CHAIRPERSONS:	Senator James Maroney, Representative Roland Lemar
SENATORS:	Cicarella, Gadkar-Wilcox, Lopes, Osten.
REPRESENTATIVES:	Ackert, Allie-Brennan, Aniskovich, Candelaria, Gibson, Jensen, Luxenberg, Martinez, Osborne, Paolillo, Rutigliano, Santos, Turco, Yaccarino.

REP. LEMAR (96TH): Alright. Good afternoon, everyone. I'm glad to see so many folks here to join us today. We've got a number of folks who signed up. The first hour reserved for public officials, and then we'll go back and forth between those who have signed up from the general public. This is a long public hearing. There are over 60 people signed up to speak today, so we want to make sure folks are getting out at a reasonable hour.

Written testimony for those of you who cannot stay for the entirety of this public hearing. Written testimony, we have access to, far after today's date. So don't feel like, if you're unable to stay for the full six, seven, eight hours that this might take today, that your written testimony will be seen in a lesser light than the testimony you're able to provide in person.

We will evaluate each of those things with full earnestly. A number of my committee members are in other meetings throughout the building. They will rely on written testimony just as much as watching the video of your verbal testimony. There's no

preference given to folks who are able to be here at noon on a Wednesday.

We appreciate the opportunity. We appreciate the time you're able to give us, but please know that your testimony, however it's delivered, is taken in equal weight. Any opening remarks from my Co-Chair?

SENATOR MARONEY (14TH): Nope. Looking forward to hearing the testimony.

REP. LEMAR (96TH): Sounds great. Ranking member Rutigliano, any opening comments?

REP. RUTIGLIANO (123RD): Nobody ever booed a short speech.

REP. LEMAR (96TH): There you go. With that, first up, we have Brandon McGee from the Social Equity Council. Then followed by Chief Richard Velky, who's Chief of the Schaghticoke Tribal Nation.

BRANDON MCGEE: Senator Maroney, Representative Lemar, Senator Cicarella, Representative Rutigliano and honorable members, Representative Turco. Thanks for this opportunity to offer my testimony regarding two bills, House Bill 7178 and 7180. We are here on behalf of the SEC to testify in opposition to specifically Sections 11 and 13 of House Bill 7178 and House Bill 7180.

You all are in possession of my testimony, but I do want to articulate our concerns, in particular provisions in Section 11, introduce a complex framework, for locating cultivators outside of a DIA that's a Disproportionately Impacted Area. It is more straightforward and effective to support them

in municipalities with the DIA with an established framework.

Without greater detail or reliable data, we hesitate to support expansions that may detract from the initial goals to contributing fully and directly to established DIAs. Lastly, the SEC strongly opposes, Section 13 of the bill which ultimately permits hemp producers to cultivate cannabis under certain conditions.

During the 2024 session, the legislature passed Public Act 24-95 that established a task force to study the impact of allowing Section 149 cultivators to enter into business agreements with hemp cultivators. We cannot support the provisions in this Section until the task force has met and conducted a comprehensive study. This study is essential to my team and those of you around his table to determine if the proposed change would be beneficial or detrimental to the cannabis market and its social equity objectives.

And lastly, House Bill 7180, we know that this establishes a task force to study the social equity council's operations. We believe this proposed legislation is unnecessary and redundant. In addition to the comptroller's examination in 2024, of which we are extremely appreciative of his leadership and support, the council carried out a deliberate and thoughtful two month process to develop a three year strategic plan of which all of you should be in possession of.

And if not, we'll make sure you have a copy. This session we propose legislation including in House Bill 6930 to implement some of the comptroller's

recommendations. As we move forward, House Bill 6930 has received broad support including from the office of the state comptroller. The office of the state comptroller is also in support in the internal policy changes, the council will be implementing in the coming weeks.

The establishment of a task force as proposed by House Bill 7180, again, is unnecessary. I'll end here and it's not a part of my official testimony, but in Senate Bill, 970, we don't fully understand the implications at this time of that particular Bill, but we would have to defer to the agencies of expertise on it. Thank you.

REP. LEMAR (96TH): Thank you, Mr. McGee, for your testimony here today and for your commitment to Social Equity Council and for coming here now on numerous occasions. You are correct. You highlighted 7180 as perhaps being redundant of a Bill that you offered that had broad support from our comptroller, members of the General Assembly, and members of the general public. And we appreciate your efforts in that regard.

I tend to agree with you that perhaps this Bill is duplicative and unnecessary at this point considering the great leadership that you have shown, in your time at the head of counsel and what you were able to offer to us for consideration. We originally raised this to cover any additional ideas that may have come up, subsequently to that meeting but it seems as if you covered most of the most urgent issues, that we were confronting and facing.

So I tend to agree with you on this. And I appreciate you highlighting Senate Bill 970. We may

reach out to you to further explore the impact that you're concerned of and other people are concerned about with respect to that. As to the other two Bills, I think your concerns are very well heard. They'll be incorporated, post JF deadline.

And so we'll probably bring you in sometime in April to walk through some of those suggestions in more detail and see what those concerns are. And again, I really respect your leadership as head of the council. And I think it's a great benefit to me to be able to count on you, to walk me through the what your concerns are.

As someone who's new to this committee over the last few months, touching on some of the things that we've been working on for five, six years, predating my tenure as Chair, I'm going to rely on some of your expertise in the origin sentiments, behind some of the initial proposed and accepted legislation and how that may be impacted by some of the things we're considering here. So I just want to say thank you. Are there any other questions or comments for Mr. McGee? Representative Rutigliano.

REP. RUTIGLIANO (123RD): Thank you. Good afternoon, Sir. I just had a quick question because we had heard some testimony, and read some testimony about taking the--

BRANDON MCGEE: DIA.

REP. RUTIGLIANO (123RD): DIA applicant, the time where they had to stay within the business is currently seven years before they could sell or do whatever. And then there's an effort to drop it to

three years. I didn't know if your department or your--, had an opinion on the subject.

BRANDON MCGEE: Yeah. Initially, we've all internally have been meeting with many of our social equity entrepreneurs, and working in partnership with the Connecticut Cannabis Chamber, excuse me, and really trying to figure out, do we make this hardcore decision now without data, or do we take time, step back, work alongside many of those individuals that are currently in the market?

Perhaps they may be under different business structures or schemes to inform what our final decision might be. But I do, I have my legal counsel here, and I'd love for her to share a little bit of our thoughts on that, Mariedy Collazo Cruz, to just give a few thoughts.

REP. LEMAR (96TH): Your name and title for purposes of CTN.

MARIEDY COLLAZO CRUZ: Good morning. Mariedy Collazo Cruz. I'm the Legal Director for SEC. Thank you for your question. We have been working with our social equity entrepreneurs to understand the implications of these changes. We understand the time frame was initially put in place to protect the social equity entrepreneurs, from possibly predatory practices regarding buying out these SECs at an early stage of the business, where the stage hasn't fully grown or developed to begin generating revenues where the social equity applicant will receive that benefit.

What we've heard from our SEEs is that these businesses, they anticipate it will take at least three years for them to actually see money in their

pocket. So while they're generating revenue, most of the revenues are used to pay back, the backers. They invested money, they, I don't know, invested in capital improvements, maybe purchased a property, maybe purchased equipment, and the way that the agreements were structured, they get paid first, like most businesses do, and then the social equity applicants would be receiving actual money in their pocket.

So, we have concerns regarding that, what would be the impact on the social equity applicants. We also understand that these establishments received benefits from the state by way of reduced fees, and other incentives, if you would, or benefits. And so we're wondering, how would we then if we make that concession, ironically, these benefits stop at year three, which is what they want to make the change to.

So, how do we make the state whole then, because they're no longer going to be a social equity establishment, and at this point, they've probably received, low interest loans, they've received significantly reduced fees by 50%, of what DCP requires to be paid. So we're still evaluating what the impact would be, not only on our social equity applicants, but in terms of being good stewards of state funds.

BRANDON MCGEE: And Representative, I would also just add, we want to create a win win situation, because you have these business ventures coming together, and we don't want one of them to lose out, but we also know that we are responsible for advocating and protecting the interest of social equity entrepreneurs.

REP. RUTIGLIANO (123RD): Would you agree that if we were to make that change, probably, your organization would be the best one to recommend whether or not, a) we should do it and what the time frame should be, because we're hearing from lots of, I would say, potentially conflicted organizations, one that maybe needs money right away, one that's looking maybe to get rid of an investor on the cheap. Would the SEC really be the place or the organization to recommend what the timeline should be?

BRANDON MCGEE: I think control is always cool. But it's even more of a reason, we are of the mindset we should take a step back, so that we can create, again, a win win situation but well thought out. And so instead of moving in haste to pass a piece of legislation put in statute, just give us a little bit more time so that we can work with all of the various stakeholders.

REP. LEMAR (96TH): First, I want to follow-up on that. I think that's an important consideration. I was tossing this around because I've heard from both the social equity partners and the original applicant, and they both seem to be coming together on this idea that three years is the right answer, and I still have, and we've talked about this for a few months now, I still have some underlying concerns that we're missing the inherent intent of that original legislation and somehow someone's going to get taken advantage of.

And so I was, conceiving of a compromise is the wrong word, but a process or a structure in which certain applicants could be eligible to sell after

three years, so long as the council itself is reviewing the nature of that sale. And that put a lot of onus on you Miss. Cruz, to evaluate the legal framework of that agreement and that sale to ensure that no one's being taken advantage of and then that proper protections and controls are put into place.

We're hesitant to go down that road but I thought that might be the appropriate tools. If we were to reduce that period of time from seven to three, it would only be if an external body had an opportunity to evaluate that deal and ensure that the original intent of the legislation is being approved.

MARIEDY COLLAZO CRUZ: Yeah. Thank you for that. We've had conversations, around that same subject. How do we ensure that, we further equity? That was the initial legislative intent. So I think if, again, back to Mr. McGee's point, if we make informed decisions, we'd be in a better place. We need more information. I think the structure that you're proposing is a fair one to evaluate. So, yeah, I think we would agree.

REP. LEMAR (96TH): Yeah. I think this is a big conversation we have sometime in April. Trying to think through if we can figure out a way to do this, so we consider that and maybe have a more delineated process that doesn't immediately change the rubric here in Connecticut. I appreciate it. Senator Maroney.

SENATOR MARONEY (14TH): I'm just thinking, you brought up something that I hadn't thought of before. Because there is one area of the statute where it's only three years before they can sell another. If you're the cultivator, I think it's

seven years. But I hadn't realized it, they received a more significant break in their initial fee, which would then make sense that, that's amortized over more years. So I wonder I think that that's, yeah, it's something that we'll have to consider. So thank you for bringing that up.

REP. LEMAR (96TH): Thank you for your comments on the other Bills, and we'll touch base on 970. I know you've got some concerns there about undoing all of the regulations we really put into place, and so we'll go into more detail about that as well. I appreciate it. Thank you. Chief, the floor is yours.

CHIEF RICHARD VELKY: My name is Richard Velky, and I'm the Chief of the Schaghticoke Tribal Nation, a position I was elected to, by my members of the Schaghticoke Tribal Nation back in 1987.

I am here today to speak on HB 7178, an Act concerning cannabis, hemp and tobacco regulations, and respectfully ask that the Schaghticoke Tribal Nation be granted the same cannabis growing rights, the state permits the state’s current Social Equity grantees.

Speaking on behalf of 300 plus members of the Schaghticoke Tribal Nation located in Western Connecticut. As Chief of the longest recognized indigenous tribe in Connecticut, we believe that we certainly should be considered for a cannabis license.

Our history with the State of Connecticut is all too similar of tribes across the nation that have been treated violently, unfairly and unjustly by state

and federal governments.

Over the centuries, since our state recognition, the state of Connecticut wrongfully took and never paid for our tribal land which once consisted of over 2500 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 three-hundred years ago. The State of Connecticut appointed an “overseer" to ensure the tribe would be compensated by the state for our tribal property. Documented evidence demonstrates the entrusted “overseer” stole the money he was legally obligated to secure for our Tribe. We have never been compensated by the state to this day.

Schaghticoke’s burial grounds were desecrated and purposely flooded because they stood in the way of a construction project authorized by the state over a century ago.

The Schaghticoke Tribal Nation believes by amending House Bill 7178 to fully grant our tribe to enter the state's cannabis industry would assist many of our tribal members to help correct injustices from the past.

I would like to extend my appreciation to Chairman Maroney, Representative Lemar, along with the full General Law Committee for considering this legislation. Allow me to suggest this could be simplified by giving the states tribes, the same rights that the legislation that was adopted to PA 21-1.

A licensed grower visited me on reservation and stated as beautiful as our land is, in their opinion, the Schaghticoke Tribal Nation reservation will not be conducive to outside growth. PA 21-1 allows tribes to grow off reservation. We ask to be granted that same opportunity. I thank you for your time and be willing to answer any questions you might have. Thank you.

REP. LEMAR (96TH): Thank you, Chief, for your testimony today, and for being here on behalf of your tribal nation. I really do appreciate your testimony. As you referenced, there's a lot that this committee can't possibly compensate your nation for, but there are much bigger, larger conversations that the state should be accountable to.

And I do think you represented those, past injustices well, and I think it's something, as a state, any room that you're in, you should highlight the injustice that was perpetrated upon your community. And I think it was perfectly appropriate for us to have that conversation. And it's perfectly appropriate to figure out a way, to ensure injustices don't continue to be perpetuated against you.

This is legislation that in its origin in 2021, I was unfamiliar with. I'll need to educate myself as to what the distinction was between on-site versus off nation and why that determination was made at that point in time. But you have my commitment that I will do that, in the days and weeks, after this meeting.

CHIEF RICHARD VELKY: I appreciate that. Thank you, Representative.

REP. LEMAR (96TH): Are there any other comments or questions? Seeing none, thank you again, Chief, and let's be in touch, soon after.

CHIEF RICHARD VELKY: Certainly will. Thank you again.

REP. LEMAR (96TH): Thank you.

CLERK: Representative Genga followed by Mayor Borer.

REP. GENGA (10TH): Thank you, Distinguished Co-Chairman, Senator Maroney, State Representative Lemar, Vice Chairman Gary Turco, Ranking members, Senator Cicarella, and Representative Rutigliano. I submit my testimony today in support of House Bill 5428, an Act concerning mobile manufactured Home Park. And I will tell you a couple of instances in support of this, particularly Section 9.

On September 16th, 2024, the residents of Rivermead Point North Manufactured Home Community experienced a monumental shift in the security of their neighborhood. During the excavation of an unoccupied home, a propane line was hit causing an explosion. And I will tell you that the driver of that vehicle was only 30 seconds away from being extinguished himself.

When the East Hartford Fire Department arrived, they found that the fire hydrants on-site did not have adequate water to extinguish the fire, delaying much needed assistance, to the owners who were watching their closest possessions go up in flames. When the East Hartford Fire Chief was asked about the fire

hydrants, he could not answer because the fire hydrants were privately owned and privately maintained.

The residents of Rivermead are proof that leaving the public safety in the hands of private out of state mobile homeowners is insufficient at best and devastating at its worst. While this fire was contained to four homes, one destroyed, three damaged, and the residents were lucky to escape, there was no guarantee that this would not happen again.

The owners of the park were aware as early as 2019 of this issue. Another fire broke out and the fire hydrants did not work, and the same fire chief said the same thing. Section 9 of this Bill outlines procedures for testing of fire hydrants with the Department of Consumer Protection will oversee the process until such hydrants, as the one at Rivermead are deemed safe and sufficient.

This is the primary responsibility of government, public safety. There's none higher. Connecticut must protect our residents, and it's for this reason I humbly request that the members of this committee consider this, support of this legislation. Thank you, and thank you for your time.

REP. LEMAR (96TH): Thank you, Representative Genga. Thank you for bringing this to my attention a few months ago. You came to my office, highlighted this, specific property, specific issue that took place. We later learned that this is an issue that's confronting a number of communities, mobile home communities across our state, and I appreciate you highlighting that.

REP. GENGA (10TH): I also appreciate you, because you were very open.

REP. LEMAR (96TH): And we have a member of this committee, Representative Martinez, who spent a lot of time consolidating a number of concerns, the impacting specifically, mobile manufactured homes across Connecticut, and she also recognized that this was a significant concern and incorporated it into this overarching Bill.

So I appreciate everyone's work on this Bill to get us to this point. There are a number of concerns that DCP has highlighted in their testimony. I'll work with them, to help address some of their concerns and how we can effectuate, improvement in this Section. But I do think you are right. This is our primary responsibility of government, and we need to find a way, to ensure the residents of your community in East Hartford, but communities across Connecticut are protected. Are there any questions for Representative Genga? Representative Turco.

REP. TURCO (27TH): Thank you, Mr. Chairman. Good to see you today, Representative Genga.

REP. GENGA (10TH): Thank you, Gary.

REP. TURCO (27TH): Can you tell me, is this common in your research for mobile home parks across the state where they are not owned by the municipality, that they are privately owned and maintained by the mobile park owners?

REP. GENGA (10TH): Yes. Let me explain. There's two women who will testify today, Rebecca Connor and

Heather Toutain. Both of those individuals are outstanding in what they did. They organized 462 homeowners together, had a meeting of about 80 people, asked me to attend, and I found out, at that point, and started doing some research.

But what I'm getting at was, the number of inadequacies that continued, not just this, but others. Negligence on the part of the owners. The fire safety is such an issue, I couldn't believe it. Anybody here knows who buys house insurance, that what they ask you, one of the standard questions immediately, and they're going to charge you based on that is, how far is a fire hydrant from your home?

And the community itself tests those every year. I found out that from our fire marshal that these can be tested very easily. There are people out there who do this, who have the technology. And he told me they upload to the fire marshal, of course, this is just like apartment homes, which are on public property. They upload, and it cost them $17, and they've got all the information there to do this. This is the way I assume the same thing would happen with the Department of Consumer Protection, who is the licensing agent.

REP. TURCO (27TH): Thank you, Representative Genga. I'm just shocked though that there is no current oversight by a municipal fire department, a fire marshal, any other state entity on these fire hydrants now, that we have to--, and I think this is a great proposal and I'm glad you brought this forward, but no one has any responsibility, and there's no oversight currently, to maintain these fire hydrants for these residents?

REP. GENGA (10TH): Not to my knowledge and not to the town. I will tell you the town of East Hartford, the meeting I went to, they responded to this tragedy. It blows your mind when you see what happened. But the mayor was there. His staff was there. The fire chief was there. The fire marshal was there. The town council, both sides were there.

They were all ready to do something. They're working now with the owner to put in a new line and sufficient, because the new owner is bringing in 200 more units, to this facility. And what he was doing was destroying one to replace it so he could, sell it out.

REP. TURCO (27TH): Thank you, Representative Genga. I'm interested to learn why there's a distinction here with mobile home parks than, HOA communities, different condo associations. I lived in a condo in Newington for many years, and I believe the fire department comes in and tests all these hydrants. And that is a private road and private property. So there's a distinction that doesn't seem fair, and I'm glad we're addressing it. I also wanted to ask you, Representative Genga, because you have a mobile home park in your district. It seems like you're very in tune.

REP. GENGA (10TH): We got a couple.

REP. TURCO (27TH): A couple, and you're talking to residents, you understand. There are some other provisions in this Bill that we are considering. It's more expansive than the Section 9, that you've brought forward today. And I'm wondering your opinion on some of those, particular with the issue

of rent caps and other types of fees that your residents may face? And, do you support the other provisions of this Bill? Thank you.

REP. GENGA (10TH): Generally speaking, rent control in a free enterprise system isn't something you want to control. But we don't live in a perfect world. And if you see what's going on around us in the amount of space available for housing, inexpensive housing, this is very inexpensive housing to individuals. However, when you see what's being done, when the homeowner who we're meeting with monthly, the property owner who we're meeting with monthly, tells us, I'm bringing in 200 units more.

That tells you something about the future, tells you about the investment, tells you about what's happening in our community. So we need to be more vigilant because the government is here for the people, and it includes the owners. So what I'm basically saying is, if you have rent control, I believe it is going to help.

It's going to help the few scrupulous people. We had a rent control in my town several years ago. And for years, only one case ever went before it, and it got resolved very easily. Maybe it was the stature. Maybe it was the psychological consequences. I don't know. But that was a great result.

REP. TURCO (27TH): Thank you, Representative Genga, and thank you, Mr. Chairman, for allowing me to question.

REP. GENGA (10TH): Thank you, Representative Turco.

REP. LEMAR (96TH): Thank you. Any other questions? Representative Martinez.

REP. MARTINEZ (22ND): Hi, Representative Genga.

REP. GENGA (10TH): Hi, Rebecca.

REP. MARTINEZ (22ND): I just wanted to ask you, when that explosion happens, what was the response of the owner and what did they do to rectify the situation?

REP. GENGA (10TH): I will tell you, that for about a month up until the people organized and got together, I didn't think there was much. They provided some support. For example, the individual who lost his home, they put him in a hotel, but they didn't provide him with anything else. That was it. There were a couple other things that you're going to hear from Rebecca and Heather who live this.

They only live, possibly 100 feet away from the explosion, and you got to walk in their shoes. They can explain much better so you get a picture of the real world, and what you don't want people to be involved with. Right after the association of Oregon, I received a call from a representative of the owner who said, we'd like you to meet with the owners and his management and the association so that you could run the meetings and get some results.

I agreed to that under one circumstance that the owner was present. Because as you know, in any kind of meetings, negotiations, unless you got the decision maker in the room, that drags things out, he was there. He flew in from Michigan, and he flew

in a couple of times from Michigan to be at meetings. And you knew the results were different, than what was going on during the week when he wasn't there. Because whatever he said, went.

And if he didn't, he'd ask his people to investigate and get back to him. So he lived that part and that was good. And right now I can tell you that, he is putting in a new piping system. I spoke with the fire marshal. I've spoken with the MDC who were involved in this, and they said, yes. We've done our due diligence. He's got the information. And I was told yesterday, he's just about finished with the permits.

His goal was to finish by July to have the hydrants up, running and sufficient. But that's a year after the explosion and the second explosion. He also, I received a call one day from Heather Toutain who told me, I have a disabled veteran two houses away from me who lives right near there. His house was damaged. He doesn't have any heat, and he was told he'll get it in about two days.

That got my hair going as anybody here would, and I called the representative and I said, can't repeat what I said, but I was, basically, how could you do this? Within two hours, I had a callback from Heather saying he had his heat. That's only humane. That's what everybody here wants. We don't want something beyond what we're due.

But when you pay rent, you pay rent with an expectation. I will tell you today, most contracts you do, because of the red tape with the laws and the courts, say, you will, you will, resolve any discrepancies with mediation. Okay. Or arbitration.

I used the wrong term. Arbitration. I see the rent controls the same way.

REP. MARTINEZ (22ND): Just, one more. The heat you mentioned, that would be the renter's responsibility, or do they provide the heat or how does that work?

REP. GENGA (10TH): Well, let me tell you. After this explosion, the water was not available for drinking. It took 11 days before they got their drinking water back. And any water they needed for other purposes, they had to boil.

REP. MARTINEZ (22ND): Okay.

REP. GENGA (10TH): Some of the individuals were also affected by loss of heat to the park. I certainly wouldn't want to be in that situation. I spent last weekend in an emergency in my own home, and I thought about these people and what they did.

REP. MARTINEZ (22ND): Awesome. Thank you.

REP. LEMAR (96TH): Thank you, Representative Genga.

REP. GENGA (10TH): Thank you.

REP. LEMAR (96TH): For your passion, commitment, on behalf of your residents and for highlighting this issue and bringing us this committee's attention. We appreciate it.

REP. GENGA (10TH): Oh, I would add one thing too. The day we had the meeting with the owner, the Attorney General came to East Hartford at my request. And he spoke to the residents there in the

meeting. And the last thing he said, and the owner was there to hear it, do the right thing or I will be back. And I think the owner is doing the right things now.

REP. LEMAR (96TH): Terrific.

REP. GENGA (10TH): Thank you.

REP. LEMAR (96TH): Seeing no more questions.

REP. GENGA (10TH): Good luck to you guys.

REP. LEMAR (96TH): Thank you again. I appreciate that.

REP. GENGA (10TH): Thank you for your indulgence.

REP. LEMAR (96TH): Next up, we have Mayor Borer online. Is she available?

CLERK: Yes.

MAYOR BORER: Can you see me?

REP. LEMAR (96TH): Ah, Mayor. Good to see you.

MAYOR BORER: Hello. Hi, Senator Maroney and Co-Chair Representative Lemar, and Vice Chair Senator Fonfara, Representative Turco, and our Ranking member Senator Cicarella, and last but not least, State Rep. Rutigliano and all my other friends. I'm here to talk about--

REP. LEMAR (96TH): Mayor, before you get started, I see that there's nothing behind you referencing that you're mayor, but there is behind you a reference to

your time as a State Representative here in this building. It's as if maybe you missed your time here and are highlighting that for our prerogative. We appreciate you here as mayor today.

