tell you our beer sales are struggling. And we do have, you know, I don't wanna get into the economics of it and not going out of business, but there's a lot of, you know, there's people at stake here and jobs. And so, that's why we're passionately fighting for it. And it's not something we can correct, because the younger generation is actively choosing cannabis.

And they specifically want these beverages, which are and they're not buying them again from dispensaries. They wanna get them elsewhere, whether they're buying them online, grocery store, package store. I mean, you guys can ultimately make all these decisions. I'm just trying to give a guide of what else has been done. So, you guys can see how maybe you can legislate without upsetting constituents in other areas and still have a safe beverage. Again, 5 mg versus nine, they have 900 mg cartridges and vape cartridges in these stores. These are the most popular products. They sell 150 to 200 mg. You've already set a 5 mg cap. So, whether or not it gets someone high or not, depending on their tolerance is largely relevant and can they drink a bunch and get high? They can.

But again, there's also a benefit of alcohol channels is we already trust them to guide intoxicating products. It's existed for 100 years. So, there's no necessary need to deviate from that. And whether or not on-premise consumption, there's a lot to get into there for sure. But I think it's easier than the lift of all these hemp farmers, all these other interested parties that are potentially losing a lot of completely non-intoxicating products due to the regulation. So, that's what I'm hoping to get across.

REP. ACKERT (8TH): I appreciate that. I think of when I'm gonna get a refreshment, you know, I wouldn't typically go to a, I've never been to a dispensary. I have stopped by a local package store to get a refreshment. And I have turned in a manner

to the near beers, the non-alcoholic beers just, you know, just for health reasons. And, you know, half the calories and literally almost no alcohol. So, but I truly appreciate you being here and sticking out with us. Thank you.

SENATOR CICARELLA (34TH): So, thank you, and thank you for sticking around. And also, thank you for putting it in perspective, understanding what a joint would be compared to the drinks based upon 5 mg that really did help me kind of understand it. Just a quick question. Did you guys provide written testimony?

MR. MATTHEW SCHULMAN: We did.

SENATOR CICARELLA (34TH): And does that have Minnesota's kind of breakdown of how they're implementing it or regulating?

MR. JOE GRABOWSKI: I didn't include like the whole guidance, but I can get you exactly what they have. I mean, and to Rep. Rutigliano's point, they have a whole thing about what you can do in a restaurant, like you can't serve alcohol and THC to the same person.

There's a lot more than just, you know, where it can be sold and the milligram limit, they've really dialed in an actual legislation to make sure everything is safe and properly taxed, to be honest. These products are taxed at sales tax right now, but they're not taxed at adult use tax. And that's exactly what Minnesota did. They, it's 10% for adult use. It's 10% for hemp products.

MR. MATTHEW SCHULMAN: Retail sales. We also would suggest that through the alcohol industry, it may be even easier to collect through wholesale. And if you're taxing retail at 10% or wholesale at 15% or whatever the market is, there's already an avenue for that.

SENATOR CICARELLA (34TH): And it only for the CBD seltzers or is it already, is also take into consideration the other CBD products that are in that kind of same milligram?

MR. JOE GRABOWSKI: It specifically for THC as you guys kind of have alluded to it, like

MR. MATTHEW SCHULMAN: CBD products have the THC have THC in them naturally. But really what they're saying, we don't care how much CBD or how much THC is in it other than there's a cap, and it can't be more than 10 mg THC. Ratios, everything else like how is it going to get you toxic, whatever.

SENATOR CICARELLA (34TH): But it's not just for the seltzers.

MR. MATTHEW SCHULMAN: No, it does include other products, but specifically speaking, you know, like that is where the sales are.

SENATOR CICARELLA (34TH): Got it. Okay.

MR. JOE GRABOWSKI: Total Wine has it. There's Benes there's all kinds of, so, you know, there are stores that have dove head first into this, and there's a pretty good market and they're taking in a lot of, you know, tax money.

SENATOR CICARELLA (34TH): Got it. Thank you very much. Thank you for sticking around too.

SENATOR MARONEY (14TH): Thank you guys for hearing us up. Yeah, thank you very much. And I think that right, the shelf space argment is something that I think you putting it that way, right? With the comparing the size of a joint versus the size of a Seltzer, right? I mean, obviously, you need to maximize your square footage and what you're selling. So, that makes sense.

The one thing though, I just wanna point and you're not the only person I've heard mention Minnesota, I need to read the actual laws myself, but looking at an article about the Minnesota laws. Well, yes, there is somewhat of a bifurcated market. Now, it says that as of March 2025 Delta 8, THC will then only go into the regulated cannabis market. So, I don't know, I need to just read the laws myself.

MR. COLIN STANGE: Delta eight?

SENATOR MARONEY (14TH): Yes.

MR. COLIN STANGE: Yeah, we're just talking about Delta Eight can be outlawed. That's not.

MR. JOE GRABOWSKI: DCP actually put out another bill to basically to ban Delta 8. That's not what we're talking about.

SENATOR MARONEY (14TH): Okay, great. Thank you for that.

REP. D'AGOSTINO (91ST): Sorry, other questions?

REP. RUTIGLIANO (123RD): I just have a couple because it's been a long day. How do you reconcile the fact that your the individual services are supposed to be individually wrapped or marked, you know, like a candy bar type thing? So, your total container is five servings. Correct?

MR. JOE GRABOWSKI: Correct. That was to comply with the law that was written last year.

REP. RUTIGLIANO (123RD): How do you reconcile the individual servings because an individual serving isn't five, correct?

MR. JOE GRABOWSKI: Are you talking about what cans were selling in the market?

REP. RUTIGLIANO (123RD): Yeah.

MR. MATTHEW SCHULMAN: We labeled the 5 mg to help people understand that. If you're the legislators decided the service, I should be one trying to say it's five times that.

REP. RUTIGLIANO (123RD): And we all agree that this is THC, right? So, under Connecticut law, if you're selling you in the THC commercial THC space, it's supposed to be produced in Connecticut. Is any of this product produced in Connecticut?

MR. JOE GRABOWSKI: Well, there's a key distinction. It's all derived from hemp, and hemp it's fairly legal.

REP. RUTIGLIANO (123RD): I get that it's derived from hemp, but it contains THC, which in Connecticut is in a regulated marketplace and it's supposed to be produced here in the state.

MR. JOE GRABOWSKI: If it's under 5 mg, it does not fall under that, you know, part of HB 6699 from last year.

REP. RUTIGLIANO (123RD): Okay. And if you're one of the few distributors in the state, how does it get into the gas stations and all the places where it's not supposed to be every convenience store, you name it?

MR. JOE GRABOWSKI: Our beverages specifically don't get into those channels. I mean.

REP. RUTIGLIANO (123RD): Where are they buying it from?

MR. MATTHEW SCHULMAN: I'm assuming online, but I also don't know the, I mean, we're not in there. We don't sell them, they don't buy beer, they don't buy our hemp drinks. We're not in that space. And I totally hear what you're saying about that being a

frustrating avenue, I believe online. But I don't know.

REP. RUTIGLIANO (123RD): Right. So, you guys are recommending that it just be sold in package stores at this point?

MR. JOE GRABOWSKI: We're not recommending any. We recommended that because it seemed to be there's a complication for you guys, right? How do you regulate this? Right? And as Matt was saying, the simplicity of putting in the adult use, that's the easiest I get it. What we're saying is that, that brings a whole different set of complications.

We're trying to kind of talk to you about how there was another market that did this and there's other states following the same. And it will, you know, it kind of is a win-win for everybody in a sense of a lot of these people that are here talking, you know, very passionately about how it's affecting their business.

There is a path for that, and we were saying liquor channel because it's like, well, what do you do when you go to a liquor store, you're buying beer, wine spirits, they're checking your ID, they're making sure you're over 21. You know, the products are all registered to the state. You can't sell whiskey in the state unless you register with DCP. We're saying do the same thing with these products, and that's kind of why the liquor channel is a natural fit for that.

REP. RUTIGLIANO (123RD): So, I get what you're saying. I just, it's curious to me because that, I feel like you're sort of advocating liquor stores, grocery stores, wherever, like a beer is sold, right? But yet, you're currently selling it to restaurants, right? With no prohibition on that getting mixed with alcohol or anything. I mean, they could do it. So, you're saying put us in a

controlled space, but yet you're currently selling it to anybody with a liquor license.

MR. JOE GRABOWSKI: I would say 90 to 95% of our sales are the liquor stores. The one or two restaurants, or few restaurants we ever sold it to, they've put on their menu, you know, drink two or two max. They're, you know, we are self-regulating and it's kind of why we're also coming to you guys like we want more regulation. If it shouldn't be in a restaurant, then let's talk about it.

REP. RUTIGLIANO (123RD): Well, it shouldn't be. See, you can't under our Connecticut law currently, correct me if I'm wrong, you can't have alcohol and THC basically in the same spot.

MR. JOE GRABOWSKI: You can't, you can't.

REP. RUTIGLIANO (123RD): You're putting it on the shelf in a package store and on the shelf in a restaurant that makes drinks. So, currently, we're doing that right now.

MR. MATTHEW SCHULMAN: I think there's a difference between hemp-based THC as legally provided anyway. And currently.

REP. RUTIGLIANO (123RD): I get what you're saying, but it's still THC.

MR. MATTHEW SCHULMAN: Right, you're saying can't, but what does that mean? I mean, if it's legal,

REP. RUTIGLIANO (123RD): Listen, you can't have a bar, you can't have a dispensary that serves alcohol, basically. So, you can't have THC and alcohol in the same spot in the same place, basically. So, but even though you're saying that my THC has been derived from a legal product across state lines, not Connecticut-derived. I'm still Okay, selling it to places that sell alcohol, which

all the other dispensaries and the cannabis people can't do is all I'm saying.

MR. MATTHEW SCHULMAN: That's a very fair point, and it's almost a silly distinction, but it really depends on where you're coming from, what you're trying to achieve. And I think, if the goal is to create some sort of common sense legislation that helps support hemp farmers locally and help support consumer choice. And helps also quite frankly, not eliminate a, you're essentially eliminating the products if you're saying the only channel is dispensary.

And so, we're trying to say, look, this is federally legal and does not need seed-to-sale regulation, but it does need regulation. And so, that's what we're kind of saying. I think there's a maybe a path where you can do both. And yes, currently, under Connecticut law you can't sell marijuana in beverage stores you can't sell THC, is it a little silly that that's the differentiator because of where they draw the federal line on dry weight?

REP. RUTIGLIANO (123RD): So I don't know if it's a silly distinction. Because if I was a dispenser and I paid \$3 million to get into this space, I would be upset if somebody didn't have to pay anything to sell essentially the same chemical compound. I know lesser amounts. I get the whole argument and everywhere this is the problem we had last year with the Deltas and all this other problem. All this other stuff that was permeating into the convenience stores and the gas stations, right? We're saying, hey, this is harmful to kids. This is their avenue to get their hands on it.

Why don't we just make it so that the dispensaries, the ones that are licensed, regulated, and paid a ton of money to get into this space, let them handle it. So, I guess that's where we ended up. I guess that was more of a statement than a question. I do

appreciate you guys coming up here, and thank you very much. Thank you, Mr. Chair.

REP. D'AGOSTINO (91ST): Thank you. Other questions or comments?

SENATOR MARONEY (14TH): And I actually, I did pull up and look at the Minnesota. So, thank you. The Department of Health has a nice fact sheet out of what they allowed and what they don't, their requirements. So, yeah.