MAYOR BORER: Yes. Thank you. Both roles important. Love both roles. Doing a lot of good work here. So I'm here to talk about Bill 7178 in particular, Sections 23 and 24, which is going to help us as local chief elected officials to address the sale of tobacco products to underage, unlawful sale, and the unlawful sale of products, that are not licensed here in Connecticut.

And this was a Bill that we testified on last year. I had Sergeant, Lieutenant actually, Patrick Petrillo with me, and we both testified because this was a Bill that Representative Al Paolillo had put in previously that we strongly support. Right now, if there are issues at a convenience store or gas station or somewhere that their tobacco is being sold, if there are issues, department of revenue service, when they go to renew the license, they don't have sufficient information, we believe, in order to make that decision.

So allowing our Chief of Police in the individual towns to weigh in, it's an option, we would opt in to be able to do this. Having them be able to give a record of complaints or issues at that facility regarding tobacco sale, I think will be key for DRS to consider when making those decisions whether to renew the license.

We still have, as you know, a critical issue with sales to underage, to minors. And it's difficult for us to be able to hold these, permittee's

accountable, without being able to provide the information that we know in order to address that. So that is a key component in the Bill, that we strongly support, and we thank you for raising this Bill.

I also want to add two other issues that you might want to consider, that will also help us and strengthen the ability to address those who do not act properly. And one is currently, so we can do raids for underage when DRS comes to town. And as you know, there's 169 municipalities. They have a very limited staff that can do that.

So it's hard for us, our hands are tied to address facilities that may be selling to minors. So they have a team that they have trained that are underage that go in and try to buy the product. And then if they sell to these underage individuals, then we could address it along with DRS. We don't have those trained individuals. We don't have the ability, or we're not allowed to train underage in order to go in and do that.

But DRS is very, very short staffed, so we are really at their mercy, to be able to do any of those spot checks, or any of those raids, or any of those compliance monitoring. So, if there's an ability to augment the division that helps us to address these facilities, that would be key. And then lastly, important that you may not know, we learn these things, once we're on the ground here, that, if there is an infraction and a fine associated with it, it is applied to the person behind the counter that sold the product.

It does not go to the owner, or the permittee, or the one that holds the license of the facility, and I think that is wrong. I think, yes, the person selling should be addressed. But if you're somebody who hire, 22 year old kid or a man, and they are not trained by the person who gets the license who should be letting them know what they can and they can't do, and they sell or they don't ask for a license or they sell inappropriate product, that fine goes to that person.

And I think you really got to hit the one holding the license in their pocketbook, because otherwise, they just keep paying the fines. And this poor person behind the counter, well, they should know better but haven't been properly trained. Just like in a municipality, if I'm responsible for training an employee, I'm as equally responsible.

So I think if you could adjust the statute to allow for the infractions by our police departments to address those who should be held accountable, to hold them accountable, our West Haven Police Department would appreciate that.

REP. LEMAR (96TH): Thank you, mayor. I really appreciate your testimony today, and I'd call your attention to Bill 7181, which is also on today's agenda, which actually deals with those very specific concerns that you highlight.

MAYOR BORER: Okay.

REP. LEMAR (96TH): We have them separated out. But that advice, we've been hearing from a number of local municipal officials and State Representatives,

and we think we've included language in 7181 that directly gets to that. Like, how you apply--

MAYOR BORER: Right.

REP. LEMAR (96TH): --the penalties, who's subject to those penalties--

MAYOR BORER: Good.

REP. LEMAR (96TH): --who's at fault. It broadens municipal authority and powers in this regard about applying to superior court for searches and seizures and broadly empowers municipalities to engage in this work--

MAYOR BORER: Right.

REP. LEMAR (96TH): --as well. So, I thank you for your testimony and I thank you for highlighting those issues because, it looks as if looking at the testimony today, folks may not have caught that we were addressing some of those things just in a separate Bill.

MAYOR BORER: Yeah. So consider my testimony on 7181 as well, parallel track.

REP. LEMAR (96TH): Thank you so much. Are there any questions for Mayor Borer? Representative Paolillo.

REP. PAOLILLO (97TH): Thank you, mayor. Appreciate the opportunity. Thank you, Mr. Chair, for the chance to ask a question or two. Mayor, I know we went through this Bill last year and DRS has been reluctant, I'll use that word, to move forward with

the language that went through this body and several committees and passed both Chambers.

But with that being said, can you talk about, with some of the enforcement efforts that are happening in your city and your community right now, how many of these bad actors with license renewals would you weigh in on, or would your police chief weigh in on, given the violations and given the work that is being done in your community right now, by your folks?

MAYOR BORER: Sure. So, just two points there because you brought up DRS. So when this law passed last year, we proactively put together a license. We got a list of everybody who had a tobacco license in the city. We put together a letter, and we sent it to all of them. And basically, we were saying we're going to be watching.

There's a new law that was passed, and now our police chief is going to weigh in, and we want to let you know about that. We sent that letter out, and then somehow we heard back from DRS through one of our departments that, that was not accurate. So we were a little disappointed because we saw the language of the law, and we saw the law that passed. So we took it at face value.

So I'm glad everybody is readdressing this, and we make sure that we codify it and that everybody's on the same page so that we could resend a letter out. Number two, we go out and we do raids when we can, but again, it's very difficult for us to address the underage because we don't have those, 17, 15 year olds that are trained through DRS.

They have a very limited staff. I think there's maybe a dozen that have to cover the whole state. So our police department, it's a very difficult task for them. Illegal products, that's something that is pretty prevalent and our police department can go out and address that. But DRS should have the information from our police department.

If there's a license renewal on the table, our police chief should be able to pull in and say, okay. They had an infraction on this date, this date, this date, and this date. They're not a good partner in our city. They're not a good business person, and they're harming our residents. It's a health crisis. We know that. We've talked about it a lot. So help us crack down on those who are not doing the right thing. Does that answer your question?

REP. PAOLILLO (97TH): Yes, mayor. Thank you.

MAYOR BORER: Okay.

REP. PAOLILLO (97TH): I think that is certainly appropriate, and I wanted to just commend you on your advocacy overall, the work that you're doing in West Haven and specifically on this issue, to be so extremely supportive the last several years, both here in the legislature and as you assumed your new responsibilities, as mayor.

One final question, around law enforcement and giving your police chief the ability to weigh in. What's the intensity for the calls for service that you're having, and your police department is having to respond to these establishments, to the bad actors? If you can talk about the drain on city

resources and the fact that, absent the ability to have state support, what that looks like locally for your drain on local resources in West Haven?

MAYOR BORER: Yeah. It's difficult because we'll get a call. I'll get a call in the mayor's office that says, the 7-Eleven and I don't mean to tax 7-Eleven, I'm giving that as an example down the street. We know they're selling illegal product. By the time our police department gets there, usually it's over or they're hiding it, or if they let us know that, they think they're being sold to underage, it's very difficult for us to be on top of it.

So being reactive is not as effective as being proactive, going in there and doing those raids. And as you know, we're a very large, 56,000. We're a large urban city. We have a lot of policing to do. So we know how critical this is, but we just don't have the resources to be out there continually, given we know how important this is.

We have a lot of important issues. So being able to have the support from DRS, consumer protection has helped us as well, is critical because down here, boots on the ground, we can't always address all the things that we want to address. And having consistent, directive from DRS is equally important. We sent those letters out, and then we had to pull back what we said. And that doesn't look very good, and that doesn't help our cause.

REP. PAOLILLO (97TH): Thank you, mayor. Mr. Chair, thank you, also for the ability to bring this back here, and to be able to have these concerns articulated, for the second year in a row. And hopefully, that reluctance, leaves DRS, and the

language is extremely clear that this does apply to all businesses, looking at renewals, for their tobacco licenses. So I appreciate the opportunity. And, mayor, great to see you. Thank you for your time today.

MAYOR BORER: Great. Thanks for all you do.

REP. LEMAR (96TH): Thank you. And, Representative Borer, I think we missed, I don't highlight. You were a part of this general assembly when we passed, adult use recreational marijuana, whatever the term was at the time. And that had broad support. Generally amongst the public, there are many concerns about how to be implemented.

We came up with a structure that passed the General Assembly, was signed into law, and we've allowed for the last number of years adult use, sales in the Connecticut marketplace. We didn't decriminalize possession of marijuana before that.

We allowed medical use prior to that, but what most people in the City of New Haven feel, and I wonder if it's true in West Haven too, I think it's true broadly across the state, they see all of these products for sale in gas stations and convenience stores, smoke shops and vape shops, and they think that's what we allowed to.

They think we were part of that. All those products that have dangerously high content levels that are being sold to children, that are being sold illegally, they think we allowed that too. They thought that was all part of the same conversation. So today--.

MAYOR BORER: That's exactly what I'm talking about, Roland.

REP. LEMAR (96TH): Right.

MAYOR BORER: It's exactly, when I say illegal product, I mean that's exactly what I'm talking about. We see these, small, I'll call them convenience stores, gas stations, whatever the case may be, selling a product that they are not regulated or licensed to sell. That's what we're having a problem with. We're addressing underage, but there's, to your point, we passed, legislation that allowed very specific, rules about who can do this, how you could do this, the way you do it.

And typically, those are I don't want to say good business. I'm trying to think of a way there you know, we don't typically have problems. It's the smoke shops. It's those multiple smoke shops that we have on the street. I actually put a moratorium on our smoke shops, by the way, through our zoning, because it was just getting out of control. We cannot get our arms around the inappropriate sales that are here in the city. So if I did not make that clear, I want to make that very clear.

REP. LEMAR (96TH): No, I think that's right. And so, I'm looking at a lot of testimony today against this Bill because they say it restarts the war on drugs. And I think you're missing the plot on this one. I think people are missing the plot on this. This very specific, attempt to regulate a marketplace that is engaged in the illicit sale of very dangerous products that have not tested, in no way appropriate for human consumption in many ways.

THC levels are off the charts. There are no gate control, age gating. You were here with us when we did this.

MAYOR BORER: Yeah.

REP. LEMAR (96TH): This was a carefully constructed and reasoned approach towards adult use sales and this is not what we were authorizing at the time, and think going after this is the role that government needs to play right now. It is the most pressing issue that we're facing in cannabis and THC. So thank you so much for your leadership.

MAYOR BORER: You could compare it to anything that you get licensed to sell, but this group is not licensed to sell and they do it. It could be a food product. It could be tires that are not--, it could be any product. You get a specific license, because you're trained and you know the law to sell a certain product. Folks over here, if you're not following the law and you're not licensed, you can't sell the product, and they are. And that's a big problem here.

REP. LEMAR (96TH): Thank you.

MAYOR BORER: You're welcome.

REP. LEMAR (96TH): I see no other questions. Thank you again for your testimony today.

MAYOR BORER: Thank you. Good to see you all. Bye.

REP. LEMAR (96TH): We have, Lauren Garrett, Mayor Garrett. And that will then conclude our first hour of public officials. We'll go on interval of members

of the public and elected officials from there on out.

MAYOR LAUREN GARRETT: Alright. Good afternoon, Co-Chair Lemar, Co-Chair Maroney, Vice Chair Turco, Vice Chair Fonfara, Ranking member Rutigliano, Ranking member Cicarella, and members of the General Law Committee. My name is Lauren Garrett, and I'm the Mayor of Hamden. And I'm offering this testimony in support of House Bill 7181.

Last week, our local police department, did a raid on a smoke shop, and they found Fentanyl, 100 pounds of cannabis, and Crack Cocaine. And all of this is being sold out of a smoke shop. It's incredibly dangerous. They also found guns. Because this is so dangerous and unregulated, it's important that municipalities build cases, investigate, and then obviously, make sure that we're shutting those down.

So we did all of that, but it takes a couple of months to build those cases, to do the investigation. And I'm really glad we're doing that work, but there are so many other smoke shops in Hamden where we know that they're selling to minors. We know that they're at least selling cannabis. And in addition to this all being unregulated, what's happening to the permitted and regulated cannabis retail locations is that they're seeing their sales down way more than they should be.

And that's because they're smoke shops that don't have to put in the vault and don't have to go through all of those regulations. It's really cheap to open up a smoke shop, as opposed to the cannabis retail where they're investing so much money in licenses, and then putting in all of the security

that they have to have in place. And so I want to make sure that, not only are we keeping unregulated drugs off, of the street and away from minors, but we shouldn't be harming the regulated and legal businesses that are allowed to exist.

REP. LEMAR (96TH): Thank you, mayor. I think a lot of us saw that situation in Hamden, and the raid that took place there. It was a conversation we were having, internal to this committee, in screening about what we needed to do, because there wasn't enough support to local municipalities who were trying to do the same thing, who had recognized problems within their communities, had received numerous, in some cases, scores of complaints against specific locations and were having a hard time getting the state supports they needed to engage in regulatory and or, a policing effort that they knew could take illegal products off the streets.

And so I know it's hard. I know it's consuming a lot of resources on your end, and a lot of, I'm sure, angry constituents who see something dangerous happening in their communities. I'm reminded of images from, I think News Channel 8, did a thing where they're talking about the problem with marijuana on high school grounds.

And I think they were on Hamden High School's grounds, and they were taking pictures of products that children had brought to school. And none of it, not a single one of those images was of a product that was legally for sale in the State of Connecticut. Instead, it was all things that were only for sale illegally in gas stations, bodegas, corner markets across the state.

So being able to crack down on this issue is what's going to get, this dangerous level of stuff out of people's hands. And so I applaud your efforts in Hamden. I know you're dealing with it just like Mayor Borer and Mayor Elicker. Elicker is in New Haven, and so many First Selectmen across the country, I mean, across the state, sadly, who are dealing with this firsthand. So I appreciate your efforts today. Are there any questions for Mayor Garrett? Seeing none, thank you again for your testimony today.

MAYOR LAUREN GARRETT: Thank you for your time.

CLERK: First member of the general public we have is, Kimberly Glassman.

KIMBERLEY GLASSMAN: Good afternoon.

REP. LEMAR (96TH): Good afternoon, Miss Glassman.

KIMBERLEY GLASSMAN: Chairman Lemar, Chairman Maroney, Ranking member Rutigliano, members of the General Law Committee, my name is Kimberly Glassman. I'm the Director of the Foundation for Fair Contracting, and I just wanted to come up here today. You do have my written testimony, I'm not going to read it, I just want to paraphrase and just extend my gratitude to this committee for raising Senate Bill 1465.

Without getting into detail, this committee has, had the issue of the journeyman to apprentice hiring ratio before it, for a long time, and this committee actually passed in 2017 a law that changed the ratio, and with that law change, created a working

group, made up of both union and nonunion contractors and representatives, and from those meetings it became very clear that there was a large consensus that the ratio relief application process, currently within the Department of Labor's purview is not working.

And before this committee or any committee takes up making major changes or large changes to the statute again. I think it is wise that this committee is first starting with this consensus item between the union and nonunion contractors and representatives from this working group after the law changed from 2017 to say, hey, let's work on making this process better for applicants to the ratio relief process.

So I just wanted to offer that I think that this is the right move for this committee to make. I think it is the right move for the legislature to make. We look forward to working with this committee on potential substitute language, working with the Department of Consumer Protection. I understand that what this Bill does as written is, moves the application process out of the Department of Labor's purview and into the Department of Consumer Protection's purview.

In theory, we don't have necessarily an issue with that as long as the process is very prescriptive. It allows for a lot of transparency and accountability, and I think that we are still working on getting there. So I am certainly happy to answer any questions, provide any additional information, and just wanted to come up and say thank you.

REP. LEMAR (96TH): And let me start by saying thank you as well. It's been a number of conversations

between, you and I, as well as, Senator Cicarella particularly, whose helped pull together a number of us on numerous occasions to walk through what he identified as some concerns in the industry. But I thought those conversations were terrific where you were able to identify along with, Mr. Costello and Mr. Toner and I think a few other folks, in shoes that you recognize as well.

And, how can we actually work together to get to the bottom of this and fix this and create transparency, and ensure that our apprentices are treated well and they're provided the opportunity to get long, well paying, great jobs in an industry and great demand here in Connecticut. We're not looking at this from a myopic viewpoint and a different committee that doesn't have an understanding of the background of this situation.

I think we're taking a long term cohesive look at this, and I appreciate, your willingness to sit down with us and think through a number of issues that maybe I don't understand as well. But I'm excited to learn and make sure we're getting this one right. I think we're almost there. I know that it's going to put a lot of work on the leadership in this committee to get us there by the end of session. So we have a product people feel comfortable with that addresses some of the concerns that your organizations have raised to us as well as the industry more generally.

But I think we're almost there and I'm hopeful that you can continue to help us. I know you've made yourself available to me quite a few times to help work through some of these issues. I know it's asking a lot of you to help us figure out a way to

better regulate you. But I think you've done an incredible service to the state by just being available and willing to talk through some of these details. And so thank you so much. Representative.

REP. RUTIGLIANO (123RD): Good afternoon, Kimberly. The chairman has a unique way of summing everything up perfectly where there's really nothing left to say. So I don't have a question because I wanted to just also express my thanks for at least getting involved in the conversation. And then the fact that we're trying to protect you and your members and coming up with a process that works for everybody.

So I'm happy to be part of those discussions. Anything that you all need going forward will certainly be there for you. And I just wanted to also tell you how appreciative I am of your ability to at least come to the table and discuss it. That's it.

KIMBERLY GLASSMAN: Thank you.

REP. LEMAR (96TH): No other questions. Thank you so much.

KIMBERLY GLASSMAN: Thank you. That was easy.

REP. LEMAR (96TH): Next up, we have Erin Kirk followed by Paige.

ERIN KIRK: Good morning.

REP. LEMAR (96TH): Good morning.

ERIN KIRK: Thank you, sir. I have submitted testimony and I would like to expound on it.

Chairman Lemar, Senator Maroney and Ranking Member Rutigliano thank you for this opportunity. I represent the cannabis ombudsman's office under the aegis of the Office of Healthcare Advocate. And for the past few months while I've been in this job I've received calls from over 100 patients.

And while I have submitted testimony on February 14th. I wanted to talk a little bit more about some other things that have been brought up by business owners, caregivers, doctors, the University of Connecticut and a lot of patients. First of all, we still have the problem of inconsistent medication which is causing our patients to spend more money to get the same level of health that they had before.

I spoke to the owner of a medical store yesterday whose business is down 75% over the last two years and 50% over the last year because of the lack of biomass. Most of the people that I speak to are veterans and seniors and citizens with chronic health conditions. And as we've spoken about we've lost 40% of our patients.

And in speaking to journalists and Ben Zachs and others who own businesses in other states we know that we're not losing patients. We are just losing Connecticut patients. They're going to other states. I have spoken on that before so I won't belabor that point. But I do want to speak about another major thing that's been brought to our attention that I haven't spoken about is the hemp situation. And you've got the SB 970 in front of you which we believe is very detrimental to patients.

We have a lot of veterans who don't want to get high. Many of us can't get high. We don't have time.

We are very busy people. We don't want to have our minds altered. We want the hemp products and the whole spectrum CBD products that we had before adult use was brought on. And with the regulatory changes it's been very difficult to get that medicine. We have a patient who has a five year history of a brain cancer.

Her physician is giving her high THC and high CBD products and that person after five years all nine tumors have been shrunk. Unfortunately, we can't find the CBD for that patient currently. Before I took this job I was working with my alma mater Georgetown University on CBG and multiple myeloma studies. One of my friends is now five years in that program and is still alive. The person with the placebo is dead.

Similarly, I'm working with Johns Hopkins. My brother-in-law at 49 was diagnosed with rectal cancer stage four and was supposed to be dead in six months. Through a regimen of just baked cookies with a small amount of THC he was able to ring the bell. No evidence of disease and Johns Hopkins is studying CBG in intestinal rectal Crohn's and other cancers.

We have the University of Connecticut some of whom are here today and my wonderful student intern is from UConn. They have an enormous body of research. Sorry. I get very nervous when I speak here even though I've been doing this for 40 years. They have an enormous body of research that I think should be explored.

We are working with them to help our patients. I got a call this morning at four o'clock and I don't know if you get calls from crying people but I do all the

time. A gentleman called at four o'clock this morning. He had used the last two drops of his CBD and he was determining whether or not he should end his life. This is an Afghanistan Veteran with whom I've worked for 20 years.

We finally got him to get where he needs to be and unfortunately a couple of weeks without his medication and it's just dire for him. Again, there are many people in the intelligence community and the veteran community who are worried about repercussions from the current administration and who cannot get VA benefits if they use THC.

We really should be robustly diving into CBD, CBG, CBN and the various nonpsychotropic hemp products that people are begging me for. I have a 79 year old grandmother who can no longer drive because she can't get her medicine. She's now back on opioids. It costs her $123 round trip via Uber to see her grandchildren. There are a lot of people that are not ambulatory. They have anxiety. They have inflammation.

They have a lot of things yet they still want to work. So I just wanted to call your attention to the fact that we used to have a great hemp program. I know Jerry Berkowitz who's a modern day god in the research space has gotten probably the most research dollars for hemp in the country. And they don't touch cannabis at all and they are being told that some of the products and the things they're studying are now illegal.

So I just wanted to call your attention to the fact that while I am the cannabis ombudsman that does also encompass hemp and that many of our veterans

and senior citizens don't want to get high. They just want to sleep and they just want to feel better and they want to feel like they did prior to two years ago. Thank you.

REP. LEMAR (96TH): Thank you and thank you for your testimony. A very extensive amount of testimony you've been able to provide this committee over the last few months. We appreciated the time you spent with us early in session when you came in and highlighted a number of issues for us to consider this year.

We know there's some concerns with some of the regulations that are proposed in a number of these bills. We'll be working on them over the next month. We might be reaching out to you to help think through some of the ramifications of some of the proposals. So I appreciate you spending the time with us today but also being available to us as we move forward.

ERIN KIRK: Well, I'd love to hear from you at two in the morning instead of the crying people.

REP. LEMAR (96TH): My calls usually come much earlier in the day.

ERIN KIRK: I'm a 24\7 door's always open. I also want to mention during the February 14th testimony you asked for the symbol that are on all the regulated New York stores. And I have sent that to the committee. I don't know if my headers were on it but I think that's a pretty easy thing to do. Because when Savvy Shopper in Westport almost really hurt a child who got very sick from gummies and I

called the attorney general and the Westport Selectmen.

I was met with no love. But they have busted those guys for the third time. And I want you to know that I've written laws in other states. I am very much against anything that appeals to children. I appreciate what you've been doing on this committee and I just speak for the seniors and the veterans that are just trying to get back to where they were.

REP. LEMAR (96TH): Yeah, thank you so much for your time today.

ERIN KIRK: Thank you.

REP. LEMAR (96TH): Next up we have Paul Costello followed by Sarah Miller.

PAUL COSTELLO: Sorry about that.

REP. LEMAR (96TH): That's quite all right, Paul the floor is yours.

PAUL COSTELLO: I appreciate it. Thank you. Chairman Maroney, Ranking Members Rutigliano and Cicarella. And again thank you all. Apologize. I can't be in there in person. I'm in safety conference this week. I do want to thank you though again for raising SB 1465 and addressing ratio relief. I know there's been a number of bills this session more than in the past dealing with ratio.

And as a member had the privilege of sitting on the work group that was created by Public Act 1776 that Kimberly talked about earlier I think the one thing that we could all agree on is a need for a ratio

relief to be cleaned up, streamlined, making an online process and address the concerns individually.

I still don't see a need to change an overall system when overall the majority of the sponsors seem to be in compliance with ratio. Few things with the bill though. I do appreciate the opportunity maybe to express some concerns. I think it does need to be brought in a little bit more. Bring in a few more things as far as some of the requirements when they do apply and believe the department would hopefully take consideration on that.

I think what they need to also consider is there's going to be previous testimony on other bills related to our technical high school students. I think consideration in some of the spots during for racial relief should apply to those students and reserve them specifically for our students. I think that'll help as well. I think at this point I'm really open for questions.

REP. LEMAR (96TH): Thank you Mr. Costello and thank you for coming in earlier this week or last week I guess it was at this point and having these conversations more in-depth. I tend to agree with you. I'm talking to my ranking member here and we like the idea of incorporating our tech students into this in a different way, in a unique way and making sure that their preference where we can.

I've seen the other racial relief bills in this building and other committees that mostly seemed like a press release guys as legislation. I think we're taking a different approach. I think we're on the right track and it's only because you're willing

to work with us and think through the ramifications and the impacts that we're on the right approach.

So I will benefit greatly from your continued counsel as we move forward over the next few weeks and months. So your availability to me is the most important ability here. And so I thank you for your willingness to engage so far. And it's my hope working with my colleagues on this committee. We get a product that everyone in the industry can look to and be confident that we did the right thing. So thank you again, Mr. Costello.

PAUL COSTELLO: Thank you. I appreciate the opportunity.

REP. RUTIGLIANO (123RD): I just wanted to be real quick. I don't want you to take the lack of questions for the lack of interest. It's just that your group and you personally are so open and there's so much communication between us all. We feel like we've had a public hearing many times over. So I really appreciate also your counsel and your input. Thank you, sir.

PAUL COSTELLO: Thank you, representative.

REP. LEMAR (96TH): Seeing no other questions. Thank you again.