MR. COLIN STANGE: Yeah. And just to respond, you know, the dispensaries, you said that they might be angry. They're really not that angry because they don't end up selling this product anyway. It 's totally different. So, you know, they haven't really complained about that because they're, you know, the higher milligram.

SENATOR MARONEY (14TH): To us anyway, and you're gonna hear from other dispensary owners today.

MR. JOE GRABOWSKI: We have brands that play in both spaces, and they are basically fully pulling out of the marijuana, and cannabis side of it and going straight to the hemp because the sales don't justify it.

REP. D'AGOSTINO (91ST): Questions or comments. Thank you, gentlemen. I appreciate it.

MR. JOE GRABOWSKI: Thank you.

REP. D'AGOSTINO (91ST): Up next online we have Norman Plude. Norman. Okay. Is he in the room? MJ? Can you hear us?

MR. NORMAN PLUDE: Yep.

REP. D'AGOSTINO (91ST): There you go.

MR. NORMAN PLUDE: Okay. I don't know if you can see me or not, but that's okay.

REP. D'AGOSTINO (91ST): Can't see, but we can hear you. So go ahead.

MR. NORMAN PLUDE: Okay. My name is Norman Plude. I'm the owner of SweetTiva Farms, a small hemp farm in Seymour. As one of your state's last remaining hemp producers, I urged the committee to consider incorporating craft cannabis at House Bill 5150. This inclusion would create opportunities for existing farmers like myself, legacy growers, and other small businesses to participate in adult-use cannabis. SweetTiva Farms represents the potential of countless small scale farmers across Connecticut.

We possess the infrastructure, expertise, loyal customer base, and we contribute significantly to the state's cannabis industry. However, current regulations and restrictions and farming has hindered its growth over the last year or so. And farmers are operational and ready to transition to adult use of cannabis with minimal setup. This reduces the regulatory burden and expedites the market entry.

I also advocate for the inclusion of all legacy growers who face legal challenges in the past. Their experience and knowledge is valuable, can't be left out. As hemp farmers, we have built trust with customers. We established [Inaudible 6:25:02] practices. Adult use of cannabis represents the natural weapon of our business. [Inaudible 6:25:14] sales primarily through stores or public events. This keeps us with community engagement, supports local economics, craft growers, prioritize quality over and diversity over mass production.

We grow unique strains, and we all grow unique different ways. Many craft growers like myself use organic farming methods, promoting sustainable growing areas. I suggest craft cannabis grow size

areas of say 100 to 2000 square feet. This way here it would keep it under a craft canopy in a smaller size. Including craft cannabis into 5150 will create jobs, generate tax revenue, and support local businesses. It provides consumers with unique high quality products that forces fosters a competitive market without hurting our competition, which would be corporate.

Craft cannabis provides an avenue for equity and social justice and other legacy growers, drug war veterans, and small farmers like myself to enter the market equitably. By including craft cannabis in the House Bill 5150, we would create a diverse sustainable locally focused adult use market in Connecticut.

By leveraging the existing infrastructure, promoting quality over quantity, and adapting sensible regulations. We can empower small businesses, create jobs, and contribute to our state's economy.

REP. D'AGOSTINO (91ST): All said. Great. Thank you. Let me see if there's any questions for you. Any questions for Norman from the committee? Online? Okay. Thank you very much for your testimony. I appreciate it.

MR. NORMAN PLUDE: You're welcome.

CLERK MJ SHANNON: Up next. We have Dan McInerney.

MR. DAN MCINERNEY: Sorry to disappoint you, but this is not 5150. Chairpersons Maroney and D'Agostino, Ranking Members Rutigliano and Cicarella. I'm here to testify in favor of Bill number 5151, AN ACT CONCERNING SOLAR LICENSING EXEMPTIONS. You'll get my written testimony later on this evening.

So, I'm just kind of winging it now because it's been a long day. Basically what we've done this go around. We were here last year trying to get rid of

the exemption this year. We're trying to clarify it to what is actually the electrical work, and what can be the work of other individuals. So, I know from some of the testimony today, there's a awful lot of going back and forth on how much money it's gonna cost people.

But your surrounding states are strictly electricians. Doing solar work from soup to nuts, and it doesn't seem to be a problem there. We're not asking for that. We're just asking that the work that's gotta be done, that's electrical be done by licensed electricians. And with that, I'll take any questions that you want to ask.

Let me just make one more point when, you know, I'm the business manager for the International Brotherhood of Electrical Workers Local 488. Prior to that, I was two decades as the electrical inspector in the city of Bridgeport, I have seen a lot of solar installations. When I was an inspector, It probably had an 80% fail rate on the first inspection, and very seldom do you actually see an electrician on the job?

So, we're here to make sure that we can get this pass to keep it to where electricians are doing the electrical work. It's gonna save houses from burning down. It's gonna save sites from burning down because if they're not properly wired and properly grounded, which is electrical work.

REP. D'AGOSTINO (91ST): Well, I mean.

MR. DAN MCINERNEY: It is.

REP. D'AGOSTINO (91ST): No, I appreciate that but for the, you know, Representative Osborne question, give us one example of where that's where something burnt down to the ground in this state. Because of.

MR. DAN MCINERNEY: Well, the problem you get with that is it's very hard to get that information

because it's basically, if it's a house fire, it's gonna say electrical, it's not going to say it was solar.

REP. D'AGOSTINO (91ST): I think if we'd hear about it.

MR. DAN MCINERNEY: You also heard.

REP. D'AGOSTINO (91ST): The issue that I think I want to hone in on, I'm struggling with what is placement and anchoring based on what we heard. And I don't understand why electricians should be in charge of the roofing work. The actual.

MR. DAN MCINERNEY: So, well, what do you consider to be roofing work?

REP. D'AGOSTINO (91ST): What do you consider to be placement and anchoring?

MR. DAN MCINERNEY: We're placing the panels and anchoring them to the supports.

REP. D'AGOSTINO (91ST): To the supports that are already on the roof?

MR. DAN MCINERNEY: Well, they have to be installed.

REP. D'AGOSTINO (91ST): By?

MR. DAN MCINERNEY: They can be installed by anybody.

REP. D'AGOSTINO (91ST): Okay. That's what I'm looking to clarify because you've heard a lot of concern about the damage to roofs, and it seems like this is anecdotal.

MR. DAN MCINERNEY: So, just to make a point though. Electricians do and representative Ackert, could probably confirm this for me. Electricians make penetration in roofs all the time. Because if you

have an eve on your house that hangs too far over when you're putting the service up, you have to drill a hole through it to put up a mass electrical service.

REP. D'AGOSTINO (91ST): No, no offense to electricians, but I know I'd be more comfortable with a laborer or a carpenter. Probably doing it.

MR. DAN MCINERNEY: Well, that's fine because that's what we're trying to distinguish here is what is the electrical work and what the work that others can do.

REP. D'AGOSTINO (91ST): All right. I guess my, somewhat of my concern, I think what you're clarifying, is that what I don't wanna have. Because we asked you guys for compromise, you know, the laborers and carpenters coming back a year from now saying they're telling us that the electricians have to do the work that we're doing.

MR. DAN MCINERNEY: No, that's not what we're doing. We already, from organized labor, the carpenters and the laborers have no problem with this.

REP. D'AGOSTINO (91ST): And that's what they said, and what about in practice when it comes down to placement and anchoring?

MR. DAN MCINERNEY: What we look at though also wars large-scale solar, which is that's where you're gonna have a lot of distinguishing between whose work is what. So, right now, you have it in that exemption anybody can set the panels. The minute that that panel sees light, it's creating electricity.

REP. D'AGOSTINO (91ST): Yeah. No, I get that part. It's that fixture piece that is concerning me that I placed in an anchoring seems so broad to me that I worry there's going to be a dispute between. In terms of who's doing that, that fixing, like you

said, fixing the structure that the panel goes on onto the roof, who's gonna be doing that work?

And I guess I foresee conflicts down the road of an electrician saying, I'm the one who's gotta install those support structures on the roof. And a laborer or carpenter saying no, I should be doing that. That's more within my right. You see what I'm saying? Placement and anchoring.

MR. DAN MCINERNEY: And that's how it would be on a large-scale job anyway.

REP. D'AGOSTINO (91ST): Sure. I mean, again, I worry about future.

MR. DAN MCINERNEY: Let me ask you this. If we make modification to that language, would that be something you'd entertain to make it more clear?

REP. D'AGOSTINO (91ST): No, absolutely. I mean, look, you guys seem to have agreement on it. I just, I worry about it. I'm not concerned about the exemption generally. I like the idea of having the qualified craftspeople, you know, doing the work. I'm just concerned about the infighting about the particular work. And frankly, making sure, I mean, Tim, you can tell me if what he says is right in terms of, you know, again, I don't practice here but, you know, the electricians doing what really should be, you know, that kind of actual structural work.

And then, understanding that electricians absolutely should be the ones doing the connecting, getting the panels themselves down, and connected that I don't think there's any dispute on just placement and anchoring is so broad. That's what I was worried about. Just the potential for conflict here.

MR. DAN MCINERNEY: Okay.

REP. ACKERT (8TH): Yeah. No, so not the electricians I know, have no desire to sit there and drill 50 anchors into somebody's roof, and put in racking. And I can tell you, and I respect IBEW is one of the best-trained organizations for electricians that we have. But for our training, you know, we do a service mast, which is not, it's the extension of a roof. If it leaks, it leaks down the pipe, that's not in your house, you know.

But yeah, I had a, I jumped up with some solar folks last year because of this bill, and jumped right up there. And I can tell you it dangerous to be on a roof. Let me quote that. So, we're in full gear with harnesses. I'm not sure if they had harnesses on here when they were doing yours, but we have full harnesses roped off. You can't fall off the roof type of thing and you grab a panel, that weighs, you know, 15 pounds. And you lay it down it just you uncap it and you plug it in and until that actually is plugged in, does it actually have any danger to an individual?

So, I get where we're trying to go with this. I'm more concerned as that is vague in this, in this language here. But I'm you know, so I would always mention I would always direct as much work as I can to electricians. We don't wanna do this work. We love wiring something up, making it live, making the power go back to the utility company, whatever it may be, and have you save money on your electric bill.

But we're not roofers, we're not climbing up there. It's a metal rack system that you sit on. You lay on the roof, you put in rubber boots that hold it in place, and you screw into the building, and it's got a caring. And, you know, that's let the people that are trained by the corporations that get in their train. And hopefully, they're training them correctly. That's the key there. And then, let the electricians wire them up.

REP. D'AGOSTINO (91ST): Okay. I mean, it doesn't sound like you're disagreeing with what he just said in terms of the pieces, who's doing what piece.

MR. DAN MCINERNEY: Correct. But we're also limiting this installation basically to residential housing. And it's not, if you're talking the larger scale commercial rooftop, it's a flat roof, nobody's gonna make those penetrations except for the roofer because nine times out of 10, the roof has a warranty on it. And if you make that penetration, you voided the warranty.

So, if we have sleeves coming up through the rooftop, they're gonna, the boots are gonna be installed by a roofer, not by the electrician electricians bringing the pipe through the boot. And the same goes for when you're doing the racking, they're gonna set the attachment points. And then, we'll reset the panels and attach the panels to those.

REP. D'AGOSTINO (91ST): That's helpful. That's why I wanted to sort of hear each sort of piece along the chain.

MR. DAN MCINERNEY: And then, the same thing you have with a large-scale solar site, you're gonna have operating engineers that are gonna be digging trenches. You're gonna have laborers, they'll be loading and unloading the trucks. You're gonna have carpenters. If they have to build forms, building the forms. Or they could be sharing the racking with or not the racking, but you know, building the stands. And then, the electrician comes back, sets the panels, anchors them, and does the wiring.