PAUL COSTELLO: Thank you, everyone.

REP. LEMAR (96TH): Next up Sarah Miller to be followed by Marc Champagne. Sarah are you able to join us? We're going to pass temporarily over Ms. Miller. I promise you we'll be back and we're going

to move on to Marc Champagne. Mr. Champagne are you available?

MARC CHAMPAGNE: Yeah. I'm here.

REP. LEMAR (96TH): Thank you, Marc. The floor is yours.

MARC CHAMPAGNE: Oh, good afternoon, everybody. Chairperson Senator Maroney, Representative Lemar, vice chairman Representative Turco and honorable ranking members Senator Cicarella and Representative Rutigliano and members of the General Law Committee. Thank you for letting me be here today. My name is Marc Champagne.

I'm a Connecticut licensed home inspector and I am the president of the Coastal Connecticut chapter of the American Society of Home Inspectors. I'm here with the support of Coastal Connecticut ASHI as well as hundreds of other home inspectors throughout the state of Connecticut. I appreciate this opportunity to testify in support of HB 1466 an Act establishing a task force to study issues related to consumer protection and occupational licensing.

I'd also like to utilize my time here to bring to your attention another issue relating to consumer protection that is within the Department of Consumer Protection's purview and needs to be addressed. Namely the protection of the right to a home inspection in the home buying process. Connecticut's real estate market has experienced a growing trend whereby some realtors in an effort to gain competitive advantage are encouraging homebuyers to waive their right to a home inspection.

A professional home inspection provides vital information to a first time and other homebuyers about the condition of the house, safety conditions, maintenance and other critical information that they otherwise would not get from a realtor or the seller. Many serious structural foundation, electrical, roofing, fire safety and pest issues come to light during a home inspection.

In this very competitive market Connecticut homebuyers are often being advised to bid tens of thousands of dollars over the asking price for a home. And simultaneously they're being pressured to waive a home inspection to make their offer more attractive. I think we can all agree this is not in the consumer's best interest.

In most cases, buyers do not understand what they are giving up by waiving any inspection and the financial risk to these buyers is real. This is a growing trend in Connecticut despite the fact that the National Association of Realtors states that a home inspection is critical to the buying process. Recently, Massachusetts enacted legislation prohibiting the waiver of a home inspection in the home purchase agreements.

I want to make clear that as home inspectors in the state of Connecticut we are not asking for a mandate to home inspection. That is not why we're here. We are respectfully requesting that you consider adding a provision to HB 1466 that would facilitate the prohibition of the use of a waiver clause in all home purchase agreements.

And I've also included our provision language with my written testimony that was submitted prior to

this hearing today. I welcome any questions that you may have and again thank you for your time today.

REP. LEMAR (96TH): Mr. Champagne, I do appreciate your testimony. I'm actually trying to find your written testimony. Do you happen to know under which bill you submitted your testimony?

MARC CHAMPAGNE: Would have been submitted under 1466. If not I can resubmit it today so that you'll have access to it if you're not seeing it there.

REP. LEMAR (96TH): I'm currently not seeing it. I'll check-in with my clerk later today. We might reach out to you to get some of that.

MARC CHAMPAGNE: I'll make sure you have it by the end of the day. Definitely.

REP. LEMAR (96TH): I appreciate that Mr. Champagne. Are there any questions for Marc? Seeing none. Thank you again and thank you for highlighting that issue.

MARC CHAMPAGNE: Thank you all very much.

REP. LEMAR (96TH): Sarah Miller able to join us. We're going to move on to Maritza Bond. Dr. Bond are you able to join us? All right. We're going to go back to Sarah Miller and Maritza Bond later on. It looks like Sarah's trying to get on.

Next up we have Rebecca Connors. Rebecca if you're hearing this please accept the invite that has been sent to you from the committee's clerk. For anyone following along online we have two members who are signed up number seven and eight on our list who are waiting and number 13 was Rebecca Connors.

So we're going to move on to person number 14 on our list who is Diane Kosis. Yeah. It's going to move quick. So let me give it quick heads up. I'm going to try to go back to Sarah Miller and Maritza Bond and Rebecca Connors. Folks in the room after Diane I have Duncan Markovich, Paul Travaglino. Paul I messed this up before. Paul who you are? And then Rino. So Diane the floor is yours.

DIANE KOSIS: Hi. Well I'm here representing myself as an able-bodied individual firstly. Many of my neighbors are not mobile or technically savvy to represent today. So dear chairs and the General Law Committee members for the record my name is Diane Kosis from Southington Connecticut. And I'm offering this testimony in support of HB 5428 an Act concerning mobile manufactured home parks.

On a fixed income we have experienced a company that is exploiting our senior citizens for shareholders' profits. These manufactured homes are not apartments. They are our homes. We purchased and we pay taxes on the homes. We rent the land. We must care for the land at our own expense. We need you to seriously review this bill to help regulate some mobile home parks for our comfort and safety.

The words mobile or trailers are used because we sit on wheels. It's kind of funny but our lives are not fun. We cannot move in and out of them and they are extremely expensive to relocate or move. These are typically 55 plus communities. My purchase was a first time home buyer and considered this to be my life ending location.

We have worked hard over the years in contributing to society and are just asking for a fair shake and your help to keep corporate greed under control. What can you do? If it was your mother, your father or your grandparents, what would you wish for them? Can they go out to dinner once a week or afford medications or keep the utilities running or afford a dog and have food for the dog for this beloved pet, providing much needed companionship when you cannot visit?

We are trying to have independent lives and with the increased fees and reduced services we will become dependent on the state and homeless. Our choices are few. Yours are many. What are you willing to do to just lend a hand? Thank you for your time.

REP. LEMAR (96TH): Thank you Diane for your testimony and sharing your story and your experience here with us today. Representative Rutigliano you have a question?

REP. RUTIGLIANO (123RD): I do. I have a question. Good afternoon madam. How are you? I mean no disrespect. I'm asking this question only because I don't know. What makes it so hard to move? Because the theme of mobile home is deceiving because you think you could just put it on a trailer and go somewhere. Right?

DIANE KOSIS: Right.

REP. RUTIGLIANO (123RD): I honestly don't know the answer. It's why I'm asking. What makes it so difficult to move?

DIANE KOSIS: Well, first they are large and have to be able to be on the street. So there are a number of mobile homes that are singled. They're longer and shorter and they fit on the roads easy enough. Others are what they call double wides which arrive single and then they merge them together. So they're about 1000 feet or 1100 feet of space.

REP. RUTIGLIANO (123RD): So that's what makes it once they put them together is it hard to--

DIANE KOSIS: You got to split the home to be able to get it on the road and then you've got to be able to elevate it. Then where do you go? Where the land that you can go to once you move? If you take this. A lot of these mobile homes were taken at one time when they were long and fit on the road. They would take them up to Maine or Vermont and use them as fishing and camping places. So some people would sell them.

REP. RUTIGLIANO (123RD): So where you live you pay essentially rent for the land that your trailer sits on.

DIANE KOSIS: Right.

REP. RUTIGLIANO (123RD): How about other utilities that go to it?

DIANE KOSIS: No. Nothing's really included. Let me maybe track that. With our rental of the land water is included, sewer is included, waste pickup is included and they do plow the main road of the private land. But we're responsible for plowing your own driveway and sidewalk.

And we're responsible for mowing and upkeeping of the land and the bushes and things like that. They used to trim our bushes that are around the houses but they don't do that anymore. They only trim some of the property line bushes that have been planted.

REP. RUTIGLIANO (123RD): So do you have a hard hookup to sewer and water like I would at a house on a street?

DIANE KOSIS: Yes. It's electricity. But we pay for the electricity.

REP. RUTIGLIANO (123RD): So you have a meter on your mobile home that you pay directly to UI or Eversource?

DIANE KOSIS: Eversource.

REP. RUTIGLIANO (123RD): Okay. So except for the sewer and the water you don't get a separate water bill either?

DIANE KOSIS: No.

REP. RUTIGLIANO (123RD): No. That's included in whatever the--

DIANE KOSIS: That's included in your rent of the land.

REP. RUTIGLIANO (123RD): Did you sign like a yearly lease for that rent or how does that work exactly? What's the mechanics of that?

DIANE KOSIS: You sign a yearly lease for that plot of land and those services.

REP. RUTIGLIANO (123RD): Do you have the opportunity to negotiate with that loan or say hey. I want to sign for five years or whatever?

DIANE KOSIS: Not that I know of. I've never negotiated for five years plan but I don't.

REP. RUTIGLIANO (123RD): So when do they have to give you a notice like 30 days before your lease is up? Like hey. Your lease is renewing and we're going to raise it or not raise it or whatever?

DIANE KOSIS: Well no. What they do is the day that you moved in, so like I moved in at the end November of a year. So about 60 days before that I will get a notice that they're raising the lot fees.

REP. RUTIGLIANO (123RD): You call it a lot fee.

DIANE KOSIS: Yeah. So the lot fees it varies. How much it goes up but it definitely is significant. Used to have a previous owner where we were that raised it maybe two to 3% every year with sometimes even zero. But unfortunately, now that we have a larger corporation that has purchased they're more concerned about their shareholders getting a profit. They're not very transparent about their costs. And so the concern is that they need to make a lot of profit to give to their shareholders.

REP. RUTIGLIANO (123RD): How are you taxed? Or are you taxed by the town?

DIANE KOSIS: Yeah. We're taxed by the town for our home.

REP. RUTIGLIANO (123RD): Your personal property meaning the trailer you live in is taxed like a car. I lack of a better word.

DIANE KOSIS: It's taxed.

REP. RUTIGLIANO (123RD): So unlike an apartment building. The landlord can't say, hey. They raised my taxes so I have to raise your taxes.

DIANE KOSIS: Right.

REP. RUTIGLIANO (123RD): Although they're probably paying some tax but just on the land.

DIANE KOSIS: I don't know. And what they're doing. I'm sure you're going to hear from them today. Maybe they'll tell you.

REP. RUTIGLIANO (123RD): I thank you for enlightening me. I honestly, only asked those questions because I didn't know the answer or how the mechanics of it worked. It's not the world I've ever lived in or even experienced.

And I don't have any in my district but I wanted to know. It makes a little bit more sense to me now. I was shocked to hear that the fire suppression was the responsibility of the owner and not part of the town or part of--

DIANE KOSIS: Yeah. I have fire extinguisher but I'll tell you I was sitting there thinking I don't even know where our fire hydrant is. I know there's one up on one of the main streets but I don't know if there's one right where I am. So that's interesting.

REP. RUTIGLIANO (123RD): I find that odd that there's no mandate on how to I mean if you had a commercial building you would have a standpipe somewhere connected that's controlled by the town that you're forced to put in. So that didn't make a lot of sense to me.

DIANE KOSIS: I know where one is. I just can't think of there being one near me. It's not very close. I don't think a hose would make it.

REP. RUTIGLIANO (123RD): I appreciate you taking the time to answer my questions. I will save me from asking everybody the same thing over again.

DIANE KOSIS: I know it's difficult to try to explain and understand these homes. They're manufactured homes. They're really not mobile anymore. They're manufactured homes. And if you step in if you think you're inside an apartment. But outside it's your house.

It's your house so we have to maintain the home, pay the taxes on the home, pay the utilities at the home except for water. And we're responsible for keeping the land appropriate. We get a little notice every year. They come around and check to make sure that we're looking good.

REP. RUTIGLIANO (123RD): Yeah. Well I appreciate because it has given me the proper perspective because you're right. At first I'm like well, they don't like that landlord. Just pick up and go to the next whatever.

DIANE KOSIS: That's right. You can't.

REP. RUTIGLIANO (123RD): Because you hear the word mobile and you think you are inherently in a unique situation. It's not really an apartment and it's not really this. It's this weird hybrid that maybe deserves further exploration strategy.

DIANE KOSIS: Yeah. I want you to take a look at the bill because my neighbors as I go around and I speak with them they're struggling. They're on a fixed Social Security income. They get their COLA every year but then that goes right back into the corporation to pay for the shareholders. And even more than that they just can't keep up. They can't keep up.

REP. RUTIGLIANO (123RD): I understand.

DIANE KOSIS: So think about taking that extra $30, $40 a month that in addition every year they have to find a way. They got to juggle something else to pay for it.

REP. RUTIGLIANO (123RD): Well, I appreciate you taking the time out of your day to come up here and share your story with us. It was lovely to meet you and good luck to you.

DIANE KOSIS: Thank you very much.

REP. LEMAR (96TH): Thank you. And I think you highlight what the unique and distinct differences between this type of property ownership and home style than it is in a traditional single family home that may exist in a parcel of land that is otherwise governed by a local municipality.

You get a tax bill and that may go up six or 7%. Well generally, it's tied to the cost of the land and the value of the overall property. If you feel like I can't sustain this cost structure anymore I can sell this property at that reflective value and make a different choice. You don't have that opportunity. You are beholden to that.

DIANE KOSIS: And consider the age. I'm 70 and I'm able-bodied. I can move around but I'm telling you that people who are on oxygen and their walkers and their wheelchairs they can't do that. The thought of them having to move they're captive.

And part of the bill is also looking at appraising these manufactured homes appropriately as well so that taxes are appropriate.

REP. LEMAR (96TH): That what the part of it that I spent some time working on this past week is just looking at that and how it's appraised and how these assessments are generated. It doesn't seem to be tied very closely to the overall value. They point to that but it doesn't seem to be backed up by any scientific data the way traditional appraisal process in Musa Valley goes through.

DIANE KOSIS: In the traditional homes.

REP. LEMAR (96TH): That's right. So I think that's really interesting. You referenced the difficulty in relocating. And if you choose to not resign your lease the property owner is responsible for providing I think $7,000 or $10,000 to help you relocate.

DIANE KOSIS: They do?

REP. LEMAR (96TH): I think current law suggests that they are responsible for helping you relocate.

DIANE KOSIS: I really tell my neighbors that.

REP. LEMAR (96TH): But that was indicated to me that is far less than the actual cost of relocating a mobile home to a different location.

DIANE KOSIS: Oh, it's very expensive. It's got to be at least I don't know $20,000 with all the permits that would be needed to put this thing on the road. No. It's interesting.

REP. LEMAR (96TH): Because that is exactly what we were told by some industry experts. So there's someone suggesting behind you that you have no idea but it's actually the exact number that some of the experts would have told us.

DIANE KOSIS: Yeah. So it's very difficult to move these homes. And relocating it's where do you go? What do you do? Especially if you're not mobile enough to be able to do that and you're tied to the home. I love where I live. I like the fact that I have all the things that I want accessible to me where I live and the activities that I want to do. But yet I have to make considerations too because I'm on a fixed income, so what do you do? Thank you. Representative Martinez.

REP. MARTINEZ R. (22ND): Hello.

DIANE KOSIS: Hello.

REP. MARTINEZ R. (22ND): Thank you, Mr. chair. I have been hearing from different people about different fees.

DIANE KOSIS: I'm having a hard time hearing you. It might be my age.

REP. MARTINEZ R. (22ND): Sure. Do you have any extra fees added on top of your rent?

DIANE KOSIS: Do I have any?

REP. MARTINEZ R. (22ND): Is there any fees for anybody living there? I've heard people state that live in different manufactured home communities. Sometimes there's a fee for pets or garbage or.

DIANE KOSIS: No. Because the rental lot fee that I have includes the trash pickup and the water and the sewer and plowing. And they also pick up dead branches and leaves and things like that too. So I want to make sure I get all of it in there. But additional fees I guess every home mobile, home park would be different. So but with ours and the company we have now that's included. So I can't think of there being additional fees. There is a limit to the pets of course. They want only for you to have two pets. Most of the people there can't afford one pet, so.

REP. MARTINEZ R. (22ND): That's great. And branches I have heard people complain. I know a few people submitted testimony about Southington. How do you feel maintenance is with tree removal, branches, trees coming down?

DIANE KOSIS: Yeah. Unfortunately, there is a recycling plant to one side of us and they took down a number of trees which leaves some very old long standing trees very high because they're old and they've grown. When those big winds come along like what do you call? Aco winds, whatever it is that those trees are taking the force so they break and that can be a problem.

However, they have been removing some of the trees. My problem is I like having the trees. I necessarily don't want to move to Florida where there's no trees and it's all open in sunshine and I'm lucky that my backyard does have it. But yeah, I know that some people have had some issues. I'd like it if they would replant some trees but smaller trees.

We live in a place that's been open for like 75 years or more. You started out as a campground it was, like, sandy and everything. And then over time it's changed to different things to what it is today. So okay?

REP. MARTINEZ R. (22ND): Thank you so much. Thank you, Mr. chair.

DIANE KOSIS: Yeah. Thanks.

REP. LEMAR (96TH): Are there any other questions? Seeing none. Thank you so much Diane. We're going to come back to Sarah Miller in a little bit. Is Dr. Bond available? All right. I'll try to reach out to her independently. We have Rebecca Connors. Rebecca if you're hearing this please accept the panelist invite. Excellent. Rebecca the floor is yours.

REBECCA CONNORS: Hi. I'm sorry. I just need one second to get to a room and network.

REP. LEMAR (96TH): Rebecca we will come back to you.

REBECCA CONNORS: No. I'm right here right now. I just needed a second. I was just walking to the room.

REP. LEMAR (96TH): Okay. The well if you're able the floor is now yours.

REBECCA CONNORS: Yes. I'm here now. Can you hear me?

REP. LEMAR (96TH): Yes. We can.

REBECCA CONNORS: All right. So I am Rebecca Connors. I live in the Rivermead home that is in East Hartford with Henry Genga. I work with Heather and with this committee. But today, I am just a testimony for myself. As Henry mentioned, we did suffer that fire in September but unfortunately that's not our only issue.

We've had issues with water going on since I've moved in that continue to be exacerbated as well as there's fears of rent increases due to issues that are happening with the park and now them fixing it. We're worried that those prices are going to be reflected in our increases. And I know me personally at our park we pay a lot fee, water, electricity, heat, every single thing.

There is not anything included in the lot fee besides plowing and general tree pickup. We did not

hear anything from our management for a full 24 hours after the fire happened. So there's not a lot of communication that occurred even before this event or after it until it was pursued by me and Heather to try to fix what was going on.

And in regard to the fire hydrants when we were working with the town and working with the fire officials they did find that there wasn't much they could do because it was a privately owned property that should have been being maintained by the park owners. So that was kind of us feeling like our hands were tied.

Overall, I just want mobile homeowners across Connecticut to be able to feel safe in their homes, to feel they're protected in their homes, and to feel like if they do have an issue that needs to be solved. They can reach out to their representatives and know that there's someone out there that can actually help them and that will listen to them to make sure that they're not getting priced out of their homes because these are currently affordable housing.

But when you add lot fees, electricity, and pet fees and everything else on top of it they quickly become the same exact price as apartments. So we really are worried about one, safety in our part but two, making sure that the senior citizen population is not priced out and kicked out of some of the homes they've only known in their entire lives. Thank you.

REP. LEMAR (96TH): Thank you so much for your testimony and help illustrating some of the challenges unique to mobile home park ownership and

residents that my ranking member and I are sitting here trying to talk through.

Like how we would better improve overall living conditions and space and where the local authorities could come into play a little bit more and how those regulations should be enhanced for you and your neighbors. It seems insufficient the current status and as if we need to do a little bit more here. So I appreciate your testimony.

REBECCA CONNORS: And I wrote a written testimony as well that goes more into depth but I'm open to answer any questions that we may have.

REP. LEMAR (96TH): Well, I don't see any questions. I do greatly appreciate the written testimony as well. We may be in touch as this committee continues its deliberations. So thank you again for coming today.

REBECCA CONNORS: Thank you.

REP. LEMAR (96TH): Next up we have Duncan Markovich to be followed by Paul Travaglino.

DUNCAN MARKOVICH: Okay.

REP. LEMAR (96TH): Duncan, the floor is yours.

DUNCAN MARKOVICH: Thank you. Good afternoon to chair Senator Maroney and Representative Lemar and the ranking members of the General Law Committee present today. My name is Duncan Markovich and today I wanted to cast my support for SB 970 and my opposition for HB 7178 and HB 7181 as they are currently written.

Please refer to my written testimony as I feel it would behoove this committee greatly with further insight and detail on what is discussed today. In this moment, I'm going to take a different approach than I have before and I'm going to apologize to this committee. I can only speak for myself in this matter but it seems that over the years this long standing discord has not been effective enough in earnestly assisting this committee in crafting inclusive and sensible cannabis policy for a once emerging.

And now maturing cannabis framework for our state. And for that, I'm sorry. Right now there is significant broken trust between the long standing Connecticut Cannabis Community existing, operators, medical patients, this committee, the Department of Consumer Protection and the governor's office. To be honest, I'm at a complete loss with how any of this continues to unfold.

We have collectively been coming up here to Hartford endlessly offering solutions to problems that have allowed to fester for years. And to be frank, I feel continuously misled. I implore all of you to stop bending the knee to a handful of special interest lobbyists. An elite group of wealthy corporations that clearly have illustrated over the years with their current dismal numbers that even when you're the only ones on the block you may not necessarily be great for the neighborhood.

Paraphrased, how can you be the only ones operating and it's still this bad? If our infrastructure has been soundly designed with the long standing operators we're good at what they did. Then our

patients and recreational users wouldn't be leaving in droves. We must fix this mess and it starts with trust in education.

I feel the biggest failure in this conversation is the continued lack of acknowledgment and identification of the major differences between the illicit drug market and the long standing cannabis community that has been intrinsically attached to this plant since its inception.

We all want safety for our communities and especially our youth from all harmful things and it is a shame that cannabis keeps getting categorized with the illicit market activities. I personally am not in favor of these bad operator smoke shops. I am in full support of what this committee is trying to do to clean up our streets.

But why the cannabis enforcement task force? Why not the fentanyl or cocaine task force? Doesn't our existing law enforcement infrastructure have the capacity to handle these scourges? The overreach suggested here will have adverse consequences and continue to drive the state of Connecticut away from the true telos of the amazing cannabis plant.

Incentivizing municipalities with a pay to play enforcement strategy is downright revolting and insulting. If this language remains I can almost guarantee the remaining shred of trust in both the Connecticut cannabis community and public at large will be destroyed. And our already dismal regulated cannabis market will continue to plummet.

I don't understand why proposed bill 1208 an Act concerning Electronic Nicotine Delivery System

Dealers that unlawfully possess cannabis and cannabis products wasn't brought forward earlier in the session. It was a simple framework and it went after the problems that this committee is concerned about.

I agree with and thank Commissioner Cafferelli's pragmatic testimony with regards to his department's doubts around this enforcement bill's feasibility. We can't even afford supporting education in our state's budget. Why would we double down on enforcement? Is that where the $208,000,000 deficit's going to come from? I don't think so.

Our governor has been explicit that nothing outside of this year's budget will be approved. We all deserve better language and protection from these regressive policies and more importantly a change of tone in our industry. I hope you've heard my words especially if we are to be shown that legalizing cannabis wasn't just some financial grift for the state of Connecticut all along.

Patients over profits always. Representative Genga closed his testimony and I'll paraphrase, that if you don't do the right thing we'll be back. And that's why we're here over and over and over again. I welcome any questions or comments from this committee and I thank you for your time and consideration on this matter.

REP. LEMAR (96TH): Thank you, Duncan for your testimony. While I may disagree with your assessment about what 7181 and 7178 actually do and how it's targeted and the naming of a task force being paramount to whether or not there's trust or not between this committee. I think is a little bit of

overreach. I do actually agree with the underlying and I think the origin of your feelings right now that there is a broken trust.

DUNCAN MARKOVICH: Yes.

REP. LEMAR (96TH): Amongst all the parties. I'm new to this committee. I'm new to chairing it. And I've spent the last four months being made well aware that I can't have a conversation about appropriate regulatory constraints and or opportunities for growth. Without impacting 25 other people who feel very strongly in opposition.

And I've been a legislator for a long time now and generally distrust anyone who knows that their way is the only possible way and their approach is the only possible right answer and that everyone else if they disagree with them is just wrong. And like as talent the legislators in this building we know that people who use that as the framework of their argument You're pretty much going to get them out the door as fast as you can.

And it's only the people that can sit down and have a robust conversation, multifaceted, multidirectional, understanding it from multiple angles where you can have the best coalition building and get the best result. I am struggling in this space. I am struggling in this space on this specific issue. When it comes to cannabis I have no objection to saying that out loud in this room in front of a lot of cameras and a lot of people.

I am struggling in this space trying to find who those trustworthy collaborative people are that can actually lead through where I think there are

deficiencies in your argument. And I think there are some. I think there are deficiencies in the very arguments that you highlight as being problematic to you. And so I'm working through this.

I think this committee is going to continue to work through it. I think there are a number of ideas that you've brought to the table and advocates like yourself have brought to the table that we want to consider. But we also have to balance them against a prevention community, a regulated community, an illicit trade community.

And I know that I received some emails that I named the task force the wrong thing and therefore we don't have trust with you anymore. I apologize if the name seems inappropriate. That's not the goal. You highlighted why aren't we doing after fentanyl and other illicit drugs. We are. There are task force for those things already in existence.