REP. D'AGOSTINO (91ST): Again, everybody seems to have signed off on it. I just trying to make sure that there's not gonna be a fight down the road. I get it. Other questions from committee members? Great. Thank you. Thank you. MJ.

CLERK MJ SHANNON: Up next, I have Jennifer Jennings.

REP. D'AGOSTINO (91ST): In person or? Oh, great. Thank you.

MS. JENNIFER JENNINGS: Good evening. It is still evening even though I think most of us should be sleeping. So, thank you General Law Committee for still staying with us and entertaining this. I've certainly learned a lot. I came here solely to provide some support for Senate Bill 135.

But in the meantime, I've got some side notes. It's been an educational experience for me today. So, first and foremost, thank you for the collaborative approach by allowing multiple people up at the same time in light of time.

Secondly, Old Glory seems to be leaning a little bit behind your head there. I'm not sure if somebody is sitting on it. There we go. And then, from an educational component, I sit on a local board of education. Oh, by the way, my name is Jen Jennings. I'm the executive director of the Connecticut Heating and Cooling Contractors Association.

We represent about 85% of the interests of the heating and cooling contractors in the state of Connecticut. Sitting on a local board of education, I believe there needs to be significantly more exposure to the trades, and getting more students to come into the trades. So, with that supporting Senate Bill 135 capping, DCP's occupational license fees to \$100.

Outside of just the license fee, there's the schooling that they pay for. Possibly they didn't go in high school. They were never exposed to the trade schools. So, they're going after school, whether they're doing an online program paying \$6000 or potentially upward of \$40,000 going to one of the private schools. Then they might have a license

prep class before they sit for the license exam, which costing anywhere between 300 to \$600. Then they have the test fee to PSI, and then the license fee to the State of Connecticut.

It's a barrier for young people getting into this trade. If we can cap it at \$100, I think that would be a great avenue advocating for accessible pathways to employment and strengthening the workforce. So, that's really what I came on. I despite all of the wonderful information I received tonight on cannabis.

I'm gonna segue into House Bill 5151. I did not hear any real feedback from my contractors directing me or guiding me in any direction on this particular bill. However, I do align with the thought that electricians should be doing electrical work. We do have photovoltaic licenses and solar thermal licenses. Not many of which are actually out there in Connecticut.

The PV is really done by the electricians, solar thermal, by the heating license. However, I wanna make sure that we are not limiting access to what is done in terms of the roofers have the opportunity to drill the hole still, and we are not making the electricians who probably don't wanna drill the holes, drill the holes and just clarifying scope of work. And if it does not directly detail that maybe that's something that you may wanna to look at.

I also wear another hat as a realtor. And Representative Brown mentioned some issues with his own installation. Being a realtor who has sold several homes with solar on them. I think we should take a deep dive into the solar contracts. It's a nightmare to sell a home with leased panels on them. So, that possibly is something to provide some consideration.

Again, that is not part of this bill either. And inside here, I heard quite a bit of conversation

about how many are on these jobs and the work of the carpenters and the roofers, and who's doing what work. It's interesting to me in the state of Connecticut that you can frame an entire home and roof it, and make sure that the water is not leaking on you or the house isn't falling on you.

And there's no restriction on how many roofers or how many carpenters can be on that job site. Matter of fact, they're not even licensed. But the five occupational trades that are restricted by a hiring restriction, I think that's something. I know this committee has little appetite to take it up. I know my friends don't necessarily agree with me.

However, I think it's something to give consideration to Workforce Development is greatly needed. It's an industry that is booming, but a workforce that is stagnant. And some consideration when you start to look at how many roofers or carpenters can be on a job site, but you're limiting the amount of HVAC and electricians and plumbers. Wishing you all a great night, and thank you.

REP. D'AGOSTINO (91ST): Well done. Thank you. Questions. Okay. Great. Thank you.

MS. JENNIFER JENNINGS: Thank you.

REP. D'AGOSTINO (91ST): Appreciate it.

CLERK MJ SHANNON: Up next we have Jennifer Xu-Weldon. Oh, sorry, Shirley. Yeah. Yeah, that's fine. Yeah, that's fine. Yeah. Yeah.

MS. SHIRLEY XU-WELDON: And I live in Fairfield County. I'm here today before you as a cannabis investor that has a lot of different assets in multiple states. And I wanna shed some light onto the conversation that I think we're having today based on my previous experience.

The truth is that there are no beverage adult-use manufacturers on the market. There's no product currently on the market, and there likely will be no product on the market. Right? We have investments in California and Colorado's adult-use market in the beverage space specifically. And I'll tell you we just wish you didn't because it just doesn't work in the adult use channel.

In California and Colorado, beverage sales are still under 1%. It's some of the most mature markets that we currently have, but it's still not working. It's never, it's rarely ever. The only ticket that is. It's rarely ever the only product that is purchased at a dispensary. That means that people aren't going to dispensaries to purchase these beverages. Right? But as soon you saw Minnesota and our friends of Stefana testified already that as soon as you went into the larger scale channels for this beverage, it is absolutely successful.

So, the juxtaposition between California and Colorado markets and a Minnesota market for THC beverage, is a real story and it's very big difference. Dispensaries are also have, have a hard time operationalize this beverage. They're huge, they're voluminous, they're heavy. And for the contribution margin that they actually bring to it at \$5 a can versus a Vape at \$80 for a tiny little thing, is very different operationally to actually push that type of volume, right?

It's hard to store, the profit margins are low and customers who are going to dispensaries, they're just, there's two different types of consumers who are going to dispensaries and ones who are looking for beverage, the ones who are going to dispensaries are not looking for the 5 mg beverage versus the ones who are looking your stores are not looking to get high either, right? They're two just completely different customers.

And I also tell you that, you know, in order to make an investment in a beverage line, it's upwards of a million dollars. To stand that up in an adult-use market with 30 maybe 50 doors eventually at \$5 a can to the consumer, is not a good capital allocation decision. We've done it twice. We won't do it again in Connecticut. That's for sure. We've definitely considered it. All right.

And so, I wanted to give you the guys that perspective as well. I understand the desire to separate the lanes and to regulate it separately. Right. But I also think it's about protecting consumers' choice. Consumers who want by the beverages cannot get them legally in a dispensary because there's probably gonna be no beverages produced because it's financially very, very hard to make that work in Connecticut.

I personally have a very fatal allergy allergic reaction to alcohol. And that's why I've been a cannabis consumer for a very long time. And when I discovered THC beverage about a year ago when on a trip to Massachusetts, it changed my life. Because as an adult, yeah, sure. Like you know, when I was younger, sure I can smoke. But as an adult with kids and family, I'm not gonna go outside and smoke a little bit to take off the anxiety in the social setting. That's just not acceptable, right? But having a beverage in a social and family-friendly setting is.

And so, I urge you to reconsider the half milligram per container and to revert it back to the 5 mg. Because it doesn't really like our friends of Stefana said 5 mg, you have to drink 30,40 of it to be equivalent to one joint that you can purchase. I don't know about you guys, but my bladder can't take 4012-ounce cans. That's not the purpose when I'm drinking a THC Seltzer. That's, I'm not trying to get high. I'm trying to still get the benefit of the plant, but I'm not trying to get super psychoactive ingredients in my body. Right?

And by the way, I can also order all these hemp-divided beverages, THC beverages online, and I do. They're not age gated, they're delivered by UPS or FedEx. So, there's nobody at the door checking an idea of who they're delivering it to. There are 50, I can order 50 to 100 mg per can. I have no idea what's in it. So, I'm nervous to order something like that. So, I was very excited to actually see some of these beverages at Total Wines and you know some of the liquor stores in Fairfield County where I live.

Because now, I can have actually access to it. And it's safe, and I think goes to that -- I only buy ones that where I can scan the QR code and get a certificate of analysis on it. Right? And that's important to me because I wanna know what I'm, what I'm putting in my body. And without a avenue for a 5 mg, a low dosage THC drink, I don't have not another choice but to go purchase it in the unregulated, untested online market.

Forget even talking about the carbon footprint of shipping a case from Michigan to New York. Right? But it's not safe, and I'd much rather not do that. I wanna have as a consumer, I wanna have the choice because as an investor, I know there's likely will not be that in the dispensary channel here.

REP. D'AGOSTINO (91ST): So, you're familiar with this? It sounds like you're familiar with the structure of this nationally in terms of how these products are produced and where they are.

MS. SHIRLEY XU-WELDON: For the THC market. Yes.

REP. D'AGOSTINO (91ST): Yeah. So, I mean, if we chose to do this down the road, but from a policy standpoint, we followed the alcohol architecture. It sounds like there's supply out there that we could, we could turn this spigot on if we wanted to basically is what I'm saying, right? In other words,

we don't have to spool up, or manufacture, the products are out there. It would just, it would come through our regulated alcohol feature system is what you're suggesting?

MS. SHIRLEY XU-WELDON: Yeah, likely. But at the same time, I think, you know, a lot of it, what's currently today is coming across the state line.

REP. D'AGOSTINO (91ST): But to be clear, none of that's really, I mean, like 50 mg can, is illegal, right? Now even under our current law. And yes, it may be coming across the state line. Again, we have to divorce in the conversation. We're having divorce enforcement from regulation. In other words, there's only so much we can do on enforcement, and we're trying to empower our enforcement officers.

We started the day with the whole idea of an unfair trade practices violation and arming our regulators to be able to do that. So, we're trying to arm people, our enforcement officers with more ability to prevent exactly what you've just described. But, okay, I mean, I hear what you're saying. It's somewhat of what we've heard before about having that bifurcated marketplace and that's just a policy decision. We're all gonna have to deal with.

My point of my first question to you was if we didn't do that today, if we did that five years from now, there will be supply out there that can serve our marketplace. Should we choose to do that? It's, it's being done in Minnesota, other states are not doing it. But the point is that there's a supply out there, should we choose to avail ourselves of?

MS. SHIRLEY XU-WELDON: Yeah, should you choose to allow that to cross-state? Absolutely.

REP. D'AGOSTINO (91ST): Okay. Questions from committee members?

MR. CURT CAMERON: Yeah, Shirley and I worked together on a number of projects, and so we thought in interest of time, we'll just try to combine our.

REP. D'AGOSTINO (91ST): Introduce yourself to the committee.

MR. CURT CAMERON: Oh, yeah. I'm sorry. My name's Curt Cameron, owner of the Thomas Hooker Brewing Company. Like many, I had a nice concise testimony here, but in the interest of time, I have ripped it up and we're gonna just kind of go to the main points here. Like Shirley, I advocate for leaving the potency rules at five and not reducing it to 0.5.

And if I could just introduce one or two thoughts a along the lines, I'm glad people finally gave good examples of the difference in potencies. I mean, when you can compare a Vape cartridge at 1000 mg, and a beverage at 5 mg, you'd have to literally drink 200 cans of Seltzer to get the same active ingredient.

I brought this argument up to a friend of mine who's in the pharmacy business and he said, you know, this is really the classic over-the-counter versus prescription argument. And, you know, it's really no different, right? We're looking at a product that at high dose, it should absolutely be regulated. I mean, Ibuprofen is a perfect example of it, right?

You can get a high dose of Ibuprofen prescribed from your doctor, or you can go down and buy 200 mg caps at the store. I also think that when we look at these products, we have to look at potency, product types, and customer types. And I think that those topics have been pretty well discussed tonight. I mean, customers are not gonna buy these products in dispensaries.

I mean, that's the practical truth of this product types, you know, Vape cartridges, pre-rolls gummies.

Absolutely. Regulate those. Put them in dispensaries beverage is just something that the consumer is gravitating towards and they're grabbing gravitating towards it in retail stores that they're used to buying beverages at.

So, I mean, I think we do have to look at these kind of things. The other thing on a more sort of macro level is I'm a beverage manufacturer in Connecticut, and I don't think it's any secret that beer is down as are a lot of alcoholic products. And what I'm asking for is to allow guys like me to diversify my products into what consumer demand is demanding. I mean, we diversified two years ago into CBD Seltzers, and quite honestly, it saved our company. To the point of regulation, we've self-regulated.

Every single one of our cans has a label with a QR code on it. You scan that QR code, it takes you to an independent lab result that is a cannabinoid workup on 16 different cannabinoids. It shows at what potency level it shows what's in it. And more importantly, it shows what's not in it. And with good common sense regulation, this can be transferred to these beverages as well.

And it should be required because, you know, like Shirley said, like nobody wants to drink something that they don't know what's in it, right? You can't just read a label, it says, 0 2 mg. Is that true? And I'll be honest, I've personally tested a lot of these products, and they're all over the road. We do not let these products out our door until they've been tested. And once they are, that's when they're released. So, I think good common sense regulation in these markets is something that can, they could do well for the consumer, the state and manufacturers.

REP. D'AGOSTINO (91ST): Questions? Thank you both. Thank you.

CLERK MJ SHANNON: I have up next Mercedes Alicea, it's that person here. All right. So, up next online, I have David Barton. David?

MR. DAVID BARTON: I'm literally in.

REP. D'AGOSTINO (91ST): There you go. You're on.

MR. DAVID BARTON: All right. Can you, you could go, please?

REP. D'AGOSTINO (91ST): Yep, you're on, we can see and hear you.

MR. DAVID BARTON: Am I next?

REP. D'AGOSTINO (91ST): Yup, you're up.

MR. DAVID BARTON: Oh, wow! Okay. Hello, my name is David Barton. I'm an owner of the Health CBD Store in Stratford, Connecticut. And there was a lot of things that were said. It's hard to actually really add more to what it was already said. I just can't help but wonder how we went from legalizing marijuana, calling it marijuana.

And then, in the laws begin to reword the definitions of marijuana and into cannabis and then start to incorporate and include the concepts of hemp being cannabis, and then cannabis being marijuana and all for the sake of controlling THC. It is an interesting process to watch over the last two years. But in the process of that, I'm just a small business owner.

I follow the laws, and I've watched you guys make new law changes. And then, when we abide by those laws then basically defame us and use words like we found a loophole rather than just respectfully coming out and never using that term. But to say that we are just abiding by the laws that you provided us within that guidance.

And to trust and hope that as a business, we can spend all of our money like Michael Goodenough, spent \$80,000. last year, I spent about \$80,000 to adjust my business and reformulate all of my products, all of my CBD products throughout the summer, and I've only managed to get about 30 or 40% of them out by October 1st. And it was very detrimental considering that I'll just say it. You can look at my taxes.

I as a small business owner, people look up to me and ask me if things are good and I have to say yes. But in reality, I've only made about \$30,000 average over the last five years. And last year, spending \$80,000 is a lot of money for me to do. That was my only option. I'm a high school dropout, I'm self-educated, and every single thing that I've learned, I've had to teach myself. And then, put my money where my mouth is.

And then, to come out and just see a few months later, you guys continue to snowball and try to eliminate THC is a really tough thing to swallow. But more importantly, it's about the THC numbers, and it's about my customers. Everything that I've done has been for my customer based off of their medical needs, their therapeutical needs for anxiety and stresses. Yes, too much THC cannot help and a little THC can help.

There's sweet spots in all of that, and it's really tough making products year after year over the last three years. Being one of the 19 hemp manufacturer license holders in Connecticut for consumables and Edibles. And I've watched my products as I've increased it to make it a product for customers.

And ultimately, I ended up getting to a point where my tinctures were about 250 mg of CBD and other therapeutic cannabinoids with about 4.5 mg of THC. And that was a level that did not create any intoxication. So, that would be more like a 50 to 1 ratio. But that was also something that was for my

nighttime products. For daytime products it was a little bit different.

It was about half of that in THC to where my customers would have about a 250 mg and about 2.25 mg per dose and that would enable them to go throughout the day with the anti inflammations without anti stress, anti anxiety but still be coherent and not allow the THC to create an intoxication.

And so in the end, all I can just say is while you guys are focused on THC on its own individually, you're completely negating the reality of THC with all of these other therapeutic canam noise. I did hear it was proposed out there a 20 to 1 ratio. I think that that's decent. Maybe even 25 to 1 kind of like Colorado had just passed in June. And there is also--

REP. D'AGOSTINO (91ST): We're at three minutes though, so I was hoping you could wrap up if you could, please.

MR. DAVID BARTON: Yeah, that's okay. I appreciate for your time. It's tough being somebody that has-- that just struggles. I'm just a normal American citizen, I'm a disabled vet that has served in the army and there's just a lot of things that are getting negated by this bill that are-- have already been affecting people at large just from the last passing of the 5mg to 1 mg. And now what you guys want to do is push it into a dispensary where those people have the right to say no in carrying the product. So how can you create a system that--

REP. D'AGOSTINO (91ST): Like I said, if you wouldn't mind just wrapping up, you're sort of well past the three minutes. Thank you.

MR. DAVID BARTON: All right. Okay. So in summary, it's tough to hear you guys try to pass a law and tell us that all of the business community consumers

that we can buy this in the dispensaries when those dispensaries are publicly or privately owned and they have the right to not carry our products. So how does that allow there to be a free market at all? And I do agree, I think that we should have--

REP. D'AGOSTINO (91ST): Thank you so much. I appreciate your testimony. Thank you. Any questions from committee members? Thank you.

MR. DAVID BARTON: Okay. All right.

CLERK MJ SHANNON: Up next we have Stella Johnson. Are they here? If you could just stay out. Yeah. And then-- all right. Up next then is David Salinas. He's online.

MR. DAVID SALINAS: Can you hear me?

REP. D'AGOSTINO (91ST): Yes. Thank you. There you go.

MR. DAVID SALINAS: Hello, everybody. Distinguished members of the General Law Committee, Senator Maroney, Chair D'Agostino, first and foremost, I don't envy you guys. I have a headache just as I sat here. I was in front of you and I had to leave unfortunately for an event, it's just been a very long day and I think that the choices and the Cleveland and the things that you have to listen to are very difficult.

I stand before you-- I stood before you last year against the hemp farmers coming into the cannabis space because we did not know what the licenses were going to come out to be, how many people are gonna be growing, how fast that they would come online and it's a difficult spot to be in even today.

This market is changing constantly, there are ebbs and flows and optimizations needed. And I feel for you guys as the people that have to make the decisions. I also have-- I'm the CEO David Salinas,

I'm the CEO of Let's Grow Hartford, LLC. We have multiple licenses in the adult use cannabis market. And we also have to be-- it sounds like we are the only people in the State of Connecticut that actually have a million dollar canning line to produce cannabis beverages.

As a person that really believes in the cannabis beverage market or the THC beverage market, I think having it in the most places makes the most sense because it should be available, easily available to a lot of people. I think it is a huge alternative to the alcohol market. I think that the market is gonna grow in that space. And at the same time I've done the things that I've not needed to do to go into that market on the adult use side.

And we hope to be introducing our beverages as soon if we do make decisions to have TUC products in stores like liquor stores and package stores and so on. I would hope that the cannabis manufacturers that are doing it, that pay the license that can create THC beverages are permitted to participate in that market legally as well. I'm here to talk about Bill 5150. I'll get the-- so Section 3 and Section 4, allowing the 149 cultivators to partner with the hemp farmers. I think that it is okay to do so at this point, but I would not go full steam in allowing all of the hemp farmers and all of the 149 was DIA cultivators to convert.

I think limiting the cap to three DIA cultivators and three micro cultivators would be intelligent. I do think that the-- and that's a small optimization that should be or could be looked at a year later. Once more people come into the market, I do think there's a supply issues and I do think some of the market issues and revenue issues that the state of Connecticut are having today are due to pipeline issues and just how long it's taken to allow the regulated market to open.

If you look at Missouri, that is exactly a year old as Connecticut is. You know, they did \$1.14 billion in adult new sales in comparison to Connecticut's 144 million and they've only got double our population. So it's more in line with Massachusetts. So I do think supply issues will improve, but I do think that the market deserves craft cannabis. And having a bunch of MSOs and the large 149 which are mostly owned by MSOs come to the market only and not to allow craft producers to come in is a mistake.

I would say that the 149 DIA cultivator, \$3 million license partnering with the hemp farmers should be allowed to keep their EJV's. It's just-- again, if we do two or three of them, you know, it's just gonna add six doors to the market which I think the market can withstand. And I think it allows the social equity, folks that are coming into this market or their equity joint venture owners to make money on the retail side, which is where-- I think the better part of the business is to be had.

Moving on, I do think that the date should be changed from not allowing the Department of Consumer Protections to grant any provisional licenses post December 31st, 2025. I think that should be changed to July of 2025. I think that that's just way too much time. People have not come into the market yet, you know, we see tons of people in the market right now that are raising capital that don't even have the money for the licensing fees, let alone opening the farm and going through all the processes.

I think that it sends the right message to the capital markets that Connecticut is a safe place to do business. And I think that that would just put everybody at ease and reduce some of the fears around some of the uncertainties of the business.

SENATOR MARONEY (14TH): David, thank you very much. Your three minutes is up. Could you just summarize

and then we'll see if there are any questions for you.

MR. DAVID SALINAS: Yeah, just one thing I want to say is that one of the biggest issues that we're having right now in the business space in cannabis is that we're just not allowing general commerce to take place. Not allowing discounting the four Ps of marketing, product, place, price and promotion. Discounting, I think we were just overstepping a lot in terms of the things that we're telling businesses to do.

Our job is to get into the business and to create commerce, to create tax revenue, to create jobs. And I think that there are some oversteps in this bill. So I'm not for or against anything in particular. I sort of talked to a bunch of different pieces and I would just hope that we just take a careful look at and use surgical precision to make the changes and not a hatchet. And I thank you guys for your time and that's it. You have any questions?

SENATOR MARONEY (14TH): Great. Thank you. Are there any questions? The only one just I guess clarify. So keeping the allowing the 149s as a full cultivator to negotiate with a hemp farmer. So again, we did hear before some people proposed there should be a cap on a first come first serve.

So you're saying three of the larger cultivators and then three micros is your recommendation. And then I think you'd also said to allow the larger cultivators to keep their EJVs. Is that what you're recommending?

MR. DAVID SALINAS: Yeah. Honestly, if you're gonna charge \$3 million I think that they deserve the two EJVs, it's a very expensive price tag to come into the market. And I think if they can come up with it, they should be granted the full license the way it is.

And then on the micro side, I think that capping the number of micros at least in the first year and then doing on a first come first serve basis, whether it's I think 33 micros is enough and that's again surgical precision that says this is what we're allowing. And then maybe in the future you allow, you know, two or three more micros in.

SENATOR MARONEY (14TH): Okay. Thank you very much. Does anyone else have questions? Okay. Thank you, David.

MR. DAVID SALINAS: Yeah. Thank you. So I'm a little disheveled today, I apologize. I'm sitting in the casino talking to you guys. I still don't wanna miss my opportunity to talk.

SENATOR MARONEY (14TH): Thanks for letting us know where you are.