They are operating on a daily basis. There's a very specific concern that's being brought to us by legislators on this committee more broadly in the general assembly, mayors and first selectmen about what's happening in corner stores, community markets across our state that is dangerous and jeopardizing the entirety of our adult use legalized marketplace.

And again this is the things you're not supposed to say out loud, I think I can get a handle on this stuff in the next two and a half months. I think I can get a product over the finish line in June. I don't think I can do it if there is no trust and there's no ability for people to work together. And so that's where that's my plea for you and a whole

bunch of people are going to follow you. It's like we can get there.

DUNCAN MARKOVICH: I believe you can. That we can. That we all want the same thing. We want Connecticut to get out of the quagmire. We want to be exemplary state for cannabis, for sensible policy, for safety, for education. Forgive my demeanor. It's been a very tricky week. My uncle was put in a hospice. And I've spent the last 72 hours writing cannabis bills for three other states or cannabis testimony for three other states.

This is hard. This is really hard from the hemp perspective when that got all kick started and we thought we were in our lane. Recreational cannabis got green lit and then all of a sudden the hemp guys were the bad guys. There has to be space for the good operators.

And the trust that I had mentioned is hopefully going to be rectified. Because like you said we can't collectively get anything done if we're all at odds. This is a huge undertaking. If I were in your shoes I totally understand that this is a mess and there needs to be more time but I've only been up here for five years. A lot can be done in that amount of time.

So I appreciate everybody here because at the end of the day we have even more work to do to show how and where Connecticut will shine amidst the other states. New York just green lit 4,500 micro business licenses. Everybody is already going up north to Massachusetts and Rhode Island and beyond. So you want to keep dollars here empower the right people to keep all of this here. Thank you for your time.

REP. LEMAR (96TH): Thank you, Duncan. I had one quick question I was supposed to ask you from my co-chair. You have a moderate THC license?

DUNCAN MARKOVICH: No. He and I had been discussing the parameters within the legislature of the $2,000 hemp CBD retailer license. We both agreed that amount was very high. A liquor license isn't even that high and they make a lot of money per annum. So to attach a $2,000 a year to a CBD retailer that doesn't have intoxicating products or the higher THC products that medical patients need or recreational users are seeking I don't understand the financial justification.

I think $500 would make more sense. But as long as that allowed us to work with the products that we've created ourselves under our own brands, working with Connecticut farmers, Connecticut manufacturers some are in this room. I don't foresee why the existing regulated market has such a fear of the hemp industry when we didn't impact the medical sales when it was just them and we certainly didn't impact the recreational sales.

The illicit operators are a different thing. But the Department of Agriculture in Connecticut these licenses were given. So why are these unsafe actors all of a sudden? They report to DCP. We have third party lab tested results and we're transparent. So keep us in the fold because we were kind of already here.

REP. LEMAR (96TH): I think it's a fair point. Thank you. I appreciate it.

DUNCAN MARKOVICH: Thank you.

REP. LEMAR (96TH): Are there any questions for Duncan? Senator Cicarella.

SENATOR CICARELLA (34TH): Thank you, Duncan. Sorry to hear about your uncle.

DUNCAN MARKOVICH: Thank you.

SENATOR CICARELLA (34TH): So I'm trying to wrap our head around this. This is very complicated. You talked about trust and being honest. I'm going to be completely honest. I didn't like the weed business. I voted no against it and we push it through and there's issues. We're trying to fix those and it is a very, very complicated space. hemp and THC, delta-8, delta-9.

I go to sleep watching YouTube videos about this stuff to truly try to understand it so we could make the right decision up here. You referenced 970. And my understanding is there is a difference between hemp and marijuana. I'm a simple person so keep it simple for me. What's the difference?

DUNCAN MARKOVICH: The concentration of THC.

SENATOR CICARELLA (34TH): The concentration?

DUNCAN MARKOVICH: We have convoluted the definition of this plant, the cannabinoids, the molecules it's like it--

SENATOR CICARELLA (34TH): You're going far off brother. You lost the molecules.

DUNCAN MARKOVICH: So the amount think about it like beer. If marijuana is Budweiser then hemp is O'Doul's. They're both beer. It's just the concentration of alcohol is different. With hemp what's defined by our federal government is anything up to 0.3% total THC is considered hemp. Anything lower than that there's not enough THC present to be psychoactive and you're not going to get high.

It is a naturally forming part of the cannabis plant which simply defines the plant material. If that concentration is above 0.3% then it's classified as marijuana. The regulated market exists. So how do you guys juggle the supremacy clause? What's going on here with hemp and CBD? The lawsuit with--

SENATOR CICARELLA (34TH): Oh, wait. I'm so sorry to interrupt because I just want to try to get an understanding of this. So we're talking about hemp.

DUNCAN MARKOVICH: Yeah.

SENATOR CICARELLA (34TH): And you said the hemp three milligrams or--

DUNCAN MARKOVICH: 0.3%.

SENATOR CICARELLA (34TH): 0.3 or Under.

DUNCAN MARKOVICH: Is considered hemp.

SENATOR CICARELLA (34TH): hemp. But what's high THC hemp?

DUNCAN MARKOVICH: Honestly, I don't even know how to answer that. I'm so--

SENATOR CICARELLA (34TH): So your losses you're always big words but you're just as lost as that.

DUNCAN MARKOVICH: I'm so confused as to how and why any of this got redefined. I know we didn't do it. So to convolute which Lego piece goes where and how and why this whole plant based medicine as the plant material. When it goes beyond that into the manufactured realm sleep specific products.

Non-drowsy, non-lethargic but they just help you sleep better. So when CBG and CBN became controlled substances that was a head scratcher. Those are medicinal components of a plant. So I am equally confused senator.

SENATOR CICARELLA (34TH): And I do agree. When we were trying to address the issues with the corner stores, bodegas, selling these products to minors and you have kids having incidents at school have to get rusted at a hospital because they're saying it's hemp. But it's laced with delta eight, delta nine, all that stuff.

And maybe other industries got roped in and maybe that's what we're trying to figure out. But what I'm trying to specifically talk about in the bill that you're testifying the high amounts of THC, just trying to understand what are you doing with that and what would it be used for? Or there isn't even high THC hemp out there.

DUNCAN MARKOVICH: What's concerning is how everything was redefined. What you're asking specifically in respect to this bill and how these parts of the plant have been redefined. And almost stratified high THC, moderate THC, low THC. You're

asking what they would be used for? That's up to the end cannabis user. I smoke a lot of cannabis every day for pain management and nerve damage. Do I seem disorderly right now?

SENATOR CICARELLA (34TH): No. Listen. We're getting far off. I'm trying to understand this. Not talking about smoke. What I'm trying to understand is we're talking about hemp and we're talking about cannabis. So individuals went and got cannabis licenses. There was the lottery. They got licenses.

DUNCAN MARKOVICH: Yes.

SENATOR CICARELLA (34TH): People have hemp license.

DIANE KOSIS: Mhmm.

SENATOR CICARELLA (34TH): And we talk about that number point zero three of the chemical THC.

DUNCAN MARKOVICH: So the far the cultivators and the manufacturers got the licensing.

SENATOR CICARELLA (34TH): Yeah. But it looks as if in this piece of legislation the hemp manufacturers or cultivators are going to be growing cannabis. Would that be a fair assessment? If it has high THC.

DUNCAN MARKOVICH: No. Those cultivators of hemp, those strains, the genetics of what is classified as hemp they're naturally low in THC. So to stay within compliance with the Department of Agriculture and eventually the Department of Consumer Protection. Again just talking about the plant that cannabis is grown so that the THC does not exceed.

There are manufacturing components to this that I am not well versed in that my colleagues in this room have spent their entire lives in doing so. Under the federal law and the state of Connecticut's Department of Agriculture and through a platform that Senator Osten and Senator Cohen helped Governor Lamont get reelected in 2019 through by empowering all of these native Connecticut residents we started an industry.

And we stay within the wheelhouse of that. External, out of state companies, products and stuff that are flooding the gas stations and these bodegas certainly a concern. We're unsure where those test results are and so on and so forth. Do I think all smoke shop actors are bad? Absolutely not.

SENATOR CICARELLA (34TH): Sure. I agree with that.

DUNCAN MARKOVICH: Now that cannabis has been legal and the states admitted since roughly 2012 that there's a medicinal value to its people seek this out. So why are we continuing to shutter what was working initially for pay. Let's just keep it in the purview of medical patients. They're getting access to products that help them. They're non-intoxicating. They're keeping dollars in the state and they're supporting small business owners.

SENATOR CICARELLA (34TH): Okay. So I agree with a lot of what you said but I'm just trying to understand, you said you don't know what the high THC hemp is and that's where my question was. And if you don't know we could leave it at that. My concern is I do know individuals that went and got hemp licenses and I know hemp farmers in my district. I

went toward them. They're geniuses. They're so smart.

The way they could do this it's amazing. But I know individuals that went and got a hemp license hoping to get into the marijuana business. And I'm just trying to determine if this piece of legislation is going to now allow the hemp license to get into the marijuana business. That's the question that I have and that's coming a concern because when I see high THC hemp that's where I'm confused. And if you don't have an understanding of what it is or why it is.

DUNCAN MARKOVICH: My understanding of that stratification was to show the variety of products from good operators and bad operators on the market. Everyone's concerned about high THC products and exposure to children just like we would be with alcohol, right. So, the high THC derived from hemp products is a State of Connecticut stratification. We are the only state that I'm aware of that has these levels of classification.

So, your question of do the hemp farmers and manufacturers then enter the marijuana industry? No, because it's within the confines of the federal guidelines of what the hemp industry is allowed to operate in. So, the concern here in Connecticut is, does the existing hemp operators continue to threaten the bottom line of the regulated marijuana market? I think that's where the concern is.

But as the history and the numbers have shown over the last five years, that wasn't the case. In fact, the existing regulated operators would do better to work directly with the existing hemp industry because of what our ombudsman had already said.

There's tons of patients that do not have access to quality CBD products, tons of people that don't want to get high. But through the last two years of regulations, and redefinitions, and stratifications, and this is way too confusing for even us to talk about right here.

So how is somebody looking for medicine going to be able to interpret the difference? And they go, "Oh, thank God, I just -- there's those letters. CBD. I'm getting a pack of smokes," you know? So, more to the point as our ombudsman said, other states offer signage, QR codes, unique identifiers for safe operators, and locations where people should be going.

So, we need to take a little bit of a breath and take a step back. There needs to be a little bit more and, you know, in reference to Representative Lemar's timeline for the rest of the session, little more conversations outside of just these hearings.

SENATOR CICARELLA (34TH): I know that they have a lot of conversations with a lot of individuals. We do too. We get calls all the time. And again, that's where I try to learn. I read public testimony, individual from Yukon School. They -- is in a hemp program.

DUNCAN MARKOVICH: They're doing great stuff.

SENATOR CICARELLA (34TH): It was amazing. But that's where I'm just trying to get to the understanding and we didn't really get there, so we'll leave it at that. My concern is the high THC because my understanding, my research is THC is the

substance or the chemical that alters your being, like you'll be stoned if you have THC.

DUNCAN MARKOVICH: Correct.

SENATOR CICARELLA (34TH): Okay.

DUNCAN MARKOVICH: THC is considered a psychotropic substance.

SENATOR CICARELLA (34TH): We'll stay with just we'll get stoned. We'll stay there. So, this says hemp with high THC, that's my -- that's my dilemma, that's my confusion, and I tried to ask you the question a couple different ways to understand if hemp doesn't have THC and it's not -- it doesn't get you intoxicated, why are we talking about high THC hemp? But that's where my questions were coming from, but I'll try to figure it out.

DUNCAN MARKOVICH: Is it pop -- yeah. So, honestly, I would love to refer to one of my colleagues who has more expertise in this.

SENATOR CICARELLA (34TH): I appreciate it. Yeah. We can talk offline.

REP. LEMAR (96TH): Yeah, let's talk offline. I mean, look, I'm looking at a series of federal codes, state statutes. I'm trying to, like, interpret all of the thread that ties all of this stuff together. There are numerous attempts to amend that thread, pull up that thread, readjust that thread and every movement of that thread as you might imagine elicits a pronounced response about how --

DUNCAN MARKOVICH: Right. It's where the needle is, right?

REP. LEMAR (96TH): Right. And so, that is going to be the approach I take for the next two months is knowing I may upset a few folks. But so long as you come to me and say, "Hey, Roland hasn't -- at least I may have frustrations in this building, but Roland's only been there 15 minutes. He hasn't disappointed us yet." You can still talk to me for two more months, and then when I disappoint you in June, you can hold that against me. But give me until June before you -- before you throw me out the door, okay?

DUNCAN MARKOVICH: I don't want to. To be honest, in the last several years, this has been some of the more relieving discord that any of us have had in this conversation. It's kind of just been more the point of just, yeah, okay, and someone's on their phone or their computer, and the hearing ends, and then the laws continue to restrict what's going on. So, thank you, everybody, again for your time.

REP. LEMAR (96TH): I appreciate it, Duncan.

DUNCAN MARKOVICH: Thank you.

REP. LEMAR (96TH): Now we got Paul Travaglino. Paul, this is the third time I've gotten your name wrong.

PAUL TRAVAGLINO: Travaglino is right.

REP. LEMAR (96TH): No. I got that one right?

REP. RUTIGLIANO (123RD): Even with the G?

REP. LEMAR (96TH): I'll take it.

PAUL TRAVAGLINO: From one Worcester Square guy to another.

REP. LEMAR (96TH): That's right.

PAUL TRAVAGLINO: Appreciate that. I just want to thank the community in advance. Duncan, well, I don't know where you are, I appreciate you. We're cannabis guys because we have cannabis licenses. There are a lot of hemp guys in the room, if you will, and there's a lot more commonality than what may appear within the construct of what feels like Groundhog Day. We come back every year, but we appreciate the deference and the time that you've given us. I want to thank the esteemed members of the committee. I'm here with Brian Essenter, who is up probably five or six after me, so we're going to combine. I'll kick it off, and he's going to chime in, and I'm sure the transcript will look like a mess.

There are four things we want to talk about briefly. One is we were here a year ago, talking about a shortage of inputs for manufacturers. You'll recall manufacturers. We're kind of on an island. We can't create cannabis flower. We can't sell it. We're not vertically integrated. We are having a hard time finding inputs for our products today, and it's 360-some odd days later. That's thing one.

Thing two is testing. You'll hear from other people. I think Rino Ferrarese is going to come after us, who will talk about in-depth the issues with the current testing protocol from the department. My

God, why? Good people. I love the people at DCP. To a person, everyone I've met has been wonderful and collaborative as much as they can be. I don't know where this came from. It is a major pain point for us.

Third will be packaging and marketing. We won't waste a lot of time on that, but we are absolutely competing with other states. I live in Stamford. I can go to Pound Ridge and buy better and higher potency products. I can also go to Rhode Island not too far away and Massachusetts. The last thing is touch upon the tax for the infused beverages. We think we'd like to make that closer alcohol what alcohol does, which is by volume. Do you want to jump in on anything?

BRIAN ESSENTER: Yeah. I mean, so just to that very last point --

REP. LEMAR (96TH): Hold on. Just for clarification. Brian Essenter is number 25 on our list today.

BRIAN ESSENTER: Yes. Sorry. Apologize. Thank you. The infused beverage tax is right now at a dollar per can, which is approximately a thousand times higher than it is for alcohol. This is a massive hit to our bottom line. This takes us from being potentially profitable to barely breaking even. And it's -- there's also a big question as to where this gets placed on the product. Some of the package stores are placing it at the register.

Some of them are just adding it into the price. There's no definition there. So, you have companies that are able to market that they have it at a lower price, but they're charging that dollar tax on the

back end. So it really kind of hurts the local guy that has to set a lower price in order to compete with anybody else, and it makes it difficult as far as that's concerned.

As far as the packaging and the marketing is concerned, there -- as Paul said, we are competing with these other states. And I believe Rep. Lemar made a great point earlier when you spoke about News channel 8 looking at all of the products that have been causing these overdoses and everything else that they've been finding in all of these places.

Not one of them has come from a legal dispensary. Not one of them has been a legal product that has been produced within this state, that anybody's been able to show. So, it's not the packaging or the marketing, it's the age gating that happens at the dispensaries, it's the control of the people who are entering and able to purchase there, and this just gives us the ability to have a person that goes to Massachusetts and purchases a product, and we are able to produce that same brand of product in Connecticut. They don't believe it's the same brand of product because it doesn't have the same packaging that they purchased it with in other states. They actually think what we're producing is a bootleg product because it's different.

So it really does hurt our bottom line. This is where the dispensaries are losing a lot of money as well. So, to go to the packaging and branding and the inputs, dispensaries want new products on the market. That's where they're going to be able to start making more money. The prices are ridiculously high as they are, but it's all been the same products.

Patients, consumers are all asking for new brands, new products, and it's not easy to make them if we can't get the inputs for them, and it just sends these consumers over the border or online. Because whether or not you can get it, you know, you can legally get it delivered to you in Connecticut, it's happening. I can promise you that. I know people who have done it and, you know, there are some websites that restrict it, but most of them don't care and will ship it to you anyway. So --

PAUL TRAVAGLINO: I want to add on one thing too. There are some conversation about parity of products between the medical and the adult-use market. There are two products that I'd like to make for the adult-use market. I had to petition the department, and they did, but they put further restrictions on it. And I think they are doing what they're supposed to be doing, which is they are the drug control division within DCP. It's horrible for us to then have to react to what the department does and then come to you to change those things.

I don't know if there's a better mousetrap, but I know that if you convene a meeting of cannabis people, DCP, Social Equity Council, hemp, we could -- we could cut through a lot of this and get to a better place. But we just need to be able to make the products that our surrounding states make. It will result in more tax revenue. We will take the bet. We will make the bet on those new products.

But if I'm only selling to 30-35,000 medical patients, I'm probably not going to do it. And that's simply because I spent an enormous amount of money to get my business to where I am. You know, I

spent my family's money. I don't have outside backers on that.

I know you guys are in the same boat. I think this is a very difficult business to get into. We kind of knew that going in. It is a really expensive business. And the restrictions on our product are a little nuts. I'll talk about just briefly smoke shops. You could drive by a smoke shop and there's an advertising -- advertisement for bongs on it. You go by a dispensary, you can't even tell it's a dispensary. We -- I mean, there are signs, yes.

REP. LEMAR (96TH): [inaudible].

PAUL TRAVAGLINO: But you can't see in. You're not allowed to see in.

REP. LEMAR (96TH): It's pretty clear. Anyway, go ahead.

PAUL TRAVAGLINO: All right. It's not the same thing. That's all I'm saying. And I take your point. I believe, though, that there are probably some sensible approaches. I think the way that we end up litigating them in public like this -- don't mind the public, but, I mean, it's -- this is not conducive to a dialogue which can get us there. And so what could end up being a very painful few months in a legislative session probably doesn't have to be that way.

REP. LEMAR (96TH): Yeah. No. I understand that. I appreciate that. I think that's where I'm trying to indicate my directionality for the next few months is trying to have more collaborative conversations. I do worry that, you know, it's indicated in prior

testimony that there's a level of distrust amongst all parties at this point in time.

I'm trying to cut through a lot of that to get to a point where we feel comfortable that, you know, you may win an argument, you may lose an argument, but we're heading in a direction that makes a little bit more sense. It's going to take a little while. We're probably going to have products in this committee that we'd vote out of here on Friday that aren't going to be everything that everybody wants.

The door is going to continue to be open. I'm going to continue to listen. Ideally, we end up in a space where it's not you going to the regulator who determines the best way to regulate your product, not the best way to expand your product offerings. Then you come to me to vote against the regulator that I empowered to give you that, right? Like, right now, it's a circular process that doesn't yield the best results. I appreciate that. I understand that.

PAUL TRAVAGLINO: Some of what the department's dealing with is based on the original law.

REP. LEMAR (96TH): That's right. It's laws that I created, right? It's laws that I voted for that are now the impediment. So I appreciate that there's a complexity in all of this that we've got to move forward with. My good colleagues might suggest I shouldn't have voted for it in the first place.

PAUL TRAVAGLINO: I understand the ranking member is a libertarian at least over there. It says the streak of libertarianism actually lies.

REP. RUTIGLIANO (123RD): The commercialization is where we went wrong. Grow your own, do whatever you want. That's it. See you later.

REP. LEMAR (96TH): He just became the most popular person in the State of Connecticut.

PAUL TRAVAGLINO: I think the representative just made a vote in favor of 5429 in the [inaudible].

REP. LEMAR (96TH): I think he did.

PAUL TRAVAGLINO: Right?

REP. LEMAR (96TH): But there's a long way of saying, I hear you. We're going to work together. It's not over after this committee meets for its JF deadline on Friday. There's a number of conversations that are going to take place in my office, in our office. We're going to have people in together, and we're all going to hate each other when it's done, but maybe we have a better product.

PAUL TRAVAGLINO: If everybody feels a little pain, maybe that's a great solution. But your willingness to at least listen to us and move the ball down the field, thank you.

REP. LEMAR (96TH): We'll give it a shot. Thank you for your testimony.

BRIAN ESSENTER: If you don't mind real quick, I'm sorry. I just -- as a pharmacist and a former dispensary manager in this space, I just want to, number one, give my support to Erin, who's been unbelievable as our ombudsman in helping these patients that are having some real serious issues.

And to that point is what Paul just said, the fact that they are -- we are trying to make medical products for 30,000-ish people now is not a viable business decision, which is why the other manufacturers and cultivators are making those decisions to not produce those products, and that's really painful to the patients.

And one other thing, I am in support of pharmacists renewing the cards for patients because they do see these people on a daily basis, much more so than what the doctors and everybody else do, and have a much better idea of what their cannabis therapy looks like and how effective it is for them.

REP. LEMAR (96TH): Renewals make sense to me. I think -- I think I get you out of renewals, not the original --

BRIAN ESSENTER: Not -- no, a renewal where they've been dealing with that patient.

REP. LEMAR (96TH): Okay, perfect. Thank you. All right. Thank you so much for your testimony here today.

BRIAN ESSENTER: Thank you.

REP. LEMAR (96TH): Next, we have Maritza Bond going back in order. Maritza Bond is going to come in under Sarah Miller, and then we're going to go to Rino, and then Mark.

MARITZA BOND: Okay, great. Good afternoon.

REP. LEMAR (96TH): Dr. Bond, good to see you today.

MARITZA BOND: Likewise. I just want to say Honorable Co-chair Lemar and Co-chair Maroney, Vice Chair Turco, Vice Chair Fonfara, Ranking Member Rutigliano, Ranking Member Cicarella, and members of the General Law Committee, just thank you so much for the opportunity to be here before you.

I am writing on behalf of the City Health of New Haven Health Department and to express my support for H.B. 7178, an act concerning cannabis, hemp, and tobacco regulation. As a public health leader with over two decades of experience, I wish to underscore the significance of Section 23 and 24 of this particular bill, which focuses on enhancing tobacco regulation.

This legislation is essential for pub -- excuse me, this legislation is essential for public health, but also for the welfare of our community. The proposed amendments have the potential to significantly reduce tobacco use rates among our youth and enhance overall community health outcomes. I want to talk a little bit about the different avenues from a public health perspective. It's crucial to understand that tobacco use is not just a health issue, but it's a pressing public health crisis.

It is one of the leading causes of preventable deaths and in The United States and in our states. Reports of CDC have illustrated that illnesses related to smoking accounts for more than 480,000 deaths annually in The United States as a whole, and approximately one in five deaths in Connecticut. The smoking rate among adult hovers around 14%, a figure that has remained relatively constant, but does not account for underage youth that continue to have exposure to this.

The repercussions of tobacco are particularly alarming among youth and our young people. The National Institute on Drug Abuse indicates that nearly 90% of adult smokers initiated their smoking habits before the age of 18. In New Haven, an increase of vaping among high school students have been observed. Data from the Connecticut Department of Public Health reveal that approximately 30% of high school students reported e-cigarette use in recent surveys.

This is concerning. This particular trend highlights the urgent need for more rigorous regulations to restrict youth access to tobacco products. This particular Section 23 and 24 amendments will be it -- will be designed to be able to bolster existing regulations by mandating that all businesses renewing their permits comply with stricter guidelines regarding the sale and marketing of tobacco products and also existing businesses that are already in place.

These provisions are crucial in our fight against tobacco use and must -- and comply to new establishments as well and existing businesses as I noted earlier. This approach will allow us to establish a level playing field and ensure that all vendors adhere to updated health standards. I wanted to also say, as I close, that as I strongly support this particular bill, it is a vital step in safeguarding public health.

In New Haven, in particular, we just passed a smoking ordinance, and this will parallel and be able to strengthen the ordinance in allowing us to be able to protect our residents that we serve.

Thank you for your thoughtful consideration and decision on this matter as it is utmost importance is, in particular, for us as a public health leaders and your role in shaping public health in our community is invaluable. Thank you for your attention during this testimony that I provided.