MR. DAVID SALINAS: Good to gamble for an event, apologies. All right. Be well, guys.

SENATOR MARONEY (14TH): All right. Thank you. All right. Mr. Clerk, who's next.

CLERK MJ SHANNON: Up next on my list I have Carolyn Marino. Oh, okay. Nice. Nicholas Tamborrino. Amazing. Let me ask Linda, did she want Linda Muraski? I know she didn't go before. Is she in? I don't know if she's joining. The next would be Wyatt Bosworth. Okay.

MR. WYATT BOSWORTH: Good evening. This is my first time before General Law. I'm usually in Insurance and I thought that committee was fun and entertaining, but this definitely--

REP. D'AGOSTINO (91ST): As it's said in the movie, you have a funny sense of fun.

MR. WYATT BOSWORTH: Yeah. So, Chris Davis, my boss was originally supposed to testify. He had a scheduling conflict. So thank you to MJ and the committee for letting me testify in his place. My name is Wyatt Bosworth. I'm associate counsel with the Connecticut Business and Industry Association. We're the state's largest trade association. We have thousands of members, small and large, 93% of which have less than 100 employees.

We're really happy to be here today to support Senate Bill 135. The bill would establish a maximum annual fee of \$100 for most occupational licenses granted by DCP. And just by way of background, in a recent study by the Institute of Justice in 2022, out of 102 occupations examined in Connecticut, Connecticut required 64% of these to have a license which exceeds the 53% national average.

Connecticut's also higher than the national average for fees totaling \$290. These fees include charges for application review, license issuance, exams, background checks, fingerprinting, credit reports, et cetera but they don't include the cost of the thousands of educational hours like you heard before that are required to even apply before you can obtain that license.

Further advanced Connecticut recently stated in a report that licensing costs the state of Connecticut about 48,000 full time jobs and shrinks the state economy by \$400 million every year. So the financial cost for licensing is a major barrier to entry for many individuals, especially for those looking to raise themselves out of poverty through high paying and in demand careers.

Additionally, the bill would lower the cost of doing business in the state for approximately a quarter of the state's workforce and make Connecticut a more attractive place to live and work. I'll just close by saying there's been a lot of positive movement in reforming Connecticut's licensing regime, you know,

with the Governor's bills, getting rid of, you know, the fees for nursing, and childcare workers, right.

Really in band areas of the workforce, Advance Connecticut just put together a phenomenal report talking about ways we can streamline the licensing system in Connecticut. Was proud to sit on the Comptroller Scanlon's healthcare cabinet where there was a series of recommendations made last month, one of which through the workforce subcommittee's fees and streamline those licensing fees for the Department of Public Health.

We're talking about DCP here. So, you know, lowering the cost create way to get more people into the workforce. But there's also other things we can do to streamline the system and make Connecticut a more attractive place to do business. So happy to answer any questions, happy to work with all of you. And really looking forward to coming back to this committee again.

SENATOR MARONEY (14TH): Thank you. Would you be willing to send us that advance CT report?

MR. WYATT BOSWORTH: Yeah.

SENATOR MARONEY (14TH): And again, what was the-- I think you said it costing 40,000 jobs, but what was the economic value you said?

MR. WYATT BOSWORTH: \$400 million.

SENATOR MARONEY (14TH): So that would be a potential due wages, I would assume.

MR. WYATT BOSWORTH: Yeah. Yeah. And ironically the bill last year had the same exact number and did the same exact thing. Last year Senate Bill 135 there's a fiscal note on the bill, 30 plus million dollars, right? Is what it would cost the state.

I know there's some ARPA dollars laying around but like I said, there's other things to do besides just lowering the fees that I think would go a long way but lowering the fees would really make a difference for a lot of people, especially in low wage jobs.

SENATOR MARONEY (14TH): What are some of the other things you mentioned and lowering the fees? Like I know you mentioned streamlining the application process. What are the other?

MR. WYATT BOSWORTH: Yeah. So really going off the Advance Connecticut rec which I'll share with MJ and the committee and all of you. You know, they recommended consolidating licenses with similar requirements into a single license, adopting standardized language around occupational licensing, even having just one portal on the state website, right?

I mean, there's so many different agencies that govern so many different licenses, which is confusing to a lot of employers and employees, right? So that would go a long way. You know, ensuring existing regulations are aimed at public safety and consumer protection obviously. And, you know, going back to the fees too.

Yeah, I didn't know this before but, you know, a preschool teacher in a public school that over \$1000 in fees, you know, a sheet metal contractor, \$705 that's on top of all the educational requirements. HVAC \$700. You know, an optician \$800 right there, it's really-- we are not at a good competitive standpoint compared to other New England States around us.

SENATOR MARONEY (14TH): Thank you. What I would appreciate is if you could send that to us and they just look through. I think being cognizant that there is a fiscal note, right. It's going to generate new revenue future that may offset. But

short term, what are the fees we should start by lowering?

MR. WYATT BOSWORTH: Right.

SENATOR MARONEY (14TH): Like preschool teacher, obviously, it sounds way out of whack \$1000 for preschool teacher in the public schools. But, you know, there are some professions that do make more money than are paying licensing. So that would be appreciated if you could send those recommendations.

MR. WYATT BOSWORTH: Yes. So I'll send you the advanced Connecticut report and then I'll also-- it's a 200 page 42 megabytes, 200 page report that the Institute of Justice put out. It's a comparative analysis of Connecticut compared to other states. And, you know, our fees compared with, you know, other and the educational hours and the work experience required. I think it's just a good docent for everyone to get right up on.

SENATOR MARONEY (14TH): Great. Thank you. Yeah, we're just trying to get the most out of you in case you don't come back to visit us like you.

MR. WYATT BOSWORTH: I'll be back next week for the AI discussion.

SENATOR MARONEY (14TH): Okay.

MR. WYATT BOSWORTH: Yeah.

SENATOR MARONEY (14TH): Great.

MR. WYATT BOSWORTH: Yeah. So have a great night.

SENATOR MARONEY (14TH): Okay. Thank you.

MR. WYATT BOSWORTH: I'll try to get louder than the sermon put on urban dictionary tonight, I think. Have a good night, everybody.

SENATOR MARONEY (14TH): Thank you. Mr. Clerk, next.

CLERK MJ SHANNON: On my list I have Brian Essenter next.

UNKNOWN SPEAKER: I think he already went.

CLERK MJ SHANNON: Okay. So then next we have Bonnie Stewart, who I have-- who is online.

MS. BONNIE STEWART: Hi. I know you have had a very long evening. So, I'm just gonna start by letting you know that my name is Bonnie Stewart. I am the CEO of the Connecticut Society of CPAs and we are representing approximately 6,000 people in the state of Connecticut, 6,000 professionals. I pulled up a screen because I wanted to show you something so I could make my testimony fairly quick if I can just get the screen the sheet to change.

In Connecticut we have-- there we go. We have quite a few CPAs but many of them choose not to be licensed CPAs which is completely legal. In any state you're only required to be a licensed CPA if you do attestation work. So certain types of audits and financial statements. So the people that do taxes and client advisory services and many of the other things at CPA firms don't actually have to be licensed.

However, those who choose to be licensed in Connecticut seem to be far fewer than those who choose to be licensed in the other states. And the reason for that is our extremely high licensure rate. So you'll see here that we go through the roof. If I looked at the country as a whole Connecticut, CPAs pay 182.5% higher than the closest state, which would be Wyoming at \$200.

But if you look at the rest of the states that surround us, we pay 602% more than Massachusetts, 1036% more than Rhode Island and 485% more than New

York. The reason why these numbers matter so much is that people can practice in Connecticut, like I said, if they don't have a license here and they can actually even perform audits and other certain types of attestation work without having a license in Connecticut because of the mobility rules around the country, which are extremely important to maintain.

But it means that we could have a Massachusetts, New York or Rhode Island CPA that is as domiciled in that state or whose office is out of that state, perform those services in Connecticut without paying that \$565 licensure fee. We can do work in their state without paying their licensure fees.

So we're not advocating changing it, but we're just showing that somebody can choose to have their office somewhere else and it's so easy in a state the size of Connecticut and that just means that they save a huge cost. If you think about it just having 10 people not have their license in Connecticut saves you \$6,000.

So it's really important that we think about that in terms of location. Kind of what about why it was getting to before in terms of the competitiveness, loss of business activity, et cetera? Because remember they're bringing those revenues back to Rhode Island, Massachusetts or New York, not to Connecticut. I think another thing that's important to understand is that there's a real shortage of accountants across the country and CPAs in particular.

And we really need to encourage more people to go into this area. And when you have a very high licensure a fee, it's something that discourages people from going into that fee. In addition to that, it causes other problems in terms of people's willingness to pay for the other fees that come along with it as well.

You have to have five years of college now to have your CPA, you have to have a certain number of years experience and it is all something that in the end is very well worthwhile for the people who are entrusting these individuals. But we have a shortage and it's going to become crisis before too long, not only in Connecticut but across the country.

But in Connecticut, we have a significantly high number of baby boomers that are going to be retiring in the next, I'm gonna say, starting now, we're already starting to see it this year, right through the next five years, that will result in a real drop. And so our need to attract more people to this profession is even that much more important.

And the licensure fee we know for a fact is a problem, especially when firms are choosing not to license these individuals because of the cost associated with it. It's one of the biggest complaints I received from my members is the high licensure fee.

You heard a lot from other people and I thought that Senator Fazio did a great job earlier today. So if you have any questions, I'd be happy to answer them. But my concern is again, our need to have more CPAs in Connecticut, not fewer. And I think this is a great proposal to put forward. And I appreciate the fact that you did this and that you're considering it seriously.

SENATOR MARONEY (14TH): Great. Thank you very much, Bonnie. Are there any questions? Okay. Hearing none. Thank you for hanging in there and for your testimony.

MS. BONNIE STEWART: Thank you.

SENATOR MARONEY (14TH): Okay. Next.

CLERK MJ SHANNON: Up next on my list, I have Joseph Raymond, online.

MR. JOSEPH RAYMOND: Hey guys, can you guys hear me?

CLERK MJ SHANNON: Yeah, we can hear you. Please go ahead, Mr. Raymond .

MR. JOSEPH RAYMOND: Thank you for your time. I appreciate it. My name is Joseph Raymond Accettullo. I've been a lifelong resident of Connecticut. In 2013, I was arrested. I was-- hold on one second. I was targeted by corrupt statewide Narcotic Task Force and subsequently arrested for marijuana cultivation. I fought the charges because I knew that things were not right about the case.

I took the case to trial and after 42 appearances in two years of my life and my lawyer threatening a Frank's hearing the case and charges were dropped against me. Since 2013, I have been a legacy operator. There has been no opportunities given to me or people like me to enter into the cannabis industry. Instead now, the attorney general in the State of Connecticut have a case against me and they are trying to go through my banking statements, they're just trying to crush me.

I'm asking the General Law Committee to make that right and have the state drop this case against me. I am a legacy operator who has not been given an opportunity to enter the market. You guys have sold it to corporate overlords, some of them from Russia without giving the true people from the community an opportunity.

You've taken opportunities away from small businesses and are giving them away to out of state corporations and now criminalizing me with civil penalties. That is not right. I'm gonna fight this to the death. Please ask your state or whoever's putting this against me and I bizarre to stop.

We are the legacy community. I've been out here advocating for fair, equitable laws and policy for 10 years while my own representative laughs in a snarky to me. Representative D'Agostino, it's crazy and criminal what you guys are doing to me. I have a family. I lost a baby in July over this stress. You guys are have no compassion.

SENATOR MARONEY (14TH): Okay. Next.

CLERK MJ SHANNON: Up next, I have Jen Johnson. Is she online? No. Ms. Johnson? Next would--

JEN JOHNSON: I'm here.

CLERK MJ SHANNON: Oh, he's back.

MR. JOSEPH RAYMOND: I'm trying to hear you.

SENATOR MARONEY (14TH): Oh yeah, we are sorry --

MR. JOSEPH RAYMOND: I'm sorry, I'm upset like this has gotten too far. It's escalated. I've begged my Representative D'Agostino for help for years with nothing. No, no entry, nothing. Just like, sorry, next year maybe, next year, maybe. I don't know what else to do. I'm at my wits end.

I had to file a protective order against the State of Connecticut tonight through my attorney. This is insanity. Like what is going on? Like what can we do? Why are you guys doing this to me? Why are you targeting activists?

SENATOR MARONEY (14TH): All right. Thank you. Are there any questions? No. Okay. Thank you for your testimony. And--

CLERK MJ SHANNON: Next on my list I have Christina Capitan. You. It's great. If you just please press the button.

MS. CHRISTINA CAPITAN: Good evening, respected members of the General Law Committee. Chairman D'Agostino, Representative D'Agostino, Representative Candelaria it's good to see you, Representative Brown just left, of course, and Senator Kissel is no longer here, Representative Rutigliano, Senator Maroney, it's very nice to see you all.

My name is Christina Capitan. I'm one of the founders of CT CannaWarriors, a grassroots cannabis advocacy organization. Our organization is centered around supporting restorative justice for our communities, which we believe to be one of the most imperative pieces of ending cannabis prohibition in our state and across the country.

Restorative justice is not achieved by simply infusing disproportionately affected areas with funds derived from legal cannabis sales or allowing extremely limited number of equity licenses to enter the market only through an unfair unjust lottery system.

Restorative justice is certainly not continuing to invest time, money, and resources into investigations, raids and arrests of nonviolent cannabis offenders. But actually quite to the contrary, it's having the hard conversations with diverse demographics of individuals, including those who are still unfortunately considered criminals, such as myself and my friend Joe, as well as working to help those that were arrested incarcerated and had their lives disrupted by cannabis prohibition, adjust to new laws and help to integrate them into the market, the new marketplace that is set to replace the pre-existing marketplace.

With that being said, the main reason I'm in opposition of 5150 is honestly just that it lacks any real substance within it to help heal the deep and painful wounds that are still festering from years of terror from the cannabis prohibition, which

again should be taking precedent over things like securing revenue and implementing egregious regulations on hemp farmers and small amounts of THC.

This bill instead seems to reinforce the rhetoric of the racist and harmful cannabis laws from the past reiterating that cannabis is as an ominous and dangerous product requiring extensive regulations. It's a prime example of the overregulation that's stifling your current medical and adult use cannabis market today.

Now, and these rules that you're suggesting will ultimately be more detrimental to the cottage hemp industry that has been supporting the needs of our people for years, successfully making more good law abiding citizens into outlaws like myself as well as creating more barriers to access for people in true need.

Connecticut's obvious prioritization of securing revenue from cannabis over restorative justice is a disheartening reflection of skewed priorities. By prioritizing revenue and regulatory oversight over addressing systemic injustices faced by marginalized communities impacted by the war on drugs, including those who are arrested and incarcerated for cannabis, Connecticut risks perpetuating inequities rather than fostering true healing and reconciliation.

And I believe that your legal cannabis market will continue to suffer because of that. There is no love, there is no compassion and it's unfortunate because as somebody who's worked in the underground illegal illicit market as well as within the legal medical side of things, I do truly feel that that's one of the biggest things that we are missing out on and that's why we are not as successful as I think we could be.

I urge policymakers to re evaluate their approach, ensuring that restorative justice is at the forefront of every conversation going forward. Thank you for your time.

SENATOR MARONEY (14TH): Thank you. Does anyone have any questions? Thank you so much for hanging in there and for your testimony. MJ, next.

CLERK MJ SHANNON: Next on my list I have Brett Webb. He's not online so. Then we will move to Bryce Chinault. He's online.

SENATOR MARONEY (14TH): Okay.

MR. BRYCE CHINAULT: Hi. I think I've made it in

SENATOR MARONEY (14TH): You're right, Bryce. Please go ahead.

MR. BRYCE CHINAULT: I'm sorry, I'm not there in person tonight. I was there for most of the day and just left a municipal meeting here in Newtown and just sat down. So I'm glad I caught a bit of Wyatt's testimony from CBIA and I just wanted to come in here and reiterate Yankee Institute support for SB 135 to lower occupational licensing fees here in the state.

A number of the points made by Wyatt just a moment ago, I'd echo those. You could also turn to the White House Council of Economic Advisors report in 2015 on occupational licensing and the significant costs they impose on individuals seeking employment in the regulated areas, how they increase costs on goods and services due to reductions in market competition and often failed to demonstrate the supposed benefits that are make them necessary in the first place.

The Institute for Justice has great information on this. And there's a couple of reports that echo again, what CBI had just expressed recently. I

thought I'd perhaps take a moment though, too to share more of a personal narrative on this. I, you know, what feels like a past life at this point, I was once a therapist for kids with autism and I didn't receive any formal training. You know, a friend said, hey, this is an opportunity and this is a point in my life where I was very broke.

You know, I had a broken ball joint on the front, left tire of my car and I had to scrap it for parts when it started smoking because the engine cool and all leaked out from a corroded part of my engine. But so like I didn't have anything and-- but I became a therapist for kids with autism back in Wisconsin and one of the kids that I helped oversee, I was the only therapist he ever had that he never hit. And I didn't know if that meant much, but my supervisor said that was really important.

And so I just remember her saying whatever you're doing, keep doing it. And I just think of how-- if there was an occupational licensing fee for something like that-- I was trying to look up the details for that here in Connecticut. It seems a little bit unclear to me, but there are behavioral analyst, occupational licenses that are 300 it was \$380 here in the state, I would have never done that and perhaps I wouldn't have made the positive impact I had on that young person's life.

And so I wanted to tell maybe that person one. And I also wanted to-- I haven't submitted testimony on this and actually MJ, I noticed the testimony that I have for SB 135 is just a screenshot for some reason. I think it was a mistake on our submission, but I'll make sure that you get what you need for our, my written testimony to be there but also in support of-- or in opposition to HB the 5151 on the implementation of or imposing a new license for installing solar panels.

I think the testimony from the Connecticut Solar and Storage Association, Mike and his colleagues there

said it very well. And I think the people that are doing the hard work of installing solar panels, especially given all the other initiatives that we have to electrify everything, putting barriers in the way of adoption for solar energy, I think would be a mistake. Thank you.

SENATOR MARONEY (14TH): Rep. Rutigliano.

REP. RUTIGLIANO (123RD): Thank you, Mr. Chairman. Thank you, Bryce. Bryce, I am reminded and the chairman and I were speaking on the topic when somebody else was testifying years ago, we had a bipartisan group that we put together to study licensing in Connecticut. It wasn't just about the price, it was also about how many we have, how many do we need? Do we need any? And it really was bipartisan.

It was-- I can't remember the name of the commission but it was Subira Gordon. Do you remember you helped me out with that one? And then the Yankee Institute were at the table, but I don't know what happened. Time went on. My question to you is that the, I think the committee and I'm speaking for myself, but I'm hoping I'm speaking for everybody, has an appetite I believe in trying to look into this, maybe a little bit deeper.

And I'm asking if Yankee Institute would be part of that, a part of the discussion if we do decide to put a task force or whatever. I am only the minority ranking member on the committee. But I would enjoy having a deeper discussion about all occupational licensing and how we handle it in Connecticut. And I'm just wondering if there's an appetite at your organization to get involved.

MR. BRYCE CHINAULT: Yeah, absolutely. And thank you for the question. Thanks for you for your work on this topic and for your members of the other committee, I know Senator Fazio, Representative Cheeseman have been working on these topics too for

some time. That committee was before my time. I don't know that I could offer any details but certainly on the spot on it.

But another-- maybe a recommendation that could go into this or this could be part of this ongoing discussion is there are a number of states that do some of universal licensing recognition. So if you have a license, say in another state, it's an easy on ramp for you to come work here.

And I think this fits both what the business community is continuously telling us that they're looking for the right type of people to hire, right? And our, you know, initiative from the Lamont administration and elsewhere make it here right.

In Connecticut, we want people that are fabricators and you know, whatever it might be making it easy on ramp to be a therapist, to sell real estate, all these things, I think the better and I'd be happy to be a part of that.

REP. RUTIGLIANO (123RD): Thank you, Mr. Chairman.

SENATOR MARONEY (14TH): Thank you. And I think, you know, I do agree right with the task force, but I also would like to see if we can do something this session. And so I think it's a combination of what can we do immediately.

But recognizing the fiscal constraints, if you could help us prioritize where we would get the most bang, which are the fees that we could start by, should start by reducing, that will have the most impact on whether it's creating jobs or allowing new people to enter into the field. And then we'll look at what else we can do beyond that. But your help with that would be appreciated, Bryce.

MR. BRYCE CHINAULT: I'd be honored. Thank you.

SENATOR MARONEY (14TH): Great. Thank you. Are there any further questions? Okay. All right. Hearing none. Bryce, thank you for hanging in. I'm glad the timing worked out for you that you got to go to your meeting and get home and then jump online, so.

MR. BRYCE CHINAULT: Yes, and thank you for all the work that you do. I know this is very hard and being up late, so I'll stop talking so you can move on. Thank you.

SENATOR MARONEY (14TH): Thank you. All right. Mr. Clerk.

CLERK MJ SHANNON: Up next I have Peter N/A. He's not online, so we'll go to-- oh, do we have Elizabeth Lapierre? She might have went before. All right. Then Chad Simard. He's online. Great. Okay. All right. Please proceed.

MR. CHAD SIMARD: Yes. Excuse me. Good evening, Representative D'Agostino and the General Law Committee. Thank you so much for you know, hanging in there with everybody this evening. I fear that our testimony, you know, at this late hour may go a little unheard.

However, I do appreciate the opportunity to speak. And so with that, I'd like to start with, I've been asked to speak on behalf of our company, the Flower House. Our CEO specifically and asked us to testified today.

We are a section 149 cultivator. In regards to that Section 149 license, I know there's been a lot of discussion around cultivation, canopy, supply and our concerns are specific to a few points. They are relative to Section 3, right-- Section four. Those are relative to overall canopy and the health of the industry.

So I'd like to bring your attention to a few things that are related to our journey. And that journey starts initially being awarded a license. So when we were awarded the approval back in-- excuse me, July 12th of 2021-- 2022 excuse me, we obviously attested to having to pay the provisional fee and background checks and, and move that licensure forward.

And so we executed all that in the manners that we were asked to do so. And the reason why I bring that up is under the context of the original law that was created, we-- as we navigated, you know, the Public Act 21-1 we approach that-- with the confidence that we could execute. And I'd like to testify here today that we have successfully been able to navigate all of that statute 21-1.

Our concerns lie with Section 3 and Section 4. But if you don't mind, let me elaborate on our journey a little bit more. After the state of Connecticut had lost our provisional license fee for the matter of about three weeks, we were unsure of where that wire transfer had gone and what the outcome of that would be.

So, as far as hurdles and the journey is concerned for a social equity applicant or for a cannabis licensee, you know, we can attest to what some or others have not or may have experienced. You know, next, we can attest to the fact that we've navigated 13 to 15 disproportionately impacted area buildings, DIA area after DIA area, DIA landlord after DIA landlord.