REP. LEMAR (96TH): Thank you for your testimony on behalf of City of Haven and City of Public Health officials across the state are highlighting these issues for us and recognizing the challenges they're facing in their communities and trying to get on top of it. New Haven at the forefront, we're a large city. We've got a number of smoke shops that are operating in good faith that you probably wouldn't have a complaint about if they still sought to renew their license.

But we also have a large number that we know we get complaints from our constituents. We get complaints from our management teams, our community members about illegal sales to minors, illegal sale of products, and having an ability to weigh in on those issues, I think, would help us all, and I appreciate your testimony today. Representative Rutigliano has a question for you.

REP. RUTIGLIANO (123RD): Good afternoon, Madam. How are you? I just want a quick question. Is there anything -- does the City Of New Haven license a tobacco dealer, for lack of a better word, any differently than another business?

MARITZA BOND: So we will be starting to license tobacco dealers just like we license other businesses. It will go into effect October 1st of 2025. Actually, we will have an official press

conference tomorrow. So you are in the know. So they will be -- it will be just like we do for -- as an agent of the state, we license as other establishments in the City of New Haven. And so this will be in addition to supporting state statues and supporting, you know, the departments that already exist, that regulate in licensed tobacco.

REP. RUTIGLIANO (123RD): Would that give you the opportunity for any enforcement? Can you go in and do regulatory checks, you know?

MARITZA BOND: Yes. So this will allow us to do just a couple of things. Number one, we will be imposing fines and we will be having a tier system. So there will be fines at three different levels, and then we will be able to revoke a license. And so, one of the things that we will be monitoring is, like, for example, tracking complaints and tracking or findings if they have had fines that will be working in collaboration with the police department. They will be aware and they -- it will be on record in ensuring that they're within that time frame of how many complaints they've received.

REP. RUTIGLIANO (123RD): I appreciate that. I think it's a pretty smart move on the city's part to be blunt. Is there anything that you could think of -- and this might be a tough question but I'll ask it anyway. Is there any state statute or state law that prevents the City from New Haven from enforcing sort of their local rules or coming up with their own enforcement mechanisms for these type of businesses when they violate your community standard? I only ask that because if there's anything else we could do to break down a barrier so you guys could handle this on your own I think would be helpful.

MARITZA BOND: Yeah. So I think as an agent of the state, we will be having appeals go through the State Department of Public Health. And so we are partnering with the -- that would be as a partnership. So they will be going through that entity. And this is really -- this ordinance is to complement the state statutes that already exist so that we can be a second eye. I think it was noted earlier by the mayor of West Haven who indicated a capacity being a concern, and so we will be essentially supporting that capacity.

REP. RUTIGLIANO (123RD): Good luck to you. Thank you, Madam.

MARITZA BOND: Thank you so much.

REP. LEMAR (96TH): Representative Paolillo.

REP. PAOLILLO (97TH): Thank you, Mr. Chair. Thank you, Maritza, for being here today. Just one question. I know you're working in collaboration and thank you for the work that you're doing on this issue and so many others in the city and throughout the state. In terms of complaints for both underage and for products that are being sold that folks are not licensed to sell, so these illegal products that are coming out of the different smoke shops and businesses throughout the city, how many complaints do you get, say, on a weekly basis from stakeholders, from residents, from local elected officials, from community management teams?

MARITZA BOND: They do vary. I can get that data to you, Representative. It's -- it does vary. We've had a number of complaints that came in that caused us

to have to work in a task force and being able to go in and investigate. And that's a heavy lift of resources. And so, hence, the reason why we proposed local ordinance and would love this legislation in particular to pass, but the specific numbers I can get to you.

REP. PAOLILLO (97TH): I think that's helpful, but I think your answer underscores the situation that you internally had to form a task force within city government to be able to address this. And some of this language, obviously, will provide more state support and, obviously, give you more leeway to do the work that you're doing already.

But I think the fact that you're mentioning that you're having to piece together city government from various parts as the West Haven Mayor also alluded to former colleague, Dorinda Borer, I think it's important to see the resources already dedicated to something that's ever growing and intensifying. So thank you for pointing that out, and thank you for being here today.

MARITZA BOND: No. Absolutely. I'm very grateful that this has been -- this has been passed already. And so I thought we were on the road to victory, but it looks like this amendment will just solidify some of the things that individuals are -- individual businesses were concerned about.

REP. LEMAR (96TH): Thank you, Dr. Bond, for your testimony here today. Seeing no other questions. Thank you again.

MARITZA BOND: Have a great day.

REP. LEMAR (96TH): You as well. Rino. To be followed by Mark Berkowitz and Dave and like -- so after Rino, if Mark, and Dave, and you want to bring some people up, we can do like a panel discussion version of that if you want. Rino, the floor is yours.

RINO FERRARESE: Okay. Thank you. Good afternoon. Can everybody hear me? See me? Yeah? Okay. I'm going to read a prepared statement. Good afternoon, members of the General Law Committee.

My name is Rino Ferrarese. I'm the President of Affinity Grow. I'm here before you today, not just as a business leader, but also as an operator and as a manufacturer with deep roots in Connecticut, including my time with CTPharma where I was COO and President from years 2014 until 2023. I'm here to address today the challenges in our current final form testing, which is the new modifications made to testing regulations for testing cannabis.

There are some basic problems with final form testing, and I'm here to propose a path forward. Connecticut's application of pharmaceutical-grade standards specifically 21 CFR 211 to cannabis flower, which is a complex botanical is fundamentally misguided. We're applying apple's standards to orange products. Somebody prepared this for me because -- yeah, okay. This mismatch leads to -- yeah, yeah, yeah. Page two.

All right. This mismatch leads to inconsistent testing, inflated costs, and regulatory inefficiencies, all without a clear benefit to public health. Our production facilities aren't built to pharmaceutical standards rendering these

stringent requirements misplaced. First, the inherent variability or heterogeneity of cannabis flower makes final form testing strict potency and microbiological requirements scientifically unreliable. Studies have shown significant discrepancies between labs that test products from final form testing facilities and it undermines reliability in that testing.

In contrast, our medical marijuana program operated successfully under 21 CFR 111, which is dietary supplement regs using intermediate bulk testing, which is the process where the laboratory technician visits the site, and can actually see the flower, and picks a representative sample versus picking up capped jars that you can't see the flower within.

Another concern is the excessive stability in chromium testing burdens on our industry. Stability testing is basically misapplied in our cannabis program here. As well, blanket chromium testing mandates that target low specifications of 0.6 parts per million are costly and unnecessary, and a risk-based surveillance model will be far more efficient. Essentially, the methodologies in the laboratory are general and we can detect three different types of chromium.

We're only specifically worried about one type, but we can't discern how much of the bad chromium is present versus the other two types of chromium. Thirdly, our flood retesting and out of specification policies lack flexibility. This rigidity forces unnecessary product destruction, causing significant financial losses and driving up consumer costs. Essentially, in Connecticut, you're allowed to test twice. And if you -- if you fail one

of the tests two times, then the product has to be destroyed. Statistically speaking, in pharmaceutical testing laboratories, you can expect at least a 5% failure rate.

REP. LEMAR (96TH): Yeah. If you finish that.

RINO FERRARESE: Sorry. Okay. You can expect a 5% failure rate, which is -- which is standard that we don't have that here in the cannabis testing program within Connecticut. If it fails, it's on the consumer -- on the operator, and you get another chance to pass or you destroy the product. So essentially, we're asking to just for a pause on final form testing and to sort of convene an advisory board potentially of DCP, of course, and scientific operators, maybe some folks from the industry. I'm open to questions.

REP. LEMAR (96TH): Thank you, Rino. I appreciate it. And your testimony highlights to me where perhaps some of the error was in legislative design. To me, the legislature is not in the business of determining what the testing standards are. This is a -- that is clearly a regulatory rule to determine what the best and most appropriate process is. We've kind of handled that to the point it turns out DCP has determined that final form testing would be the most appropriate way to test the products as they come to market. I think, like, I've got that one right, right?

RINO FERRARESE: Yes. That's what DCP says. Correct.

REP. LEMAR (96TH): So, asking for a delay or a pause, which I was maybe thinking maybe we need a one year slowdown of this movement towards final

form and continue towards an intermediate batch testing regime. We study the issue for a year, determine whether or not the legislature actually does need to be involved in determining scientific or testing standards, and then we would direct DCP to enact a regimen that incorporated intermediate batch testing rather than final form testing. That is a big step for a legislature to, you know, like put itself in the process of determining the appropriate way for a regulator to determine its regulation oversight, right, like that's -- that's a big thing for us to do.

RINO FERRARESE: Of course.

REP. LEMAR (96TH): It's going to have questions for the next month and a half. I can kind of -- I can kind of see where you're going. I can see the standard you want to apply, your pharmacology knowledge, your understanding of how products traditional -- you know, I think -- I think in past conversations with you, you referenced like a traditional pain relief product that might be on the market for sale would go through an intermediate batch testing regime, not a final form testing regime. Why are you holding this to a higher, more difficult standard to meet? I think that made sense to me.

RINO FERRARESE: So the final form is unreliable because you can't really see -- you can't pull a representative sample. If I have 2,000 jars, I can't say that, you know, this combination of the jars best represents the batch when it was in bulk form.

REP. LEMAR (96TH): Right.

RINO FERRARESE: So we're just saying we want the best testing. We want the most precise testing. We're not looking for an easy way out. Nobody's asking for that.

REP. LEMAR (96TH): No doubt about that. I'm just saying it's an interesting place for a legislature to put itself in determining and dictating what that regulatory testing regime looks like. And so like --

RINO FERRARESE: Understood.

REP. LEMAR (96TH): I think I'm there with you. I think I understand it and I think I agree with you. It's still a step for a legislature to take to inject itself into this to say please regulate or pause the approach that you determined to be scientifically correct for a year while we determine if this needs to be legislatively directed.

RINO FERRARESE: So what we're actually doing, Representative, is we're -- Chairman, we're basically the medical program operated with intermediate bulk testing from 2014 up until probably a couple months ago. So we're just continuing what we've been doing since 2014.

REP. LEMAR (96TH): Right.

RINO FERRARESE: Because we don't know really what final form is going to bear out because it just started.

REP. LEMAR (96TH): Yeah. No. I understand that too. It's still a place.

RINO FERRARESE: Understood. Yep.

REP. LEMAR (96TH): I know, Representative Rutigliano, you have a couple questions?

REP. RUTIGLIANO (123RD): Yeah. I was going to ask. It's the one aspect of this topic that I haven't explored. I really haven't dived too deep into the whole testing thing, but I do hear about it all the time. I hear about the rigorous, and it's too much, and it's too this, and too that. But I have to tell you, I think the good Chairman may have gone over it with you. And if I support his one-year moratorium, which I probably will because it gives me a year to catch up and understand, because I didn't really even understand what final form testing was or it just wasn't a topic.

I was going to ask you to walk me through the process. But I think I can give myself a year if I do support some sort of moratorium or that makes sense, then I'll probably be okay with it. So, with that, and your really long written testimony that wasn't written for you, but for somebody else, I think I'm okay.

RINO FERRARESE: He was afraid I'd drone on.

REP. RUTIGLIANO (123RD): Right. Just because I have a microphone in front of me, I can't help myself. Do you have to test at every stage? I mean, the number one complaint from all -- well, there's a lot of complaints by the dispensers, but one of the major ones is the testing all the time. Is it just sort of like how does it compare to, like, the good Chairman brought up, well, why don't they just test it like they do with Tylenol? Okay. Well, how do they test the Tylenol compared to what you're up to?

RINO FERRARESE: Yeah. Let's do that. I'd like to -- I'd like to do that.

REP. RUTIGLIANO (123RD): All right. Let's go. But tell me how it works.

RINO FERRARESE: So, in Tylenol -- so I worked at Wyeth Vaccines. We made vaccines for babies.

REP. RUTIGLIANO (123RD): Stick to Tylenol.

RINO FERRARESE: Okay.

REP. RUTIGLIANO (123RD): Yeah.

RINO FERRARESE: So, you would make -- you formulate your product and you determine critical points within that manufacturing process where potentially you can introduce contamination. Then you would put in some sort of -- some sort of method at that point in your process to make sure that contamination is not introduced. And if it is introduced, that you can detect it, you can quantify it, and you could potentially remediate it. So you're not getting to the end of the batch and then pulling a couple and saying, "Okay, I hope it passes." You want to know in advance if there are -- if there are problems.

REP. RUTIGLIANO (123RD): Are we currently mandating sort of you at the end of the batch pulling a couple? Is that what you're saying? When you said that, is that what we're doing currently?

RINO FERRARESE: Currently, there's no mandate to do sort of those critical points leading up to the final. It's on the operator. It's really best

practice for us to do it. It's in our interest. It's not mandated within the regulations. The regulations only specify release testing. And they're saying that for release testing, you have to package the product in the final container, and then the laboratory comes in and pulls X number of jars to test, to determine if your product [inaudible].

REP. RUTIGLIANO (123RD): And you're saying that you don't want that, you want something different?

RINO FERRARESE: We want bulk testing so they can come in and actually see the batch.

REP. RUTIGLIANO (123RD): See? Did somebody send you a batch of flower?

RINO FERRARESE: We would grow the flower ourselves.

REP. RUTIGLIANO (123RD): Right. So, at some point, you would put it in a batch and that's what you want to take a sample out of and test that and you're saying that's enough.

RINO FERRARESE: Because the lab would come and say, "Oh, this bud -- these buds are a little yellow. I'm going to grab some of these, some of these green ones here, some of the fat ones, and the thin," so they can pull a representative sample, and bring it back, and test it versus if everything's in a jar, you can't see what the flower looks like. You're not going to get a representative sample. The reason that I care about that is because in 30 days from now, when I have to do stability testing on that flower, if we didn't pull a representative sample at release --

REP. RUTIGLIANO (123RD): What's stability testing?

RINO FERRARESE: So stability in pharmaceutical manufacturing is how long will the -- will the contents of the container stay true to the label so long as it stays with -- it's container closure, it's integrity testing, expiration date testing is really -- it establishes expiration dating. So, we're required for medical -- for every product that we manufacture, we have to conduct stability testing, so just to make sure that the product stays intact within the container that we sell it in.

But in the medical side for medical flower, we have to do testing at day 30 and also again at day 60 post release. So we release the flower today, 30 days from now, we have to retest it again. 30 days from now, we have to retest it again. So if I didn't get the right result when I released the product, on day 30, I'm probably going to not meet my label claims, and I'm going to have to recall that product, and I'm going to have to retest it.

REP. RUTIGLIANO (123RD): So when you say label claims, are you referring to, like, potency?

RINO FERRARESE: So -- right, the label would say correct. It would say what the potency of the flower is, what -- how many what the terpene profile is, the name of the strain, et cetera. We test probably about eight or 10 different quality tests about -- yeah, about 10.

REP. RUTIGLIANO (123RD): Okay. So --

RINO FERRARESE: That's on the label.

REP. RUTIGLIANO (123RD): So, that confused me only because I thought you were testing -- I always hear about mold and chromium. Is that all part of the same you test for potency and for -- at the same time?

RINO FERRARESE: Correct. We test for cannabinoids. We test for terpenes, mycotoxin, pesticide residue. We test for -- was that right?

REP. RUTIGLIANO (123RD): It's okay. You could speak up as long as you say your name.

RINO FERRARESE: Pesticide residue, we'll do -- I think that's it, right? Yeah, obviously mold and [inaudible].

REP. RUTIGLIANO (123RD): So you're saying that that's one point is good enough is what you're saying. And stability means the only bad thing that could happen over time. Tell me if I'm wrong. It's a question because I don't know the answer. If I knew, I wouldn't ask. It would lose potency over time?

RINO FERRARESE: It could lose potency. It could become contaminated potentially if the container's not, you know, intact enough, it's not close enough. So the stability test that we're obligated to do per the regulations on day 30 and day 60 are the potency. We have to repeat, we have to repeat heavy metal testing -- heavy metals. And --

REP. RUTIGLIANO (123RD): How would heavy metal get injected after you --

RINO FERRARESE: It won't. It won't.

REP. RUTIGLIANO (123RD): Understood.

RINO FERRARESE: It's just a requirement.

REP. RUTIGLIANO (123RD): So, it sounds like a year moratorium to study. This sounds like a pretty good idea, right? Okay. Great. Sorry.

RINO FERRARESE: No. It's great. Thank you. Please come and visit the site.

REP. RUTIGLIANO (123RD): It was helpful for some who don't really understand.

RINO FERRARESE: And I encourage you to come and visit the site. I mean, we want to do a good job. I mean, where everybody wants the right results. Everybody wants a program we can be proud of. We want to work with the hemp guys and gals. And, yeah, please, open door.

REP. LEMAR (96TH): All right. Thank you, Rino. Sarah Miller is available, and then we're going to go to Mark Berkowitz, and then Dave Delohery.

SARAH MILLER: Hello. Can everyone hear me?

REP. LEMAR (96TH): Sarah, good to see you.

SARAH MILLER: Good to see you. Can you hear me all right?

REP. LEMAR (96TH): Yes, we can.

SARAH MILLER: Okay. Thank you so much. So, appreciate your flexibility and the timing, Co-chair

Lemar, Co-chair Maroney, other members of the General Law Committee. My name is Sarah Miller. I serve on the New Haven Board of Alders, and I'm speaking today on behalf of a group of us from the Fair Haven neighborhood who are strongly in support of H.B. 7178.

The neighborhood that we represent has one of the most youthful populations in the city and state, and struggles with underage tobacco and use of illegal activity in and around some of the businesses that sell tobacco products in our neighborhood. So we strongly support the proposed language to protect communities such as ours against tobacco dealers who repeatedly sell products to minors and/or are associated with other illegal activity, which too often contributes to community violence.

And we also want to -- I want to underscore that we think it's critical that protections apply to all existing businesses renewing their permits, not just new businesses renewing an initial application. I testified on earlier version of this last year. I'm really pleased to see it coming back for clarification and hope that it goes through and we have these protections for our community going forward.

REP. LEMAR (96TH): Thank you, Alder Miller, for your testimony, for highlighting the very specific concerns that we face in New Haven, which we think of as a New Haven issue. But my exploration of this topic over the last year or so has led me to the recognition that this is happening in community after community. And I -- sometimes we think in New Haven, like, "Oh, my goodness, this thing is happening here. Why is it so bad in New Haven?"

Well, it turns out my colleagues on this committee, more broadly, the legislature are dealing with the same things back at home.

And getting a handle on the illicit sales of cannabis-related products, THC, dangerous levels of high THC products are being sold, oftentimes hidden in the ceilings, sold late at night, other illegal activities that happen in and around these locations. You're hearing about them. Your constituents come to you and tell you about them. They come to our public health director, and they inform our management team leaders. They come to the mayor. And oftentimes, the tools we have available us -- to us locally are just to call state officials to have them find time to enforce it locally for us, the problems that we know that we could handle ourselves with the input of our constituents.

I think we were on the right track last year. I worked with your representative, Representative Paolillo, in crafting some of that language and, like, recognizing that there are some hard fiscal notes originally proposed on it that we were able to work around. There's still a lot of work that needs to be done. We still need to empower local communities a little bit more. There's some language also in 7181 that's on today's agenda that I think will have municipalities excited to have these fines attached, not just to the person selling the product, but the owner of the facility, the owner of the building, a $30,000 fine that will be levied and collected locally to help the municipality do more work, engage in more task force-related work but also cooperate with state officials in going after these illicit sales.

And I thank you. You've been an advocate on this. You got me at a community meeting that we had between state legislatures and the Board of Alders about a year and a half ago. We've had an opportunity to talk again just about a month and a half ago on this. And it's my hope that a month and a half from now, we'll be able to look at a product and we know that will go a long way to better serve in the constituents of our city. So thank you, Alder.

SARAH MILLER: I think that's great. Yep. Thanks to you for taking it up and for carrying it forward. We do really feel like we just are at a loss sometimes. And so this will really help us feel like, you know, have more tools to actually make the changes that we all know are necessary.

REP. LEMAR (96TH): Thank you. I got some questions for elder Paolillo. I mean, sorry. Representative Paolillo. Gosh.

REP. PAOLILLO (97TH): Thank you, Mr. Chair.

REP. LEMAR (96TH): We've been serving together for a very long time.

REP. PAOLILLO (97TH): Sorry to hear that for you, but thank you. Alder Miller, thank you for being here today. Thank you for highlighting issue that as the good chair mentioned, communities throughout the state are being impacted with adversely impacted, residents being adversely impacted on a daily basis. So, this was modeled after liquor license renewals. And I know your community has had some success with your leadership in the City of New Haven.

Other municipalities have filed with a remonstrance process that's laid out here in a petition process for renewals and having a local police chief weigh in on a renewal for a liquor license same way now that this language would model that language. Can you just talk about some of the successes that you've had in the past dealing with problem actors around liquor license renewals and the effectiveness that the city was able to deal with that particular issue?

SARAH MILLER: Absolutely. We have one location that's about three blocks from my house, a bar with a long history of violence called the Grand Cafe. There are multiple murders right outside around the cafe that are associated with activity inside. There are documented drug sales through the years. And we did file a remonstrance petition. Was it three years ago? It doesn't feel that long ago.

But I think it was probably about three years ago that was successful, and they lost their license. And the challenge we have now is there's a smoke shop right next door, which has picked up some of the activity. And we don't have the same tool to use with the smoke shop next door. In another example, there's another package store where there was a lot of illegal activity in and around the package store.

In that instance, the owner wasn't quite as involved in the illegal activity. It was just more of like a passive -- played a passive role. And the remonstrance process served to really put some pressure on the owner to make some changes, put up some fencing, change the lighting, make some changes to their practices. And so the remonstrance wasn't actually granted because by the end of the process,

they had really made the changes that we were seeking anyway. So, I think in both of those instances, the process worked to the community's benefit.

REP. PAOLILLO (97TH): Thank you for your answer there. And that's certainly something that we want to model moving forward. And just -- I don't know if you had a chance to listen in earlier around some of the reluctance from DRS, which we thought legislative intent was extremely clear last year with this, applying to all existing businesses, and that was certainly your understanding. Correct?

SARAH MILLER: Correct. Correct. And we, you know, we do have challenges with so many existing businesses. So in order to tackle those challenges, you really need to include them in the legislation.

REP. PAOLILLO (97TH): So thank you for being a voice, protecting all communities throughout the state. And, Mr. Chair, thank you for the opportunity.

REP. LEMAR (96TH): Thank you, Representative Paolillo. Thank you again, Alder Miller, for your testimony, for your steadfast leadership, and frankly, for having a success that we're able to model in this legislation moving forward. I do appreciate the passion and commitment you bring to the City of New Haven and the residents of Fair Haven. Thank you.

SARAH MILLER: Thank you.

REP. LEMAR (96TH): Next up, we have Mark Berkowitz, followed by Dave Delohery. Is Mark here?

MARK BERKOWITZ: I am.

REP. LEMAR (96TH): Oh, sorry, Mark. I had you in person. I apologize.

MARK BERKOWITZ: I apologize for that. Good afternoon. I appreciate the General Law Committee allowing me to speak. I'm 5428. My name is Mark Berkowitz. I am the owner of three mobile manufactured housing communities in the state, one being in Berlin and two in Meriden. I've worked in the mobile home industry for over 25 years. I am a director and past president of the Connecticut Manufactured Housing Association.

In addition, I was appointed by Governor Jodi Rell in 2008 to the Mobile Manufactured Home Advisory Council as a mobile home park owner. I'm speaking before the committee today to oppose H.B. 5428. The passage of this bill will be detrimental to both community owners and its residents. The proposed rent cap of CPI plus 1% will discourage investment in communities and have a direct negative impact on the quality of manufactured housing in the State of Connecticut.

There are 230 mobile home communities in the state with approximately 10,000 lots. This represents less than 1%. It's actually closer to a half a percent of the state's housing stock to give you some perspective. I believe the legislature would be better served by looking for ways to grow the industry instead of placing restrictions on the mobile home industry with rent caps.

Manufactured housing is the most affordable homeownership option in the state. This is especially true in a state where land values are some of the highest in the country. Moreover, there's a shortage of available rental housing in general and affordable rental housing in particular. Owners' operating expenses include but are not limited to taxes, insurance, general maintenance, water, sewer, and trash pickup.

The consumer price index is a measure of a consumer's increase in cost of living and does not take into consideration the owner's cost to operate their business. Price controls without cost reductions will result in cutting capital expenditures to modernize and deferring maintenance that will ultimately harm residents by reducing the quality of their communities and value of their homes. It should be noted by the committee that lock rents residents' pay include water, sewer, trash pickup, common area maintenance, and snow removal.

Also, and I think the first woman who spoke regarding mobile home communities who lives in, I believe, in a Sun Community, she also enjoys a beautiful clubhouse and a pool, which is also some of the amenities that are enjoyed in communities throughout the state. Also, you're paying for the right to site your home in those communities. And that's really important because the value of the home is tied to the land where it's sited. Now you're going to be listening to some folks from Sun Communities later on today.

SENATOR MARONEY (14TH): I'm sorry. Your three minutes have come up. Would you mind summarizing, please?