And so to no unveil over eight months ago, unfortunately, we had a landlord that was unable to execute their responsibilities even though we were in a position to move forward with them. And so, you know, this brings me fast forward to a topic of where is the flower shortage?

So I rewind back to the fact that we then had to go back to and re navigate additional buildings and we were successful in finding another building in a disproportionately impacted area. And so I mentioned that just to frame the fact that a lot of individuals who have been navigating the space.

I believe there's 12 provisionally licensed Section 149 cultivators right now here. I understand, you know, there are frustrations and concerns. My concern is that I don't hear anything that is relative of helping the existing provisional license individuals.

I do hear about other licensed individuals asking or requesting for some assistance. But I don't hear from any individual that is-- has not been able to pay the \$3 million provisional fee. Excuse me. That day, number one, I tested to when applying --

SENATOR MARONEY (14TH): Can you summarize, your three minutes was up a little bit ago. Would you mind summarizing and then I do have a question for you, so.

MR. CHAD SIMARD: Absolutely. I will summarize to the fact to acknowledge the state of Connecticut to let them know in the General Law Committee that we do plan and intend to be open in the end of 2024 in the beginning of 2025. And so I would have a few rhetorical questions to summarize.

Do we know how many cultivators are plan to open? Do we know what the intended candidate is at this point for the State of Connecticut? So making the changes that are potentially vulnerable in Section 3 and Section 4 of Bill 5150 you know, they, they pose a great threat to the industry and the overall health.

And there are many other things that I have concerns over and that's related to other licensees getting open, ways that we can assist those licensees in getting open with feed to market, et cetera.

SENATOR MARONEY (14TH): Okay. Thank you. Now. So, did you already pay your 3 million? Is that?

MR. CHAD SIMARD: Yes, we have.

SENATOR MARONEY (14TH): Okay. Great. No, and I think it is understood, but we-- in terms of the canopy that's overhanging the market and that's part of the intent of the bill is to give people the option right to convert down. So we're taking some canopy off to negotiate with, you know, the hemp farmers again to give them an option to get started.

And then if they don't do that, unfortunately, right now, there's any 12 to 15 people who have won the provisional license, haven't paid their \$3 million. That's over 3 million square foot potential growth space to come in more than 2 to 3 times what we need, right, as a market. So we need to, understood, we need to eliminate that canopy, but we need to give people an option, right?

And I understand that it may not seem fair that you've already paid your 3 million. That being said, what could the state do? Right. We are going to charge a conversion fee. Should that go to low interest loans for the people who have already, you know, executed their license? Are there things that we could do rather than just saying not to give these other people an opportunity?

MR. CHAD SIMARD: So if you don't mind, I'll answer your question. But I will state. Do you understand that our social equity CEO and our company and our three owners owe at this \$23.8 million to build a facility here in the State of Connecticut. And so I understand that there was an initiative to and this is an initiative to give an opportunity to other individuals.

I guess what strikes me is that I'm not understanding the opportunity or the state's opinion

to give an opportunity to the individuals who have already obtained those lottery licenses, who have paid the provisional fee. So we're looking to introduce other opportunities, other people, but we're not looking to help the existing folks.

And so that's where, you know, one concern and, and we caution that based on data. Where is the data that says that if you allow the Section 3 and Section 4 amendments to pass that you expect that opportunity and that flower to pan out. I say factually that I see no testimony being accurate today that says there will be any new flower or any new opportunity given until the year of 2025.

And I say to you, at least factually that we will be operational in 2025. And so I do have some insight and believe that there will be a handful of other fine -- testified today, the operational in 2025. So there will be flower that's-- and cannabis and medical recreational products that are being brought to the market in the year 2025.

So the solution in Section 3 and Section 4 is not a solution to fix a concern now, it will only be adding to what we believe. And it's just from data, surveying the market of Massachusetts and other states that will actually unfortunately, in that-- so let's bring in the seven year to a three year social equity applicant conversation, right?

Reducing that seven year to three year barrier so that they have an option to sell. I believe that that's only going to present a great issue before our state and our market even gets open and operational. I believe that there may be social equity licenses and applicants that will have to close their business and I'm not sure that that's something that the state wants to have on their chest.

SENATOR MARONEY (14TH): Okay. Does anyone else have questions? Okay. Thank you very much for your testimony.

MR. CHAD SIMARD: Thank you, General.

SENATOR MARONEY (14TH): And Mr. Clerk, next?

CLERK MJ SHANNON: We have Josiah Schlee.

MR. JOSIAH SCHLEE: Yeah. So I did have a testimony but so much has been covered. What's really important to me is that I really like to hear an answer about and looked into is I've asked Attorney Tong, I've asked the DCP multiple times to look into explaining and disclosing remediation plus medical cannabis patients and also explaining the mold situation because in this Bill 5150 there is a lot of language about remediation and that proves the presence of mold and the cannabis and nothing has been explained to the people about what this remediation process is.

There's no studies on whether it's safe or not. There's no-- we're guinea pigs as medical patients. I haven't been to a dispensary for years because of this because the last time I went to the dispensary was when the DCP had raised the mold limits without notifying the patients to a dangerously high level at the height of the pandemic gave me a respiratory infection and I stopped going to the dispensary and all of a sudden that respiratory infection cleared up and I felt a lot better.

And I've asked the DCP over and over, I've asked Attorney Tong about the mold situation, the remediation situation that patients deserve to know about. And I'm in the final pool for the ombudsman to a position for cannabis. I really care about patients. You know, other than myself and people really want to know what is going on here. I'm not sure if anyone has answers or knows about this, but it seems to be completely glossed over because

there's all this labeling, safety, all the safety stuff and mold is just not addressed whatsoever.

It's greed, it's overclouding of plants that creates mold. If they gave him a little more space they wouldn't be mold. Yeah. Do you have a question or does anyone have answers?

REP. D'AGOSTINO (91ST): I'm not sure what the question is.

MR. JOSIAH SCHLEE: What is the methods used for remediation to remove the mold from cannabis? And why is there no disclosure about the remediation?

REP. D'AGOSTINO (91ST): Two good questions. We should get answers for those questions.

MR. JOSIAH SCHLEE: Because I've been asking the DC PS for four years and Attorney Tong's response to me was get lost basically.

REP. D'AGOSTINO (91ST): Well, it's not-- he's not going to answer that question, but we will ask that question of two questions of DCP. Those are two good questions.

MR. JOSIAH SCHLEE: So like I know I'm backpedaling a lot, you know, 10 steps back because we're talking about stuff really far ahead.

REP. D'AGOSTINO (91ST): No, no, no.

MR. JOSIAH SCHLEE: This is the basis of this program and safety.

REP. D'AGOSTINO (91ST): We will have to get answers to those questions. I don't know the answers to those questions.

MR. JOSIAH SCHLEE: [crosstalk 7:55:47] part of regulations, not legislation.

REP. D'AGOSTINO (91ST): Yeah, but we should know what the answer is.

MR. JOSIAH SCHLEE: So we'll have to ask Rod, I think.

REP. D'AGOSTINO (91ST): Yeah. We'll have to ask the regulators of DCP those questions.

MR. JOSIAH SCHLEE: Okay.

REP. D'AGOSTINO (91ST): And then maybe only way we can encourage them to post sort of disclosure--

MR. JOSIAH SCHLEE: So I think they deserve more than a post because there's been hundreds of people emailing the DCP for four years now with no response.

REP. D'AGOSTINO (91ST): We'll follow up with them.

MR. JOSIAH SCHLEE: I very much appreciate that because--

REP. D'AGOSTINO (91ST): As you mentioned, I mean, part of the creating the ombudsman position is also to have a dedicated office, you know, to respond to these and have more of an avenue.

You know, I mean, I understand the Attorney General's Office isn't going to be able to answer those questions, but that ombudsman position was created specifically to have an avenue to get answers to questions like that and have a more dedicated advocacy voice for exactly that, so that we know --

MR. JOSIAH SCHLEE: Because it is disturbing, it's dangerous. We don't--

REP. D'AGOSTINO (91ST): Yeah, no--

MR. JOSIAH SCHLEE: We don't know whether--

REP. D'AGOSTINO (91ST): The whole point of a regulated market was to make sure that the product was safe if there's products not being produced, that's safe, a, it shouldn't be sold, but b, there should be a process behind it to make sure-- hey, he's got the floor. Okay. So let's-- all right, he's got the floor. All right.

So, you know, there needs to-- so there needs to be answers to those questions. And obviously we want to make sure that the products that's being sold in Connecticut is, you know, as mold free as possible. It's certainly not causing respiratory illness or anything like that. And so that should be job number one for us.

So if you're not getting answers to those questions, we will ask those questions of DCP tomorrow and make sure that there's some sort of public answer available with respect to what is being done about mold. And then I hope we see you up here next year as the ombudsman testifying as to what you want to say.

MR. JOSIAH SCHLEE: Is there any way you could get like a promise that like people will be emailed within some certain amount of time?

REP. D'AGOSTINO (91ST): You just got it. I'm talking to them tomorrow about other issues. I'm gonna ask them about that issue.

MR. JOSIAH SCHLEE: Thank you. I appreciate it. And no one has any more questions.

REP. OSBORNE (16TH): Mr. Chair, if I may. So you've just stolen my thunder because I have scheduled a meeting with the DCP for next Tuesday specifically to discuss the mold issue. And they're getting the right people together to come to that meeting because you have emailed me about this and I

have looked into it and we do have from what I can tell the highest mold ratio in the country.

And I for one want some answers and I'm really grateful to Chairman D'Agostino for arranging that connection for me so we can get those answers for you, but he's gonna beat me to the punch tomorrow.

MR. JOSIAH SCHLEE: Well, that might be the answer to the drop in sales too. So, you know, help yourselves?

REP. D'AGOSTINO (91ST): Why would you buy a product that you don't believe in? 100%. It makes sense.

MR. JOSIAH SCHLEE: I appreciate all of you. Thank you very much.

REP. D'AGOSTINO (91ST): Thank you.

REP. OSBORNE (16TH): Thanks for coming in, Josiah.

MR. JOSIAH SCHLEE: Anymore questions for me?

REP. D'AGOSTINO (91ST): I don't think there are any further questions. So thank you for testifying.

MR. JOSIAH SCHLEE: Thank you for speaking it out. Thank you.

CLERK MJ SHANNON: Up next, I have Cody Richard.

MR. CODY RICHARD: How are you doing, guys? So I just want to be able to say I have a whole new respect for every single member of this committee for seeing what you guys deal with because this is my first time attending and being a part of this type of environment. So, yeah, a lot of respect for you guys.

My name is Cody Richard. I own cannabis connection delivery service here in the State of Connecticut. I am a licensed-- not fully licensed yet. I hold a

provisional license that I want in a general lottery. I'm here not specifically to weigh in on current language within the law. But I'm here to be able to express the struggles that I have dealt with getting to the point of operations with this.

So thank you for passing the initial bill that has allowed us to obtain licensing in the cannabis space here in Connecticut. Thank you, guys, for all of that. Wouldn't be here talking to you if it wasn't for that.

My testimony is not to throw shots at the committee. It is to raise awareness as to the struggles and concerns I have experienced while starting my delivery service. The concern I have is changing current law specific to delivery, which would be detrimental to current and upcoming delivery operators in the state who have put their blood, sweat, tears, and in my case, my entire life savings along with accruing an enormous amount of debt in order to start my delivery service.