MARK BERKOWITZ: Yeah. So, in summary, residents in Connecticut are sensitive to the high cost of regulated expenses such as utilities and taxes. So, the bottom line is how is it just for government entities to permit exorbitant increasing -- increases in cost while simultaneously restricting housing providers from adjusting rental prices to cover those same rising expenses? And I would just like to add because you did give the first woman who spoke on behalf of tenants quite a considerable amount of time. So I would just like to have just a few more minutes here.

SENATOR MARONEY (14TH): No. I'm sorry. You get additional time if someone asks you questions. So the first one was asked questions by legislators. So, your three minutes expired about a minute ago.

MARK BERKOWITZ: Okay.

SENATOR MARONEY (14TH): So please summarize quickly.

MARK BERKOWITZ: Okay. So, in conclusion, you know, there is a solution to this problem and that is back in 2022, the legislature passed was called fair rent commissions, which is Public Act 22-30 where you establish fair rent commissions in towns with 25,000 or more residents. And the purpose of these commissions was to handle disputes including rent increases. I would submit that they allow these commissions to do the work that they were intended to accomplish.

REP. LEMAR (96TH): Thank you. I think that's a good point. We may look to look at fair rent commissions

and their role in communities that are less than 25,000 if they also host a mobile home park. So I think that would apply a standard to all mobile home residents regardless of whether or not they exist in a town that has 25,000 residents or not. So, I think that final point is fair. Are there any questions? Representative Martinez. Thank you.

REP. MARTINEZ (22ND): Thank you, Mister Chair. So, I was reading your written testimony and I see, you know, your points about inevitably there's going to be a major repair that needs to be made, and I see your concerns about if there was a rent cap of 1% over CPI and you had that major issue. You could actually lose money.

So my question for you is if fair rent commissions, right, were working properly and people had access to them, say, for this example, I would love to see a fair rent commission, one in the state that was for manufactured homes because the laws are so different and it would be great to see people that are really familiar with those laws, helping with so many of the issues that have been coming forward.

So, if there was that fair rent commission and there was an exception form, so there was the rent cap, but if you had an issue like that, or if inflation was really low and taxes were up above it, and you were going to lose money, and you could file an exception form, how would you feel about the rent cap under those circumstances?

MARK BERKOWITZ: I still wouldn't be in favor of the rent cap because you're still talking about expenses that are probably going to be well above CPI plus 1%. I mean, anybody who lives in the State of

Connecticut and who is incurring expenses over the last few years understands that the cost of taxes. We're all getting Eversource bills, right? So, we know that there are exorbitant bills there. We understand, you know, water bills. I mean, it doesn't even come close to covering those expenses. How can community owners set aside reserves to meet even minor repairs, never mind capital expenditures.

And if I may, Representative Martinez, I'd just like to address something that was said earlier by Representative Henry Genga. Forgive me if I'm not pronouncing that correctly, but he talked about a horrific event in East Hartford, that fire. It should be noted that that community is an exceptional community and that they provide utility services to its residents.

I'm not aware of another community in the State of Connecticut that does that. They provide oil and propane to its residents. So when they were digging in that community, they have oil and propane lines throughout that community. And that's why that was a dangerous activity and that's why the fire happened there. So, I just think it's important to know why that happened.

REP. MARTINEZ (22ND): Okay. So just back to my question, though, and just to be clear, what I was saying is there would be an exception form if your fees or expenses were above the CPI plus one, you would be able to fill out that exception form.

MARK BERKOWITZ: But why are we creating a rent cap in an industry when you have fair rent commissions that could address unfair rent practices? Why are we creating rent caps in an industry where the supposed

bad actors, ISAP, on a call with the tenant advocate for the industry and his legal liaison who works with him on all the legislation, and they said, "I wish I didn't have to pass or draft legislation that affects the many to address the few." And I gave them that solution. Why don't you utilize the fair rent commissions? And it was crickets because they understood that that was something that they should utilize. There's a few towns and there's a few bad actors in the state. So let's let the commission -- let's let those fair rent commissions work. Let's hold their feet to the fire.

REP. MARTINEZ (22ND): Yeah. Thank you for answering that. And I think the reason is, is there's so many people. When I actually submitted this bill, I had people reach out to me all over the state with numerous issues. And, you know, fair rent commissions, as they are now, are not available and accessible in all towns.

And as I've delved in and honestly learned more about manufactured home law than I ever intended or expected to, the laws are starkly different from regular housing laws and that's why it's in a completely different statute. And I just have another question for you because you are a park owner. In what circumstances have you had to pay the relocation fees for a resident and how many times have you had to do that?

MARK BERKOWITZ: Never. The only time that comes up, Representative Martinez, is when you're changing the use of a community. So, for instance, say, I was going to buy a mobile home park in Connecticut and I wanted to put -- I was a developer and I wanted to put a Walmart there, for instance. I would have to

pay to relocate those folks. I think that actually happened in New Milford. It happens very infrequently.

Matter of fact, countrywide, less than 5% of homes, once they're situated ever move from that spot because really the value of that home is tied up in the land where it's situated. That's why it's so important that community owners have the resources they need to upkeep those communities because, again, the value of those homes are tied up in the land where they're situated. That same community, Sun Communities, a home that was purchased for $180,000 not too long ago which just sold for $300,000. This is a mobile home.

REP. MARTINEZ (22ND): Thank you for your answer.

MARK BERKOWITZ: The reason why they could enjoy that increase these are not like automobiles, folks. These are not your grandparents' trailers anymore. They appreciate in cost. They're taxed just like regular real estate. And these used to be Jensen's Communities, and now, they're Sun Communities. Sun takes care of these communities just as nice as Jensen's used to take care of them. And the only reason they can do that is because they can -- they can charge reasonable rent and keep up those communities. So, I would submit that the first woman who was talking I'm sure [inaudible].

SENATOR MARONEY (14TH): I think Representative Rutigliano has a question for you.

REP. RUTIGLIANO (123RD): Good afternoon, sir. How are you today? Just a quick question.

MARK BERKOWITZ: Yes.

REP. RUTIGLIANO (123RD): Do you have fire suppression or hydrants on your property?

MARK BERKOWITZ: I do not. And the reason for that, Representative, is most mobile home communities in the state are pre-existing non-conforming uses. So when these communities were built, which a lot of them were built post-World War II and not to start with a history lesson, but --

REP. RUTIGLIANO (123RD): What's the H acreage of your park? Like how big is your mobile home park? How many acres is it?

MARK BERKOWITZ: Well, some are --

REP. RUTIGLIANO (123RD): No. You're an owner. Well, I'm talking about your park specifically.

MARK BERKOWITZ: Two acres. So most of the time when there -- if there would -- I've never had a fire, but there was a fire, they would come with water tanks. But the new communities that have gone up in the state, they would obviously have [inaudible].

REP. RUTIGLIANO (123RD): So, you don't have fire hydrants anywhere on the property for -- and your town has a tanker truck?

MARK BERKOWITZ: They would come with a -- they would come with a tanker truck, right, because these communities are pre-existing non-conforming uses. So you wouldn't-- when they were built, they weren't built with fire hydrants.

REP. RUTIGLIANO (123RD): So, at the beginning, you said you're -- what town are you in?

MARK BERKOWITZ: I have Berlin and Meriden.

REP. RUTIGLIANO (123RD): So, in Berlin and Meriden have tanker trucks as part of their fleet of fire service?

MARK BERKOWITZ: I couldn't answer that.

REP. RUTIGLIANO (123RD): Okay. Well, I thought you just did. That's why I was asking. You said they would come with a tanker truck, but, unfortunately, you don't know if they have a tanker truck. Listen. I get the free market and the rent and all that other stuff, but I have to tell you, I was very taken aback by Representative Genga who spoke first today's concern about fire safety, and these people are paying a fair rent. They should at least be protected if something goes wrong. So, I just thought I'd ask you that question. I was concerned whether or not it was your responsibility to take care of the water lines that reached the hydrant, but you're saying there's not even a hydrant.

MARK BERKOWITZ: Representative, what I can tell you is that these homes are built to HUD standards, which they do have requirements on how they're built. And also, I have to believe the fire chiefs within each town, they know where their fire are in town. So, if there's a fire and I can't speak for them, they know what kind of resources they need to take care of a fire in certain areas.

REP. RUTIGLIANO (123RD): Well, I appreciate that, sir, but all due respect, and I'm supposed to ask

questions to enlighten myself, and that's what I'm trying to do. You want to be treated like a regular landlord, and a regular landlord would have to be responsible for at least either being near a fire hydrant or having some sort of -- in some towns, you have to have sprinklers or fire suppression or anything like that. In all sincerity, sir, I just don't think you could have it both ways, is all I'm saying. I don't think you could say, oh, hey, I'm a regular landlord except for this. So, with that, I'm going to turn it back to the Chairman. I appreciate you testifying today, and thank you for your time.

MARK BERKOWITZ: You're welcome, sir.

SENATOR MARONEY (14TH): Yeah. Thank you. Are there any further questions? Okay. Hearing none, thank you for testifying.

MARK BERKOWITZ: Thank you.

SENATOR MARONEY (14TH): Next, Dave Delohery. Can you just push the button so the red light goes on around the microphone?

DAVE DELOHERY: Got it. Good afternoon, Senator Maroney and honorable members of the Committee. My name is Dave Delohery. I reside in the Cedar Springs Manufactured Home Park in Southington. I am a semi-retired Connecticut-certified general appraiser, a certified Connecticut tax assessor. I am a licensed realtor, and I'm president of the Connecticut Manufactured Homeowners Alliance. I'm also a member of the Connecticut DCP Mobile Manufactured Home Advisory Council.

Thank you for the opportunity to testify in favor of House Bill 5248. As you know, Connecticut faces some of the most serious affordable housing shortages in the country. As you also know, manufactured housing home parks are one of the few remaining sources of unsubsidized affordable housing, is our state, as you heard the previous speaker tell you.

Many residents of these parks are senior citizens, as you've also heard from other previous witnesses, of unsubsidized or senior citizens, veterans, or disabled, or caring for a family member who is disabled. Many of many, if not most of these people, survive on fixed incomes from Social Security or SSI and get by on paycheck to paycheck.

Unlike other renters, they own homes and rent plots of lands that generally consist of around a tenth of an acre. In addition to land rent, they are responsible for all maintenance of their homes as well as heat and electricity. They mow the park owner's grass and shovel their own walks and driveways. Also, unlike other renters, because of the scarcity of vacant manufactured home sites in our state, the cost to move a home, Park residents face a Hobson's choice when a rent dispute arises. They either pay the increase or face eviction.

I will try to keep this simple. I got involved in manufacturing the home park issues after the family-owned facility where we moved to downsize for retirement, was purchased by Sun Communities in 2019. The transaction took place on October 30th. Residents found out about it the next day. With some research, I realized the direction we would likely go in and made a promise to myself to make others aware of the potential downsides.

You will hear testimony from park owners that the proposed rent cap is unfair or draconian and will lead to park infrastructure decay because it would not allow for investment in water, sewer, fire hydrants, and other infrastructure maintenance or unexpected expenses. I do not agree. In my experience as an assessor and appraiser, I have had the opportunity to review income and expense reports from several manufactured home parks.

Although I am prohibited by ethics standards and state statute from disclosing information from these documents, it has been my experience that rather than operating on the fringes of profitability, as owners would have us believe, manufactured home parks actually provide a good return on investment versus other investment options.

Again, keeping it simple, if that was not true, would you have aggressive REITs and private equity investors lining up across the country, clamoring to purchase these properties? Would you have the owner in East Hartford, as Representative Genga spoke about earlier, contemplating installing 200 new units in their park if they were going to dig themselves a deeper hole? I say not.

Without the statutory limits contemplated by HB 5428, and the recently enacted right of first refusal law, this trend will continue to spiral and manufactured home park housing will become less and less affordable for residents with the passage of time. In closing, I point out that residents from across the state, from Danbury to East Hartford to Wyndham, are testifying and will testify or have submitted testimony in support of this legislation.

Multiple legislature have signed on as cosponsors. The concerns of residents are not isolated. And in addition to rent increases involved, issues ranging from $2 million of deferred septic maintenance in the park in Danbury to inadequate hot fire hydrant pressure to fight a fire after a propane explosion in East Hartford that was caused by the park owner. These types of deferred maintenance and infrastructure issues are common under the current statutory environment wherein park owners are not oppressed by an unfair rent cap law. I assure you that the vast majority of manufactured home park residents support this legislation, and please keep this in mind in your deliberations on this bill and discussions with the park owners. And I'll try to answer any questions you may have.

SENATOR MARONEY (14TH): Okay. Thank you very much. Are there any questions? Okay. Representative Martinez, followed by Representative Turco.

REP. MARTINEZ (22ND): Thank you, Mr. Chair. I have a question about another part of the bill, about the leases. The leasing, there's part of the bill that explains the importance of having a lease become one year? Currently, people moving in, as I understand, do not need a one-year lease, they can have a shorter lease?

DAVE DELOHERY: No, the current state law specifically says that leases must be 12 months.

REP. MARTINEZ (22ND): Okay.

DAVE DELOHERY: There are park owners, however, and you'll probably hear this from people coming up --

let me just say, this is not a widespread issue, but it is an issue in two major parks in the state of Connecticut. When somebody comes in and buys, they want all these leases to expire on the same date. So, if they want it to expire on March 19th, and you're buying on January 1st, you get a lease for January 1st to March 19th, and then you get an increase. You're not supposed to be able to offer anything less than a 12-month lease according to Chapter 412. I don't remember which section unless the prospective buyer agrees to it or requests it. It's in the statute.

REP. MARTINEZ (22ND): Understood. Thank you. And I was hearing, and I've received some testimony, and I'm not sure if you're able to speak to this or not, about people getting into leases though that were three months, six months, and then facing increases at that time before they were able to get in for a full year.

DAVE DELOHERY: That's people that are coming are buying in. They get charged until whatever the renewal date is that they want, and then they get an increase. So, the purpose for the 12-month lease rule is so that you don't get an increase. I'm not going to tell you the names of the parks because there's active DCP complaints on these issues in two Connecticut parks,. Out-of-state corporations that are doing it. I'm not going to mention names because I don't want to get sued, but they're active DCP complaints, but at least one of them is very nearly a year old. And you will hear testimony from a gentleman from that park later in the session. So, it's a problem, but for the most part, most of the parks are obeying the law, but it's a really glaring

flouting of the law by a couple of significant park owners in the state.

REP. MARTINEZ (22ND): Thank you so much. And I just want to say thank you so much for your advocacy surrounding this issue.

DAVE DELOHERY: And thank you. Great.

SENATOR MARONEY (14TH): Thank you. Representative Turco.

REP. TURCO (27TH): Thank you, Mr. Chairman. Thank you, Dave. It's good to see you again. How are you? And I just wanted to ask a little bit more because I totally understand where you were saying when you have these large rent increases, it's very difficult to move because you literally have to be able to transport the entire home to a new plot of land. So, that adds this difficulty, and I see why you're advocating for the rent caps because of that. What type of increases are you hearing about that communities, residents are facing throughout the state? Average percentage increases.

DAVE DELOHERY: Well, I don't keep track of the increases in -- I keep track in my part, but the increases that we talk about are not as anywhere near the percentages you hear about in apartment dwellings, for example. What separates us and makes it so much different than increases in apartment dwellings is that we're leasing land. We lease land. And many of the people, I think you may have drawn from some of the earlier testimony, are people that are living on fixed incomes.

I've got a document here that shows the difference in land rent increases in the Old Jensen's Community where I live, when Jensen's operated it versus when Sun took over. And the increases since Sun took over, are significantly higher than they were under the old family-owned operation. Now, let me also say this. This is probably not common knowledge, but in the US federal courts right now, there is an active case alleging. There's an allegation in a class action lawsuit that multiple property park owners that are including three of which are operating in Connecticut, are accused of collusion to increase and manipulate land rents across the country.

I can provide you with the documentation of that case. There's an online copy. Most of it it's blacked out. So, the increases we're talking about are sometimes 25 or $30, but that's a lot of money. And you heard Diane earlier who lives in my park. When you're getting 40 or $50 in your Social Security, that just about takes care of whatever your goal is.

REP. TURCO (27TH): Sure. I'm very sympathetic to what you're saying, and people living on fixed income, and an increase of even $25, $30, how difficult that could be on somebody. I remember meeting with a couple of months ago one park owner who said, yes, they're leasing the land, but they have obligations to take care of that land, garbage and recycling, snow plowing of the entrances in and out, other maintenance cost, perhaps sewer cost. There was a long list of things, and then there's the property taxes and insurance.

And stating that their cost was $100, would justify $100 increase a month to just cover their cost, not

to pad their pockets with profit, but they didn't want to pass that all along to the owner of that mobile home. They phased in that increase over a number of years to try to allow that home homeowner to pay for it with their fixed income. So, when I hear that, the landlord's just trying to raise the cost to meet their expenses, which was inflation is just going up, how do we cap that and tell the landlord, no, you can't recoup it. You have to take a loss year after year. How do we justify that in your opinion?

DAVE DELOHERY: We live in a capitalist society. Representative referred to this earlier. I don't think you'll find any residents that don't understand an increase every year. But the prior owner of my property, where I live, assuming, for the sake of argument, that what you were told was true, they were able to do it sometimes with no increase. I've got a 25-year history from one of my residents who've been in there a long time, where there was a couple of times when Jensen didn't increase the rent at all.

So, we're not expecting never to get increases, but I challenge, and this is why I brought up my experience seeing income and expense statement, when any of you -- I don't know if any of you are commercial property owners. Any commercial property owner that's rented in the state of Connecticut must submit a yearly income and expense statement to the tax assessor so that they can, every five years, calculate the value of their property.

Park owners have to submit those. So, if they're telling you that they're these expenses are going up so much that they would it would justify $100

increase, ask them to produce those documents. I've seen them. I'm going to repeat what I said in my prepared statement. You don't get REITs and private equity investors clamoring to purchase these properties if they can't turn a profit. And another thing I got to say, I have, in my possession, documents from the CEO of my park. Now, these go back to 2019 and 2020. Am I running over time or something?

REP. TURCO (27TH): No, you're okay.

DAVE DELOHERY: Okay. So, let's just talk. This information is four or five years old, but it was on their own website, and it was the investor relations page. And they said that they have a corporate policy. I'm sorry, this particular information is from a newspaper article from the financial press. Their CEO is quoted as saying, in 90% of our manufactured Home Park portfolio, we are able to raise the rents at or above the rate of inflation. That's a quote, his name is Gary Shiffman. I don't know if he's still the CEO, but that was a quote at the time.

Now, the other documents I was going to tell you about are from their own investor relations page, from 2019 and 2020, that at that time, they had over $1 billion of government-subsidized, low-rent loans that were used to purchase parks. And part of that duty to serve to get those loans is that you try to keep some sort of affordability in perspective. We don't think that they're taking that into perspective. And so there's multiple reasons outside of just their costs that you should question them on these kinds of things. And I can provide you with

the documents I just told you about. Does that answer your question?

REP. TURCO (27TH): Yeah. No. Thank you, Dave. You represented an association, so I feel like it's really important to ask you these questions because you speak for a lot of people. We've heard testimony today regarding fair rent commissions and having them have authority, which I believe we already put into law, but I think the problem is that a lot of communities where the mobile home parks are located, are under 25,000. That municipality might not have a fair rent commission. So, this Committee has talked about a way to address that, but besides rent caps and the issues with rent increases, between these two bills, what do you think the other most important areas for further regulation on these parks, protections of tenants that this Committee really needs to try to make sure stay in these bills when they pass this year/

DAVE DELOHERY: What parts of existing law?

REP. TURCO (27TH): No, the two bills that were that are proposed, that you're in support of. Besides the rent caps, because your testimony really focused a lot on the rent caps, and I get that's the most important, but what are some of the other issues that you believe really you want to see stay in these final versions of these bills?

DAVE DELOHERY: Let's see. I think the thing about enforcing the lease is in there. That's important. The thing about transparency is important. And the reason that's important is that there needs to be an effort to enforce some existing laws that are on the books. And the way you get that kind of enforcement

is by being able to transparently see the results of investigations by the DCP. And we don't get those until after the investigation is done. You're going to hear testimony later from a gentleman who's had a DCP complaint active for a year, and he's a complainant. And he can't get any information. He doesn't know where it stands. He doesn't know what kind of information he's heard from the park owners. And so the transparency issue, I think.

REP. TURCO (27TH): Thank you so much, Dave. I appreciate you speaking on behalf of the alliance and educating me on these particular issues in the bill. So, thank you.

DAVE DELOHERY: It's my pleasure. Thank you for the time.

SENATOR MARONEY (14TH): Are there any further questions? Hearing none. Dave, thank you very much.

DAVE DELOHERY: Thank you.

SENATOR MARONEY (14TH): Next, Katie Covett.

KATIE COVETT: Good afternoon. Esteemed members of the Committee, thank you for the opportunity to discuss Raised Bill 7178. My name is Katie Covett. I live in West Hartford and I'm a cofounder of Soulstar Connecticut, one of the 14 DIA cultivator licensees that paid the $3 million fee into the state's social equity fund. We are the only female-owned and female-backed group in this cohort.

I'm joined by my partners, Denisha of Bridgeport, our qualified social equity member, my best friend, and Amanda Rasatana, our co-founder and CEO. We knew

that raising $3 million would be hard as independent operators, but we saw a real opportunity to bring diversity to a Connecticut industry that was dominated by a large multi-state corporations.

We actually gained our own experience working for a large company like that, and then we leveraged it from Solstar and became a launchpad for operators like us. As you know, only 14 groups have paid the $3 million fee, and to our knowledge, just two have become operational. The greatest roadblock standing in our way is finding a suitable cultivation property within the DIA that is also properly locally zoned and is big enough for the required 15,000 square feet of growth space.

This requirement is the key barrier preventing us from turning our provisional license into an operational business, all the while, while we are accruing interest on debt with no revenue. Against this backdrop, Connecticut's cannabis market remains supply-constrained. Manufacturers can't access plant material to produce products, and the OLR reports stated that Connecticut has the highest price per gram in the region.

However, we do understand that if all of the DIA cultivators built at full scale, the market could quickly become oversaturated. Last session, lawmakers recognized both of these concerns and created a path for DIA cultivators who had not yet paid the $3 million to scale down to a micro cultivator license in exchange for paying a reduced fee of $500,000 and forfeiting one of the two allowed EJVs.

We propose extending a similar option to the 12 DIA cultivators who have already paid the $3 million fee. Instead of offering a fee reduction, because it's already been paid and is going to use for social equity, these licensees should be able to convert to a micro cultivator and retain both EJVs. Allowing groups like us to become a micro will support manufacturers, the supply chain, create an ecosystem of smaller and independent businesses, and reduce the risk of oversaturation by having less large-scale cultivators.

And to ensure that Connecticut is competitive, we also advocate for three specific changes to improve the consumer experience. One, allow brand recognition through packaging. Overly restrictive packaging constantly disappoints customers. Two, expand medical products. Products such as topicals and tinctures are restricted to medical patients only, despite their safety for all consumers. And three, revisit and reduce the pharmacist requirement. No other state in the region requires a pharmacist to operate a dispensary. It is extremely expensive, and it hurts the sustainability of the medical program. Thank you for your time and for your consideration.

SENATOR MARONEY (14TH): Great. Thank you very much. I know you've been here over the years a number of times, so thank you. You always offer good testimony, good ideas, and willing to work. So, 14 have paid, with only two of those becoming operational. Now, are more operational for some of their -- only two are operational at all?

KATIE COVETT: Two currently out of the 14 new groups, yes, have become operational. Two that paid

the $3 million fee have been able to find their property, to get it locally zoned, to get through the process. Our issue is finding that property.

SENATOR MARONEY (14TH): Is there an expiration time for you where you need to be operational before your license?

KATIE COVETT: Please, Amanda.

AMANDA ROSITANO: Hi there. My name is Amanda Rositano. No, there's no expiration on that license for us, but as my partner mentioned, we are accumulating interest on debt that we've paid on the $3 million fee that we've paid into the system but have not been able to find a path forward for our license.

SENATOR MARONEY (14TH): Okay. And I'm sorry. Did you say the number of the people who hadn't paid the fee yet?

KATIE COVETT: Who haven't paid the fee. I believe it is also 12 groups currently who are out there who have not paid the fee.

SENATOR MARONEY (14TH): Okay, great. Thank you. Are there any questions online? Representative Turco.

REP. TURCO (27TH): Thank you. I was trying to look for your written testimony, and I couldn't find it. Will you submit?

KATIE COVETT: Yes, it will be submitted shortly in full written form. Yes.

REP. TURCO (27TH): Okay. Good. I just wanted to get clarification at the end of your testimony. When you were wrapping up those three changes that you asked for that we're considering. One was on the labels, adding the color labels. What were the other two?

KATIE COVETT: Yes. So that the packaging. And then the second one was expanding the medical products to be accessible to adult use customers as well. So, right now, you probably heard testimony that certain products aren't being produced as often, and one of the reasons that is, is because adult customers cannot buy them. So then the current producers stop making them because there's not a margin like Paul had said earlier. And so then patients cannot access them. So, if they're available to more people, more customers, we believe more people would buy them. And, Amanda, anything to add there?

AMANDA ROSITANO: Yeah, I think one of the most important things about these products is that, one, they're disappearing off the shelves for medical patients right now because of the lack of marketability on the adult use side, and two, that these are products that are particularly safe. We're talking about topicals, which are non-psychoactive. We're talking about tinctures, which are products that are very typical for relief. So, we're just looking for parity between the product types that are available on both the adult use side and the medical side while maintaining the dosing restrictions that are required on the adult use side.

REP. TURCO (27TH): Okay. So, you're not requesting raising the THC level to equal the medical and the recreational?

AMANDA ROSITANO: Not at all. We're just looking for parity in the product formats that are available on both sides. So, currently, topicals, tinctures, and concentrates are only available to medical patients, and the result of that is producers are stopping making them because medical sales are such a small percentage of their sales.

REP. TURCO (27TH): I get topicals. What are the next two that you mentioned? What are those products?

AMANDA ROSITANO: A tincture is basically a concentrated liquid. And so, typically, you put it under your tongue or mix it with a drink or something like that.

REP. TURCO (27TH): So, same legalized THC level, but we don't allow those products to be sold on the recreational side, just the medical side.

AMANDA ROSITANO: Correct.

REP. TURCO (27TH): Interesting. I don't think that's in any current legislation we have now, is it?

KATIE COVETT: It has been discussed and proposed. It may be in there now, but we did not see it in seventy 7178. Oh, yes. It's a regulation.

REP. TURCO (27TH): I see. So, it's being considered right now by the Department of Consumer Protection and their regulations?

KATIE COVETT: Yes.

REP. TURCO (27TH): But we could always have legislation that could supersede that. All right. I appreciate that clarification and understanding of that. Thank you. Mr. Chair.

SENATOR MARONEY (14TH): Great. Thank you. And then just to clarify your question in regards to the conversion, was to not be refunded any of the fee, just be allowed to keep your two EJVs if you're able to convert to the micro cultivator.

AMANDA ROSITANO: Yes, Senator. That's what we're asking, not for a refund on the fee, but simply a path forward that would allow us to operationalize our license on a smaller scale.

SENATOR MARONEY (14TH): Okay. Great. There's two barriers to the larger scale. I guess, one is finding the location, and then two is the build-out cost, I would assume, on a larger facility.

AMANDA ROSITANO: You nailed it. So, we're a social equity group, and we are not a corporate-backed group. We're independently funded. And we're looking for a way to enter the market that allows scalability in a phased approach for us. Start small, see what the market looks like, and then only add as it's necessary and as we can afford it. This is a more affordable path forward, and again, one that would diversify, not only the groups that are out there participating, but the types of businesses and the types of products that are in the marketplace.

SENATOR MARONEY (14TH): Okay. Great. Thank you all very much for coming to testify today.

AMANDA ROSITANO: Thank you so much.

KATIE COVETT: Thank you for your time.

SENATOR MARONEY (14TH): Next, William Joyce.

WILLIAM JOYCE: I'm here. Thank you very much. I can stand. I've been sitting all day. Is that all right?

SENATOR MARONEY (14TH): As long as we can hear you through the microphone because it is recorded and -- okay, that should work.

WILLIAM JOYCE: That sounds good. Thank you very much the General Law Committee having me here. Senator Maroney, Representative Lemar, Representative Aniskovich, Martinez, and Turco. I hope I didn't pronounce that wrong. I appreciate it. I want to start off by saying mobile home owners or corporations have a right to make a profit. I believe they have right to make a profit, but I don't believe they have a right to have had financial insecurity, anxiety, and knowing where the seniors should be.

And what I want to talk about is that the mobile home park I live in, they're all different. They all run differently. And one, we pay for the water, electricity, we fix our houses up, we pay for land lease. They do plow. They do get the garbage, and we do a lovely clubhouse. We do everything else. We pay the taxes. My taxes alone are just under $3,000 a year. Electrical, we do everything. And I'm on a quarter-acre lot that we lease.

With that, is the previous owner, Jensen. The last four years, when they charged us every year for our land lease, came with total of $33. Sun Corporation has owned us now six years. For the last four years, it's come to $112. That's more than triple what Jensen gave. Again, I don't mind. It's a little over 2% or whatever. That's more than triple, and we don't have the same services. Don't have the same services. They cut back on a number of the services.

Pumping septic tanks went from three years to five years. They cut back on crew for maintenance and stuff like that, office staff. And with that, these increases that are coming through, and this is nationwide, all mobile home parks, once they hit a threshold of $800 plus, the people, if they want to sell their homes, aren't going to be able to get the value for their homes on the market. The equity goes right down the trailer.

And, for example, the mobile home park down the street, a lady put her mobile home park on the market for 175. She couldn't get it. People would come and say, no, I'm not going to give you 175 or 165 and pay her $800 a month land fee. So, with that, she had to come down to 135. That's $40,000 in equity she lost. So, the mobile home park I'm going at with these increases coming through, within 10 years or less, we're going to be over $800.

So, the equity in our homes are going to drop if we want to try to sell them. That's forced poverty. In my book, it's my words, I call it forced poverty because they're taking money in equity that we built. For example, I'm putting windows in my home. I had to put a new water heater, roof, we're doing all that. We're just like a regular homeowner. We

just pay a land lease. But, also, I want to take a look. What is it? $33 increase of the previous owner to the one we have now over $112. That's over 3%. And I said they have a right to make a profit. I believe make a profit. I believe everybody should, but I think that's over a way in access, plus when they've cut down services.

With that, we know that every four years, they're going to try to up it up for $100 because the manager in our park has mentioned to several seniors in our park that the goal from the owner who owns us is to increase it every $100 in four years. When it's in ten years, we're at $800 or just over there. Also, when it comes to other things, you mentioned about fair rent commissions or whatever, we have one in our town that's up individually.

I don't have a problem with fair rent commissions. I believe every town or municipality that has a mobile home park in their town, in their borders, should have a fair rent commission, but designed so if the people in that mobile home park are upset or feel they're being overcharged, they go to this board that the town sets up or a committee of three of three people or five people, and that the mobile home park owner come in and justify his increase. So, if he wants to do a $40 increase or $30 increase, come in and justify it. We were set right, and I believe something like that is very possible. I don't really have --

SENATOR MARONEY (14TH): Okay. Yeah. Would you summarize?

WILLIAM JOYCE: I'm done. Thank you very much. I appreciate it. If you have any questions, man, feel free.

SENATOR MARONEY (14TH): Yeah. Rep. Aniskovich, Rep. Turco. And then if they haven't asked what I want to ask, I'll ask a question after that.

WILLIAM JOYCE: Sure.

REP. ANISKOVICH (35TH): Thank you, Mr. Chair. Thank you, Bill, for coming, obviously.

WILLIAM JOYCE: Thank you.

REP. ANISKOVICH (35TH): Full disclosure, Bill's in my district, so I've been talking to Bill for about three years now. And not only Bill, but also in my district that I serve. A lot of the fair rents that the discussions that we're having about fair rents, the issues become the municipalities aren't big enough to have a fair rent. The towns can do their own if they so choose.

I think one of the things that we've learned so far is the fact that these are different. There's a difference between a mobile home park and how they operate because their differences are -- we keep talking about rent increases, but this isn't a rent increase. This is a lot fee increase. So, this is the land on which your property is. We talked about all the increases that you had. So, from A to B, the previous owner to the new owner, what amenities did you get? What did they do prior to and now currently? Are they the same?

WILLIAM JOYCE: The old, they do the snow plowing on the roads. We plow our own driveways. We do the snow plowing of the roads. They pick up the garbage, and we know the garbage rate hasn't changed because since Jensen -- because the lady who handles all that billing is the secretary for the rent, the garbage company, they take care of the garbage. We have a pool, and we do have a clubhouse. They do come along and trim the bushes on the property line. Just trim around bushes.

Now, when it comes retaining walls, Jensen did retaining walls no problem. The previous owner, he's repaired one retaining wall, but the few other people need it because of erosion coming through, and they haven't put in a retaining wall. Trees, it takes forever, and we've had to call the consumer protection agency because of the slow moving of cutting the trees. The old owner, he'd be jumping around pretty quick. And, also, that's pretty much it. It could be wrong, it could be true. We pay for the water, like drills like that into the plowing, the garbage. If it leaked limbs or whatever, we do trimming on a sign. We put it every Friday, and they take it away on Friday, but that's pretty much it.

REP. ANISKOVICH (35TH): And that's been the same since previous owner and the current owner?

WILLIAM JOYCE: Basically, yes.

REP. ANISKOVICH (35TH): Okay. So, they're both basically doing the same work?

WILLIAM JOYCE: The owner now has cut back on staff. Septic tank pumping has gone to five years instead of three years, and that's caused a number of issues

where we've had to get the Attorney General involved in consumer protection agency. Granted, the previous owner did jump on it and slowed slowly at first, but he's taking care of that if there's any issues. But still, they're pumping our septics every five years for 1,000 gallons, and there's going to be issues. It's just down the road. We need to see that.

REP. ANISKOVICH (35TH): I know you've worked a lot on this, so we've talked about these conversations. Can you speak to what other states may have regulations as it relates to mobile home parks and maybe any lot fee restrictions that they may have?

WILLIAM JOYCE: I know there's all the states surrounding us, I'm not sure about Rhode Island, but Vermont, New Hampshire, Maine, Massachusetts, like I said, New York, all have different rules and regulations. Connecticut, hopefully, will jump on and be one of the new states that will have that, and each one's different. That there's the 1% rate above CPI. I'm fine with that. I'm good with that.

There's another law similar in Massachusetts where I said the municipality puts a board or a commission together, five people or three people. They are the community, the number of people in the community who are upset with the rent increase. They go to the board. The board ask the mobile homeowner or corporation or whatever come in and justify the rent increase. And that committee says, well, you're asking for 50. We don't see it, here's 25, for example. I'm saying too high, if they're saying 30 or whatever, say 15, I have no problem with that because it's a conversation, but they have to justify it.

REP. ANISKOVICH (35TH): Right.

WILLIAM JOYCE: Justify is the golden rule word here. They must justify the rate increase and to the board. And that, I think it's very fair.

REP. ANISKOVICH (35TH): And so when you get rent increases, how are you notified?

WILLIAM JOYCE: It's two months before when the rent increases. You sign the form again, stuff like that, and you pay. Now, with that, I believe in paying. When you sign a contract, I believe in paying the contract. I always make sure I pay in time. If there's any deadbeats, I don't believe in deadbeats. Deadbeats got to go. People do have issues and stuff like that.

There was a lady I felt really sorry for. She called me up and said, don't worry. I'll talk to her. She had some financial problems. It was right after Christmas. The car broke down, and she had another oh, her water heater went, stuff like that. So, it was getting all this fixed so she could have heat. She paid for it, but she couldn't pay for rent all the time. She was able to pay 60% of that month's rent and said I will have next month's and nap. I just can't do it. They tried to foreclose on her right away. I mean, come on. And she was been there for years. She paid her bills. She's a good person, stuff like that.

REP. ANISKOVICH (35TH): Yeah.

WILLIAM JOYCE: So, they have issues like that. I wish it would work more with some of the individuals. I don't believe in deadbeats. I'll be

right in front, and I believe in profit. I'm right there.

REP. ANISKOVICH (35TH): Well, thank you for your testimony.

WILLIAM JOYCE: All right.

REP. ANISKOVICH (35TH): I'd just like to say we do talk a lot up here, and we have these conversations about affordable housing, whether it's a small piece, a big piece, it's still affordable housing. And these types of units are afforded to people that can afford this. And I think we need some sort of control so that these people aren't priced out of the market and they have to sell their home, and they're going to sell their home for less than what it's worth because the lot fee is so expensive.

It becomes a political topic once in a while, and I think the politics have to come out of here. I mean, for me personally, after talking to you and a lot of the people up in your community that I talk to. The way I walk away from meetings with that is, well, what if it was my mom, dad, somebody in my family that could no longer afford a unit that they're living in and they had no family to go to, what's going to happen to them? Like anything else, I think we need to find some sort of solution. I don't know what that solution is. I think it's just a continuing discussion that's going to go on to see what we can do.

WILLIAM JOYCE: If I add one thing you mentioned, if I may, please. Is that we have widows. I've had older couples come to me and say, hey, I'm scared to death. If I die, my wife can't afford to stay here.

They don't want any children over this, and they don't know what's going to happen. So, there is a lot of anxiety for those people because in our community, majority of them are tired nurses, postal workers, law enforcement, and teachers, but they're in their 80s and 70s. What they made back then doesn't cover today. And same enough, there's a lot of different things, but there is that stress and anxiety. And I know one school teacher lost her husband, and she doesn't sleep at night. Because she's, how can I make this? And I could tell you sad stories all the time. That's not what we're here for.

REP. ANISKOVICH (35TH): Thank you for your testimony.

WILLIAM JOYCE: Thank you.

REP. ANISKOVICH (35TH): Appreciate it. Thank you, Bill. Thank you, Mr. Chair.

SENATOR MARONEY (14TH): Rep. Turco.

REP. TURCO (27TH): Thank you, Mr. Chairman. Is it William? Bill?

WILLIAM JOYCE: Bill's fine.

REP. TURCO (27TH): Okay. Thank you. Bill, on the fair rent commission, does the town where you currently live have an active fair rent commission?

WILLIAM JOYCE: We have a fair an active fair rent commission. Unfortunately, I was going to represent the lady, and she passed away two months before we were going to represent her because she couldn't

live there. I don't know if you can say her anyway. I can say if you know a Marge Nelson, but she passed away six weeks before the day the commission was supposed to meet. That's the reason we do have that for individuals. We would like something where the number of people get together and bring it up. Hey, here we're getting a rate increase. For them, we got $24, $27. Excuse me. The rate increase this year, it was $26. It was 4.7 increase when inflation rate was 2.60.

REP. TURCO (27TH): You can't go to the Fair Rent Commission now in your town when there's a proposed increase and bring it to them to then have a hearing?

WILLIAM JOYCE: If this is a law, as we talked to the Attorney General and stuff like that, there's a law where the state allows the state of a fair rent commission where we can bring in owner or corporation of a mobile home park. Yes. And our Selectman has said, as soon as this law is passed, I will put a committee together between three or five people. So, if a number of people come up and say, hey, we can't afford this increase, they'll say, okay, you will call in the corporation or the individual who owns a mobile home park and say, hey, can you justify this increase to us? Why is this increase? And then from there, they will hash it out.

REP. TURCO (27TH): Okay. I thought that's the way the fair rent commissions were already working, that they would talk to the different parties. They would look at different metrics within that town and how prices were increasing, and they would make some

sort of ruling, but that's not the way it's happening in your town?

WILLIAM JOYCE: No, it's individual. This town, we can go back. He said he was like a law, and the Attorney General mentioned to me, William Tong, he's come to our park a few times, stuff like that. Said he can only enforce the law that's on the books, which I totally understand and agree with.

REP. TURCO (27TH): How do you feel about a regional or statewide fair rent commission that would deal with these increases for different mobile home parks? Well, in your community, it doesn't seem to be working the way that we hope that it would, but we've heard from some communities smaller than 20,000 or 25,000 residents. So, there isn't even one that exists. So, do you like that idea?

WILLIAM JOYCE: That's fine. Probably other people might have a problem with that, but as a state law say, hey, the state agency that we can go to and bring this up and it's an evenly balanced. I've had no problem with that. I would support that. I know I'm making arrows with me when I go back to my whole park, you know, but if there's something that can protect the seniors or protect people or protect them from a really high increase, if it's right on inflation base or a little more, I want to have 2%, something like that, I get that. And I also get that a mobile home park owner or a corporation will have a real high expense one-time fee and stuff like that. I understand.

I get that, but they're going to bring it and prove did they have enough people bid on this instead of one or two? If there's something like that, I'm for

that. It's a good relief and help because I like where I stay. We downsized. We moved there. We're near the grandkids. My wife loves it. She's very happy and we'd like to stay where we are. It's a good community. I get it's hard to believe, but I get along with everybody. Everybody gets along with me, and it's a good area. I'd like to stay there. I don't want it to move, but also if it goes up to $800 or just before, we're going to` put it on the market because I'm not going to lose equity. That's not right. I don't think you should lose someone come along and take equity from your homes. Unfortunately, I don't believe in that. I don't believe we should lose equity either. Thank you so much. Over $800 is a breaking point nationwide.

REP. TURCO (27TH): Thank you.

SENATOR MARONEY (14TH): No question? Okay. I was going to ask the question about the -- but Representative Turco asked that. So, in regards to setting up a statewide fair rate commission just to deal with our manufactured home. But hearing no more questions, thank you very much.

WILLIAM JOYCE: Thank you very much. I appreciate it.

SENATOR MARONEY (14TH): Next online, Olivia Rinkes.

MS. OLIVIA RINKES: Thank you very much, and good afternoon. And thank you to the General Law Committee for the opportunity to testify. My name is Olivia Rinkes, and I'm from the town of North Ossinington. I am also an undergraduate student in the University of Connecticut studying political and cognitive sciences. I'm just here to really quickly

add my strong opposition into some other testimonies have already mentioned, HB 7181, An Act Concerning the State Enforcement of Cannabis Hemp and Tobacco Laws.

I just find it really disappointing that we've legalized cannabis, and we're still talking about enforcement and legal repercussions against people for the use of cannabis. Rather than pushing this enforcement legislation that will cause increased harm to individuals for cannabis, which has been legalized by the state, and is being profited off of by many corporate growers, we should spend our time getting people out of jail for cannabis convictions, removing cannabis convictions from sentences from individual's records, making sure that cannabis is accessible to people who are medical patients and ensuring that we are not selling moldy weed to people who are recreational and medical consumers. Thank you very much for the opportunity to testify.

SENATOR MARONEY (14TH): Great. Thank you very much, Olivia. I don't see any questions, so thank you for taking time to come testify to us today. Next, Spencer Templeton.

SPENSER TEMPLETON: Can you all hear me?

SENATOR MARONEY (14TH): Yes, we can. Please proceed.

SPENSER TEMPLETON: Chairperson and members of the General Law Committee, thank you very much for the opportunity to testify today. My name is Spenser Templeton, and I am national counsel for the Manufactured Housing Institute. We are the federal trade lobby for the manufactured housing industry,

which includes not only retailers, suppliers, manufacturers, but also Landly's community park owners.

And so we're here today to express our opposition to House Bills 05428 and 5111. Well, we all share the goal of maintaining manufactured housing communities as affordable and stable. We believe that these bills, as currently drafted, have some unintended consequences that will harm both property owners but also the residents. One of the major things is the rent cap. So, this rent cap would limit rent increases to CPI plus 1%.

While that might sound reasonable in theory, in practice, we think that it could have some devastating effects. Specifically, as it relates to property taxes. I know we had talked about utilities and other expenses that property owners have. Property taxes are often way above CPI. Not allowing that to pass through, especially, would have a devastating consequence for property owners, insurance premiums as well, infrastructure and maintenance expenses.

I think it was testified earlier that a lot of these parts are older parts. They were developed, I think, someone said World War II, which means that these parts are in need of serious infrastructure updates. And without allowing property owners to recoup that cost through rent increases, they're not able to do these infrastructure updates, which can lead to, potentially harmful outcomes for the residents in their homes. Also, we believe that it could cause an actual foreclosure on these parks.

So, a lot of these parks rely on financing that includes strict lending covenants, and any artificial restriction on revenue growth risk defaults on these covenants, which means that you could have, especially smaller park owners in the state not being able to maintain those loan covenants and actually foreclosing, which would displace the residents entirely.

We've studied this issue around the country as MHI, and what we have seen come from these artificial rent caps is not only -- you have foreclosures and these parts are not sustained, but you also have the investment In these parts. You don't have the good operators wanting to come and invest and run the parks in your state. And then you also have service reductions. So, while many park owners pay for water and other utilities as a service and amenities for these homeowners and residents, that has been decentralized because the cost of operating just greatly outsees what they're able to recoup through rent.

Another very important part of this bill that I don't think has been discussed yet is vacancy decontrol. Currently, as drafted, it would eliminate vacancy de-control, which prevents property owners from adjusting rents when a unit turns over. And this vacancy de-control is a very crucial tool, that even with the rent cap, allows owners to adjust to fluctuating market conditions and not go into foreclosure and be able to provide those remedies.

MHI has submitted written testimony that includes some real-world examples that we have seen and have done research on that I would encourage you all to look at, specifically Massachusetts. Massachusetts

has passed a hard cap rent control, and the research that has been done after that, especially since it didn't allow for vacancy de-control, has actually shown that the housing market in Massachusetts has led to a shortage and a shortage of quality rental housing as well, a similar --

SENATOR MARONEY (14TH): Would you please summarize your -- you went over the three minutes about a minute ago.

SPENSER TEMPLETON: Yes. And so we thank you for the opportunity of testifying. We're happy to help assist in any way and provide the research, but we believe while the intent of these bills is to promote affordable and sustain affordable housing for residents, the actual outcomes would not be what the intent was. So, we would oppose. Happy to take any questions.

SENATOR MARONEY (14TH): Great. Thank you very much. Are there any questions from the Committee? Okay. I don't see any questions, so, thank you for taking the time to testify to us today.

SPENSER TEMPLETON: Thank you.

SENATOR MARONEY (14TH): Next, Jennifer Messore. Okay. Next, Brian Essenter. Brian went earlier. Okay. Diane Lauricella.

DIANE LAURICELLA: Yes. Thank you. For the record, my name is Diane Loracella, and I wanted to thank Senator Maroney and Representative Lemar, the vice chairs and ranking members of the General Law Committee. This is the first time I'm testifying before this Committee. I wanted to thank you for

allowing me to do so virtually. I really appreciate it.

I'm here today just to lift up three bills. The first one is House Bill 1466. I have, in the past, done some work related to both asbestos removal and lead removal in training people that get their certificates. I think it's a great idea to have a task force to review, so I am in favor of 1466 in order to support a task force to look at certifications. My main focus, though, today is House Bill 5111 and House Bill 5428.

I have heard a lot of the testimony, including the most recent with the Attorney. I'm a senior, and I have a lot of friends who are also seniors. And we're quite worried about being able to remain in any kind of housing in Connecticut. I happen to live in the city of Norwalk. I know we still, I believe, have one, what one would call a mobile park.

I wanted to say that there have been many problems with the zoning and the image of a mobile park home. I think that's a sad case, and I would hope that people will uplift that image because it provides -- as the Manufactured Housing Institute, I read their written testimony, and I agree with them saying that manufactured housing is one of the most affordable home-ownership options for people.

And I wanted to say that what I did not see in the definitions is the issue of tiny homes. I have been looking at the tiny home villages that have been popping up throughout the country and the world, including Australia. I believe that this is an oversight because tiny home villages most of them

are manufactured. They're on wheels, but then they lock them up.

So it is not your typical trailer but it's not even included in your definitions for either of these particular bills. I think it's something definitely for the future. It's also for the present. And that should be explored by the staff of this committee because not having it in this bill is something that is not in keeping with the way the market is moving.

I also feel I can understand that owners, of course, their prices and their costs rise. I wanted to say that there should be some way to incentivize with tax rebates those owners of parks that have a checklist of managing those parks properly.

They should get rewarded so that they will not investing in there, and there's no better way than to look at the green infrastructure including renewable energy, making sure that you don't have water leaks in the pipes that go into the mobile manufactured homes.

Energy efficiency is something that could even be applied to park management mobile park management. I also lastly, just wanted to say that having regional Fair Rent Commissions for manufactured mobile parks is a great idea as long as you cannot get the current structure legally for Fair Rent Commissions to embrace mobile manufacturing parks.

I thank you for letting me speak. Please as a senior, I ask that we think outside the box and include tiny home villages. It is the future and should be a wonderful way to have very efficient and affordable housing in our state. Thank you.

SENATOR MARONEY (14TH): Great. Thank you very much for taking the time to testify. I don't see any questions. Also, I did not see your written testimony online. Will you be sending along your written testimony?

DIANE LAURICELLA: I can send it. I did not have time. I wanted to make sure I appeared before you. So I can send it in--

SENATOR MARONEY (14TH): Yep.

DIANE LAURICELLA: --shortly to your staff.

SENATOR MARONEY (14TH): Thank you so much. If you could send it in, then we'll make sure that's included in the record. So thank you very much for testifying. Next, Michael Weiss.

MICHAEL WEISS: Can you hear me?

SENATOR MARONEY (14TH): Yes, we can. Please proceed.

MICHAEL WEISS: All right. My name is Michael Weiss, and I thank the esteemed members of the committee for hearing my testimony today. I'm a lifelong resident of Connecticut and a manufactured home community owner and operator in Eastern Connecticut. I uploaded my written testimony, so I'm not going to read that verbatim. I just wanted to kind of make a couple of notes on what has been testified today. Mr. Delohery makes some fantastic points.