Another concern I have is introducing additional delivery licenses to the market at this time, due to the fact that there are only two active delivery operators in the State of Connecticut out of the approximately 10 delivery licenses that were originally awarded.

Additionally, under current law, hybrid retailers, micro-cultivators, and dispensary retailers can effectuate delivery services until there are five delivery operators that have commenced public operations. But the current law doesn't cap the amount of drivers, hybrid retailers, micro-cultivators, and dispensary retailers can employ.

This is very concerning for delivery operators because as a delivery operator, current law restricts us to 25 drivers. And obviously, you know, given that there's nothing restricting any of those other entities to the amount of drivers, they

can essentially have an abundance of drivers on the road, while us delivery operators are still gaining approvals and looking for funding and whatever the case may be to get our businesses going. So it would be -- there may be some addition to, maybe in the next session or something, to do with the amount of drivers that those entities can be able to provide, given the struggle that it takes to actually get these businesses off the ground. So that's all I got for you.

REP. D'AGOSTINO (91ST): No, I though what you said, so the current structure limits your number of drivers. But for example, if we allow a micro-cultivator to deliver, I mean, it's probably unlikely they're gonna have 25 or more. But you're saying there's no limit and that should be -- I can see what you're saying, and that's probably an oversight in drafting that we did on delivery. So that's a fair point.

MR. CODY RICHARD: I just want to raise that. Currently, the current statute will allow micro-cultivators and hybrid retailers and dispensary retailers to effectuate delivery operations right now.

REP. D'AGOSTINO (91ST): With no limit on the number of drivers, whereas you have a dedicated license to that and you're limited to the number of drivers?

MR. CODY RICHARD: Right.

REP. D'AGOSTINO (91ST): Fair point.

MR. CODY RICHARD: So there's that aspect to it. Maybe it's just the language or something that was left out, but just want to raise that. So I appreciate your time, if there's anything else, more than happy to answer anything.

SENATOR MARONEY (14TH): Thank you. I know I saw you. I think the first day when I came in this

morning. And you held true to your word that you were going to stay until you heard the opportunity to testify. So I doubted you. I didn't know if you would stay.

MR. CODY RICHARD: Yeah, I expect that. Well, this is my first time. It's not going to be my last. So I appreciate it and it's been a great experience so far. Thank you.

SENATOR MARONEY (14TH): I'm actually glad you're here. Someone from delivery. I've had someone bring an idea to me for doing a pilot program in regards to electronic verification for cannabis delivery.

MR. CODY RICHARD: I believe I've spoken with that individual also about that in terms of the age gate and how they can verify an individual prior to completing deliveries.

SENATOR MARONEY (14TH): Yeah, I would love to get your thoughts on that if it would make sense to do a pilot like that, is there value, from your perspective?

MR. CODY RICHARD: Currently, I do believe that Drizly, the alcohol delivery service, does utilize a similar technology to that. I have inquired to my DCP agents regarding utilizing technology to that and he says, "Cody, if you want, you can utilize technology like that, but we're still going to require you to visually verify the identification of, you know, the consumer at the point of delivery too."

Do I believe a pilot would help to -- it would help to, you know, display the technology and possibly see the flaws in the technology because without actually running a pilot, how will we actually know if it could potentially be beneficial towards us, you know, to any of the retailers or delivery operators in the state? So I do believe it would be

beneficial just to see how the technology would, you know, work in this space.

SENATOR MARONEY (14TH): Okay, great. No, thank you very much for answering that.

MR. CODY RICHARD: Thank you.

SENATOR MARONEY (14TH): Are there any further questions? All right, Cody, thank you very much.

MR. CODY RICHARD: Thanks.

SENATOR MARONEY (14TH): Mr. Clerk, is there anyone else?

CLERK MJ SHANNON: Yes, we have Olivia Rinkes online.

MS. OLIVIA RINKES: Good evening and thank you for the opportunity to testify. My name is Olivia Rinkes. I'm from the town of North Stonington, Connecticut, and I'm also an undergraduate student at the University of Connecticut.

I'm testifying tonight in opposition to HB 5150, AN ACT CONCERNING CANNABIS AND HEMP REGULATION. I am a longtime supporter of the destigmatization, decriminalization and legalization of cannabis.

Connecticut made important moves by legalizing cannabis in 2021. But unfortunately, since then we seem to be making backward movements when it comes to destigmatizing cannabis and repairing the harm that has been created by the war on drugs.

Legalization has continuously prioritized large out-of-state corporations at the expense of the social equity applicants in the state who have been forced to compete for crumbs. Cannabis was legalized with the talk of removing cannabis convictions from individuals' records and releasing individuals incarcerated for cannabis convictions.

Instead, now, we're still seeing taxpayer money going to the arrest, investigation and continued persecution of individuals over cannabis. Now, this bill is suggesting even more legislative restrictions. These restrictions are being put in place supposedly to protect consumers from the dangers of an unregulated market. And yet, while the THC is being kept to legalize cannabis, the legal threshold for mold is going up. Where is the concern for consumers in that respect?

Please listen to the cannabis advocates and supporters and oppose this bill and other bills that will take us backward in the process of legalizing cannabis. Please destigmatize cannabis now and repair the harms to the ineffective and community disrupting war on drugs. Thank you very much for the opportunity to testify.

SENATOR MARONEY (14TH): Thank you for your testimony. Does anyone have any questions? No? All right. Thank you. Thank you very much. Mr. Clerk.

CLERK MJ SHANNON: Yeah, Mr. Chairman, I think we might have one more person if he wants to testify.

SENATOR MARONEY (14TH): Yeah, when you come up, the red button is already on it, so you just need to state your name, please.

MR. TYLER BUCHINO: Hi, I'm Tyler Buchino. This is my first time doing this. I just wanted to make a couple of points since we're already on the subject and topic. Appreciate you guys for listening to me.

It's such a wide spectrum and so many different problems, but I just want to kind of specify on a couple, especially the ones that are most meaningful, especially to me. I know, for instance, I'll just get to the point.

I find it's really funny that we're focusing on the wrong, I feel like the wrong things in these percentages. I'm not saying they were wrong. It's just like, I feel like there's more pressing issues like loved and family ones sitting in jail and incarcerated over the same thing that they've been fighting for and been passionate about for the past 30, 40, 50 years, and yet those people get shut down and pushed away, while all these other corporations and people come in -- and like in the past 7, 10 years, it's like, the cannabis industry or whatnot has been booming or going towards, I don't know, like the wine or cigarettes or whatnot. It's regulated but it's not so regulated yet.

So people are really trying to hold it back so they can get the taxes or get the loopholes in between or pay the lottery. And I get a pay-to-play game. But I feel like there's a certain part of the market that's just getting shut down immediately and not given an opportunity or a spotlight just because they're looked at as criminals and they don't have the ability to pay to play. Never mind, they have these things on their record or whatnot. And like, there's nothing in between and there's no, like, that's just gets overlooked because the people come in and, I mean, I get it.

It's the industry and like the supply and demand trying to come up and keep up with that. But yet again, like, of course, when you compare someone who's been whatever, trying, getting harassed and whatnot, and you got these millionaires or billionaires coming and it's like, "Oh, let's come in and capitalize off the market." Why wouldn't they want to? It's a smart thing to do and like, like everyone, so some people are here specifically fighting for the passion and the people, some people are here to fight about their profits and to make sure because they already paid this money. And it makes sense, right?

But it's such a huge thing. I feel like putting these limitations and set backs on it, it's just like, I don't know, because there's still people hiding in the shade and like, whatnot, and like 7, 10, 20 years. But how about the people that have been 30, 40, 50 years that have to hide and they were stigmatized and they don't feel safe because of what the world is.

Never mind, it's like a medicine, it's plant, it's natural, never mind. There's nothing, there's no testing, there's no actual in between and like, just because like the new regulations, it's like, oh, people can't smoke and drive, people can't do this and that, there's no testing, there's no anything in between and people have been doing this anyway. So, what's the difference now that there's a law that says so?

But in the people's minds, it doesn't make sense. But I mean, I get it for safety and regulations and by the book, but the book doesn't seem to make sense if it's supposed to put the people first and that's just touching on one thing specifically, but I appreciate you guys listening.

Another thing would generally be like, I don't know, I feel like a lot of other states and spots have good framework and in between it's just hard and the state is difficult and I get it. But I don't know, I feel like we try, I just feel like the wrong people don't listen to us. So it's just difficult to actually make an impact. And I don't know, I want to change that, especially because people shouldn't suffer. Never mind, the mold and anything in between. It's like if you have the people that have been passionate about this come out of the shadows and stop hiding, but they can't because it's not right yet.

You feel me? Or maybe you don't, but it's just like the people that have the passion and the actual -- I don't know, like, so people have been coming in

because it's like, oh, you smoke weed, weed's cool or whatever or cannabis. But like, it's a medicine. Some people are like, oh, like specifically this one strain, the only thing I smoke because it's my medicine. I've been doing this for like the past -- it's just, it's what works for them. It's like, that's not like anything in between. That's not in a lab, it's not made in a lab. It's natural. Never mind, that's what's so great.

And like everyone can do it too. Never mind, like how you grow in your garden, you can grow a plant pot in your garden or whatnot, if it's legal, but you can't grow it outside, even though you should be able to because electricity is expensive.

But anyway, it's just these rules and regulations that like people have to play inside, but why? It's medicine, it's a plant. It's like, it's natural and like, I don't understand why. Like, people get, never mind, you get stigmatized because, oh, you smoke weed or oh, you're -- it's a bad look, but why?

SENATOR MARONEY (14TH): Does anyone have any questions? And unfortunately, I don't know if anyone has answers for you. [laughs] I'll see if anyone has questions, though.

MR. TYLER BUCHINO: I don't expect to have answers for me. I just, I hope you guys hear me. I appreciate you guys taking -- I know you guys want to go home, it's the end of the night and whatnot. But I mean, it's just real things that are actually -- never mind, the in-between of the legal and not legal and it's a real thing that saves people's lives.

How many people have died because of marijuana or cannabis? It's hard to find those facts. But yet again, whenever something gets or someone gets in trouble with cannabis, because it's so new and unregulated and there's not the research behind it,

that's the headlines because that's what they want you to see because they want to slow it down. They want to, whoa, whoa, whoa, it's the scariest thing in between because they wanna make the money off it, which I get it.

Who doesn't want to make the money off it? But open it up so it can be free to the people because like the people bring the passion to it. So it's like people smoke weed, they're gonna smoke weed, make it open. People drink alcohol, we give them the option. They don't have the option, but as the people they should because either way people are gonna do what they wanna do realistically anyway.

So it's just like end the war on drug wars but you can't because what if not, I get that. So it's like open up, never mind, like, it's natural.

SENATOR MARONEY (14TH): Thank you very much.

MR. TYLER BUCHINO: Thank you. I appreciate you guys.

REP. D'AGOSTINO (91ST): Thank you. Have a nice night. Is there anyone else here who hasn't signed up? Do you guys -- you've been sitting there all night? [laughs]

UNKNOWN SPEAKER: I like hearing though. I like hearing the discussion on marijuana.

SENATOR MARONEY (14TH): All right. So, Tuesday at -- Mr. Clerk, when's our next meeting?

CLERK MJ SHANNON: Early Tuesday.

REP. D'AGOSTINO (91ST): Tuesday at noon, Mr. Chairman.

SENATOR MARONEY (14TH): Tuesday at noon, it promises to be just as long, so. [laughter] But unlike today, Marcus will be here and we'll all be

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sn/gm/rp

GENERAL LAW COMMITTEE

1:30 P.M.

home. All right. Thank you very much. We are
adjourned.