I'm speaking in opposition to HB-05428. However, Mr. Delohery's note that REITs and other large

international investors and national investors are lining up to buy manufactured home communities is absolutely correct. As attorney Templeton testified, though, I think one of the unintended ramifications of HB-5428 will be handing Connecticut's manufactured housing communities to those REITs on a platter, in a sense.

As a number of people have testified too Connecticut's parks are aging, and a lot of them need considerable infrastructural improvement. I think there's often confusion between manufactured housing communities and apartment complexes.

I think there is definitely a place for rent control in the rental market to protect sometimes the most vulnerable in society from greed and unscrupulous landlords. But I think unless we make a distinction particularly between apartments and manufactured housing communities, this could be implemented in a very unsatisfactory way for residents primarily. Mobile home parks, unlike apartments, often entail miles of road, miles of water lines, miles of sewer, and they're aging. At the risk of sounding snide, which is certainly not my intent, many have testified to the degrading conditions in their communities where landlords they're deferring capital improvements.

A lot of what I'm hearing today is, hey, these parks are degrading. Let's cap their revenue and see if that helps. I don't believe that that is the answer. In the interest of helping to protect those who need the most help, CPI plus one, I don't believe is the right answer. I think it either needs to be sent back to the local commissions, as Mr. Berkowitz

testified to, or CPI plus, probably four to five percent. Thank you for your time.

SENATOR MARONEY (14TH): Great. Thank you very much. Are there any questions from the committee? I do have a question. I think someone did bring up a fair point that often property taxes, other expenses may go up faster than CPI. And if we're looking at a national index, would it be better to index it to-- HUD has to come up with regional fair market rent indexes, so would it be better to index to a housing related index that's created by HUD?

MICHAEL WEISS: I think the biggest issue here is going to be the granular nature of mobile home parks. I mean, there is 169 municipalities and towns in the state, and every town raises its property taxes at different rates. There's different mill rates depending on what businesses are operating in any given town. That's the issue with a broad-brush approach to this.

The nice part of the local rent commissions is that they can index to something that is applicable to that specific municipality. Because I understand what you're saying indexing to HUD, but in some towns, the mill rate is drastically higher than in other towns. And as Mr. Delores stated, I do report my income and expenses to the town but what's important to note is that the town bases property taxes off of net operating income not off of net profit. So, for example, at my property in Killingly, my NOI, you know, I have my NOI on this line, and then below that line are additional expenses, which have included property tax, capital improvements, which added up to 40 percent of my total expenses above the line. So, people see the

NOI and think, hey, this guy is getting rich but a huge chunk of my expenses are after the NOI. So yeah.

SENATOR MARONEY (14TH): Okay. Thank you. I mean, the HUD index, I think it is by the town in Connecticut because and it is used for determining Section Eight rents. So they do look through there. But I think representative Martinez has a question.

REP. MARTINEZ (22ND): Thank you, Mr. Chair. I just wanted to ask the same question I asked earlier. What happens if there was an exception form? If there was a Fair Rent Commission for mobile homes or manufactured home communities, and the rent cap was one percent above CPI, but if your bills were an issue or the taxes were higher that year, you would be able to file a form of exception. So the difference would be the onus would be on the park owner to come forward if they, could not go through the red cap.

MICHAEL WEISS: Sure. Yeah. Massachusetts has a system that is certainly akin to that, and I don't think it's a bad system. What I what I have experienced in Massachusetts is sometimes that arrangement becomes a forum for defending the expenses that you bring in. The tough situation in those cases is if I am forced to do a capital improvement because something truly needs it, I am going to go out and get however many bids, and I am going to go with the most affordable one that addresses the issue to then go in front of the commission and say, okay, here's what I spent redoing the rows, replacing the sewers. Then, face scrutiny of those choices and say, okay, well, we hear you. We see what you spent. We're going to

allow you to go up 40 percent. That's somewhat untenable. So I certainly think it's a good idea if the process is properly established for showing what your capital improvement expenses were.

REP. MARTINEZ (22ND): Right. So right now, you know, talking about East Hartford, for example, there's 462 homes. So right now, when a rent is just increased and people are feeling that it's unfair, it would take donors on all of them to have to go forward. I'm not saying, you know, you in particular, but we do know that there's some out of state agencies, right, where the CEO is, making $10,000,000 last year. There is a lot going on, and there are some issues.

So there's bad actors in this. So, just trying to think of policy ways that we can move forward where it's fair for the renters and everybody I've spoken with. When I first brought this bill up, like I said, people have been reaching out to me statewide. People I think want the transparency piece, and they want to know what's coming at them. They've seen more of an increase recently, and they want you know, if it's one percent and there's a cap there, I think so far, everybody we've heard from has said if there's an exception, we can see that, but we want kind of the explanation. We want to know why all of a sudden the rates are tripling. That's not every park, but it is the bad actors and unfortunately, there's a lot of them, and there seems to be a lot more. So thank you.

MICHAEL WEISS: I absolutely agree. I think there's has to be a distinction made between an explanation and a justification. I think sometimes if you have to replace if an operator has to replace a road, and

then they go to recoup that cost and they have to justify why they use asphalt from one plant instead of another, I think that's a little overly burdensome. But with that said, we have chosen to sell people housing which is a basic human need for survival.

I understand that there are large REITs and unscrupulous individuals who are exploiting that. What I will just conclude with unless there's other questions, is you have to think somewhat globally even though it's a local issue. Because as a local person who's a small business operator, if I need to borrow money to go replace roads or water lines, I go to my local bank and I pay whatever the market rate is, six or seven percent now for money, so that I can go do those improvements.

Because frequently, they need to be done yesterday if it's an emergency. What's going to happen if I cannot recoup those costs is I'm going to have to sell the parks to someone who can get money for cheaper which is those big companies. Because when you're a publicly traded REIT or any sort of large entity you can borrow money for much cheaper. You can borrow it from mutual fund funds, from sovereign wealth funds.

I mean, these are large corporations. And like Mr. Glory said, they're chomping at the bit to bite these communities to buy these communities. Excuse me. So if I can't afford to make the repairs, I'm going to have to sell it to someone who can afford to make the repairs, and I assure you that that is not a small local owner. So you're going to end up with well-funded, large REITs owning more of the state's communities. If it's difficult getting a

hold of-- some owners aren't easy to get a hold of now, it's going to potentially be more burdensome when you call the owner and you get their in-house legal department because there's some sort of giant REIT. And, it may not be what was intended when the cap was put in.

REP. MARTINEZ (22ND): Thank you very much. Again, just to stress, I think the reason why I'm asking about changing the onus, and I'm not saying that it should be micromanaged to where you're deciding which brand of something you want to buy or anything like that. But it's much different here, where the tenant has such a large expenditure if they decide not to stay there. So I think that's where that comes into play for me. Thank you so much for your time.

MICHAEL WEISS: Thank you.

SENATOR MARONEY (14TH): I don't see any further questions, but thank you for taking the time to testify.

MICHAEL WEISS: Thank you.

SENATOR MARONEY (14TH): Okay. Next, Brandon George.

BRANDON GEORGE: Yes. Can you hear me?

SENATOR MARONEY (14TH): Yes, we can. Please proceed.

BRANDON GEORGE: Thank you so much. Thank you to the committee for allowing me to appear today. My name is Brandon George. I'm here as a representative of Sun Communities, which is a member of the

Connecticut Manufactured Housing Association and has a nearly 50-year history of owning and operating MH communities across the country, including currently 15 beautiful age-restricted communities here in Connecticut with nearly 1,900 total sites that I oversee directly.

Some additional background on Sun whereas some institutional investors have entered the MH sector in recent years with the sole intention of maximizing short-term profits, Sun takes a long-term outlook with its communities, viewing itself as stewards for its residents. Sun in its half-century of operation continues to look to reinvest in its communities, creating value for the homes. This allows Sun residents the opportunity to build equity in their homes as is possible in traditional single-family housing as opposed to the traditional rental housing market.

For example, Sun, since acquiring its Connecticut Communities in 2019, Sun has invested an estimated $20,000,000 across the communities, including 3,500,0000 for an upgrade to our sewer system and complete replacement of the roads in Storrs, Connecticut. One million to upgrade the clubhouse and amenities in Southington, Connecticut. 1.5 million to upgrade roads, infrastructure, septic systems, and amenities in Killingworth, Connecticut. We would be eager to host any or all of you at our Connecticut properties so you can see the impact our reinvestment has had on the quality of our communities.

The most concerning proposals in the House Bill 5428 and House Bill 5111, based on our long operating history, include the established establishment of

rent control measures suggested in this case, a CPI plus one percent and the implementation of an arbitrary cap on all ancillary fees and operators permitted to charge suggested in this case as $15 annually in the aggregate, irrespective of whether such fees are clearly and properly disclosed and noticed to the residents, and with regard whether such fees are proportionate to the costs and or the burdens to the operator, the services such fees are intended to cover.

The unavoidable conclusion is that these impacts will lead to deterioration of community quality and resident satisfaction as owners look to minimize future investments in the communities and will also undoubtedly reduce attainable housing opportunities for Connecticut residents. Rent control such as what is proposed here, restricts an operator's ability to increase its income to offset always increasing expenses.

Now, these expenses are not subject to such a cap. While some may argue that using a cap based on CPA solves this concern, CPI is not an adequate metric to measure MH or other real estate operating costs. In addition, such a cap limits an operator from generating sufficient funds to ensure preparedness for unexpected non-reoccurring expenses at the community. For these reasons and others, we strongly recommend and encourage you to reject House Bill 5428 and 5111. I'm happy to take any questions you have.

SENATOR MARONEY (14TH): Great. Thank you. Are there any questions? Okay. Hearing none, thank you for taking the time to testify to us today. Next, Michael Kane.

MICHAEL KANE: Is that on? Yes. Good afternoon, Senator Maroney and members of the General Law Committee. I appreciate the opportunity to speak in opposition to House Bill 5128 and House Bill 5111, an act concerning mobile manufactured home parks. My name is Michael Kane. I currently serve as Regional Vice President for Sun Communities, which is a member of the Connecticut Manufactured Housing Association.

I also directly oversee Sun's Connecticut Manufactured Housing Communities as part of Brandon's team, but I think it is also worth highlighting that I have been involved with these communities for far longer than Sun. Having worked with and in these communities for the previous owner, Jensen's Incorporated, since 1991, which makes it over 34 years now. I'm a lifelong Connecticut resident.

I've lived in Plainville, Connecticut for the last 23 years, which is within a one-hour drive of all 15 Sun communities. In addition, my mother-in-law has resided in Sun's Forest Hill community in Southington for the past four and a half years and has been very pleased with the community's development since Sun assumed operations.

As someone with such a long history in this business and who understands it from both the resident and operator perspectives, I am opposed to House Bill 5128 and House Bill 5111 for all of the reasons laid out by the other industry representatives who have spoken here today, but on a more personal level, because I know the bill and the rent control

provisions will harm the value of my mother in law's home and the quality of the community will suffer.

As discussed by Brandon and others, using a cap of CPI plus one percent will not allow operators to invest the capital required to maintain community quality and value. CPI is a general measure of a consumer's increase in cost of living, but it is in no way an adequate metric for measuring a park owner's cost to operate the business. Operating costs are increasing steadily and are not subject to any cap.

A park owner must be able to consider these expenses when calculating rent increases and other fees in order to keep the community's operations viable. And I've seen firsthand over my 34 years the impact on communities when an owner or operator is unable to reinvest the capital in the community. These bills will only serve to discourage any future investment into one of the most important forms of attainable housing in Connecticut, which is something Connecticut cannot afford.

Lastly, I would also like to highlight that these bills will not just harm residents and owners. These bills will also have a negative effect on communities' employees, outside contractors who set up the homes, pave and plow the roads, mow the lawns, cut the trees, fuel suppliers, waste management companies, and on those who perform general maintenance on the homes.

Rather than unfairly single out and target an industry that fills such an important need for Connecticut residents, I strongly urge you to stand by the previous legislative protections passed just

a few short years ago. Fair Housing Commissions need a chance to do what they were intended to do. They were established with the purpose of handling housing disputes, including rent disputes between landlords and tenants.

In many cases, they still have not been set up or formalized. Let's give them a chance to perform the function that they are intended to perform. We should focus on policies that encourage investment and increase supply, not those that further limit the market. For these reasons, I stand in opposition to House Bill 5428 and House Bill 5111. Thank you for your consideration.

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

REP. MARTINEZ (22ND): Hi. How are you?

MICHAEL KANE: Hi.

REP. MARTINEZ (22ND): Thank you, Mr. Chair. I have heard, I don't even know how many times, how well the parks in Salt Lake Tahoe ran under Jensen's. Before I joined the late legislature, I'm a visiting nurse, so I've had a lot of patients in Forest Hills and Three Gardens.

I also have been hearing about the issues with Sun's Community for quite some time. What I was wondering is, I was looking through the Sun's Community's investor presentation, and for operational efficiency under the strategic business optimization, they have identified $15,000,000 to $20,000,000 in savings and potential operating expense savings on a savings rate basis,

streamlining their operations. Do you have any idea of what cuts of services that's going to-- how that will impact the residents?

MICHAEL KANE: Well, Representative Martinez, I can tell you that since Sun has taken over in October of 2019, I can tell you that the communities, as I did, I operated under Jensen's ownership for over 30 years, and I can tell you the communities I believe have improved in their condition. I don't know exactly what cuts they're expecting to make. All I know is that we have made a great investment. Sun has made a great investment. I'd be happy to take any one of you on a tour of our Southington communities, and you can see them for yourself.

I think they're wonderful places to live. I've said it many times, and another speaker had mentioned and asked the question, would they want their mom to live there? And in fact, I do have my mother-in-law living in the community, and I'm very proud to say that, and she's very happy to be there. So with that, I just want to say that I'm in opposition to House Bill 5428 and House Bill 5111.

REP. MARTINEZ (22ND): I understand. I've seen a lot of emails. I've received a lot of phone calls. Just to let you know, I have definitely heard the opposite that the staff has lessened, there's less people to fix things. That Jensen took care of things fast. I mean, quite frankly, as a visiting nurse, I was seeing my patients struggle regularly making decisions between things like groceries and prescriptions.

So, you know, looking up in the public record seeing Gary Shiffman, I believe, was the CEO up until

recently. I mean, his compensation for 2024 was over $10,000,000. So seeing profit margins like that, I believe, is concerning to a lot of these residents when they are trying to figure out what the rent's going to be and how much it would cost to relocate and how stuck they are if they can't do it.

MICHAEL KANE: I understand. Yeah. Thank you.

REP. LEMAR (96TH): Thank you, Representative. Seeing no other questions, thank you again for your testimony today. Peter Brennan, to be followed by Kylah Schaer.

PETER BRENNAN: Yeah. Hello. Good afternoon. My name is Peter Brennan. I'm the Executive Director of the New England Convenience Store and Energy Markers Association. Represent the interest of the 8,800 convenience stores, gas stations throughout New England, along with fuel wholesalers, vendors that supply them. Connecticut over 2,000 stores. Not all are our members, but many are. I'm here to testify in opposition to Raise Bill 7178 and Raise Bill 7181, to the extent that those bills play as additional regulatory burdens on tobacco retailers.

Now, I've listened to the testimony all day. It's been very enlightening. It seems that there is a problem with people selling illegal products out of certain tobacco license stores. Primarily, I would imagine vape shops. Now, those are not our members. We don't represent them. I would put our compliance rates up against anybody. Now, when there is an infraction, when you sell tobacco to an underage person, there is a law for that. There is an enforcement mechanism in place. We have hefty fines. We can lose our license.

So we comply with the law, and we encourage all of our members to comply, to not sell to underage people, and to not sell illegal products. To the extent that is happening, I think these bills are overly broad, and they seek to address a problem with certain bad actors, but you're going to penalize the whole industry and all of the good actors out there too.

That's my primary concern, you know, just to look at a couple of the implications here, to basically roll tobacco retailers into the blue laws and say that you can only sell between certain hours. We're trying to be convenience stores. That's as inconvenient as possible if a person expects to be able to buy tobacco products at our stores and they no longer can because it's a certain arbitrary cut-off in the hours.

And then the license renewal and the objections that people can raise that worries me because you could have a store that has done everything right, that doesn't have compliance issues, and maybe, they are not favored politically in town, and they could face repercussions just based on that. So, both aspects are concerning to us. There could be a way, and I'm willing to work with members of the committee, members of the legislature to exempt our stores because it doesn't seem like we're the primary target.

Again, most of our members are, if you think about convenience stores, we do have independent members. Primarily, we're the larger chains. We have compliance departments. We really care about this stuff, care about safety, care about complying with

all state, local, and federal laws. So, if there are ways to exempt, say, our stores and go after the real targets of this bill, that would be great.

I would be happy to work with you on that, and I would be happy to supply some language that might work. But I do think that it's important to know that there are good actors out there who are essential businesses in the community. While these bills are well-intended solutions to a certain problem, they're overly broad, and you're going to get caught up with businesses like ours. So I'll take any questions. Thank you for having me.

REP. LEMAR (96TH): Thank you, Peter. I do appreciate your testimony. I do I oftentimes rebut against good actors needing exemptions. Generally, it seems to me good actors are people who least need exemptions because they're good actors. Right? They don't actually need to be exempt from the law that is going after bad actors because they're good actors.

But I understand where you think this may be overly broad and subject good actors to provisions that otherwise they would not have to subject themselves to. So if it's about the types and nature of stores that maybe shouldn't fall under the same auspices of oversight and regulatory review because there aren't documented problems in the past with a specific store type, I think that's a fertile conversation.

Generally, I think if you've been online most of the day, you've heard from a half dozen mayors, there's submitted testimony from First Lichtman, public health directors in numerous communities, local elected officials from numerous communities, There

is a problem, and it's not small and it's not limited to just a few businesses where there are potential bad actors. These are documented raids that we've got experience and news stories on.

This is happening broadly in community after community. And so I think that there's going to be a very tailored, if needed, but very exacting legislative and regulatory structure put in place to ensure that we're stemming this tide. I hope you see that that's where we're aiming to go here. And if your interest in working together and coming up with new legislation or a new approach on this is similarly constructed in like recognizing that this isn't a small problem, a discreet problem with just a few small actors, but instead a widespread problem that elected leaders through many communities in our state are grappling with.

I think we can get there, but I think there first has to be that recognition. I have yet to talk to any state representative, either on this committee or more broadly in the entire body, representing every single one of our towns in the state who hasn't recognized this being an issue somewhere in their district. I recognize that good actors and bad actors are not necessarily overburdening people, but what I don't understand is people not recognizing the severity of this problem and why every single person I've spoken to has come up with an example in their community and why we need to act this year. So I --

PETER BRENNAN: But Mr. Chairman, I just said that it's hard to create laws that the lawbreakers are now going to follow. So if our issue is that they're already not obeying the law, then I'm not sure that

additional laws are going to help here. They are going to create more burden on our stores. So that's my point.

REP. LEMAR (96TH): The nature of the laws that we're seeking to create actually just empower people. It's not new laws that they won't otherwise follow. It would empower people to make-- it would empower the leaders and communities and police chiefs to engage in a process where they can identify problematic locations in town with documentation. The suggestion that a police chief would provide false documentation in support of an unfavored politically convenience store I don't think has merit.

I think that the rules that we're seeking to empower here are local communities where we're experiencing this problem firsthand, giving a process and a procedure in place for those individuals to weigh in earlier in reapplication processes. It's not new rules that they're also not going to apply. This is giving greater protection through enhanced rules that new entities will be able to apply to them. So I think that's the standard that we're trying to adopt here.

Which again, a long way of saying if there's a recognition that this is a serious and significant problem that mayors from some of the largest communities in our state have come forward and asked us to find a way to support them with and elected leaders and public health officials and representatives from multiple parties and multiple chambers have said, hey, this is a similar problem in my community, it means it's not a small one that like this is going to go after just a few small bad

actors and catch a whole bunch of good actors. I think the nature of the problem is much more extensive than that. So, this isn't me saying--

PETER BRENNAN: I think I can just envision a scenario, though, because we operate in Massachusetts. A lot of towns have essentially just gone to war with tobacco, gone to war with nicotine. So they have hearings at least, and they go through, say, the board of health or the board of selectmen. This would seem to open it up so that even if there weren't violations, there could still just be, you know, an elected official in town that said, you know what?

I prefer that they just didn't sell cigarettes in my town anymore. Even though they're legal and even though the person is properly licensed. So, obviously, if you're not obeying a law, then you shouldn't have a license in the first place. There should absolutely be a process for that to take that license away, and I think there is based on violation history already.

So this would just create even for a good actor, well, now I have to go through this renewal process every year. I've done nothing wrong. This is taking time, money, and effort to keep running my business in a safe and compliant way. So, those are our concerns. But listen, I'm more than happy to help solve this problem. It does seem widespread. Again, I don't think that necessarily NECSEMA members are caught up in this, but to the extent they are, I'm happy to help get information out to people in case people are unclear on, say, what they can sell or anything else. But, yeah, happy to be part of the solution.

REP. LEMAR (96TH): I do appreciate that, Peter, and I will reach out to you. I don't know about some of the locations in New Haven that I'm specifically aware of. I don't know if they're NECSEMA or not. But I can give you addresses and we can evaluate them ourselves together.

PETER BRENNAN: Sure. Thank you.

REP. LEMAR (96TH): I appreciate the time. Thank you again.

PETER BRENNAN: Appreciate it.

KYLAH SHAFER: Hello, everybody. Thanks for your time today. My name is Kylah Shafer. I'm 49. I've lived in the state of Connecticut all my life. I was back in 2020, a medical marijuana patient on the state's program. I want to say that I am no longer a medical patient because I was poisoned by oil caps that I received from TheraPlant. I was poisoned with one cap was brown, dark brown, and one was white. One smelled like Vicks, looked like Vicks, and was a substance like Vicks. When I talked to TheraPlant themselves, they said that was a settling process. Well, there is no way brown can go from white. White can go from brown. That's just not going to happen.

They redid the caps, gave me back new caps, and I spoke to them, and then all of a sudden in the dispensary that I was going to, Fine Fettle, they said they were no longer able to get the caps. So I called their plant said, what's going on? The 200 milligram oil caps that I was receiving from you, and that was not making me chained to my bed, that was making me able to do house chores, be able to do

things because I have severe Crohn's disease, making my bowel habits better. They said we're no longer selling them, there isn't a market.

I said, "Well, what do you mean there isn't a market?" We've got several people at our store that I know of because I spent a lot of money there and everybody in the store knew me to the pharmacist, to the people at the front, to the [busman], and people like that. They said, "Well, I'm sorry, but I want to tell you for the last two years, the oil you've been receiving was recycled oil." They did not tell me that when I was receiving it. So for the last two years, they were taking the oil that turned bad and went bad on the shelves, recycling like you would do a can making it come back out good and servicing it to me without telling me.

I feel that was awful that they were doing that. I feel that this bill, HB 7181, is going to harm residents. I think there's ways to go about it to maybe do cannabis education, ways that a small craft grower and the legal market could all work together. If there was better meds, I was getting moldy cannabis that smelled like grandmother's musty basement. I would tell all my friends. We all thought it was the way it was grown. Well, no, come to find out, it was the mold. If the state offered better meds, I would be a patient. You have lost $10,000 a year from me. I would be a patient.

I'm not saying I don't want to be a patient of the state. I don't want to be a patient because my health and everything is being harmed by what you're supplying to me. So I think this new law potentially could hurt me, could hurt other community members. If there was a raid in your community, you don't

know everybody in your surrounding area. Some people could have PTSD. Some could be children, and that could have lifelong mental health issues on these people. And our mental health is already struggling. Why would we want more people that are regular people like me? I'm just sick. I don't want to go to jail because I'm sick, and I want proper medicine.

So thank you for your time, and I really hope you look at it from a patient's standpoint because there has never been any patient input on any of the cannabis programs that have gone through by the state. The MSO gets the leg up. They get everything. But anybody like me that have called, done anything, I get nothing, I get nowhere. There needs to be something where there's patient advocacy and they're part of the program because the program's for us, so I think we should be a part of running it and helping it work so everybody can work together. There's ways the state could make money, and the small craft grower could have a license at a smaller fee have a smaller building, and everybody could work together. So thank you.

REP. LEMAR (96TH): Thank you, Kylah. And if I could just clarify, you don't like 7181 because of the provision which would allow municipalities to go after illegal sales inside of vape shops and smoke shops?

KYLAH SHAFER: Well, no. I personally think that if there is a shop, whether it's a smoke shop, a convenience store, or anywhere that is selling some sort of illegal products to kids or kids are able to get their hands on that, absolutely not. They should be terminated right away. So there should be a committee say the smoke shop they visit or the

convenience store they visit says, okay, well, they violated it, well, right then and there why can't they be terminated as a business? And just say, you have illegal products that are harming people on our streets, you're done.

And not let them be a business anymore, instead it goes around in circles and nobody wins. And these kids are being harmed by something illegal that has nothing to do with the medical market, has nothing to do with the state's market, has nothing to do with the legal, illicit market as you may call it, or the legacy market, has nothing to do with them. It has to do with some bad actors that have come in, maybe from Pakistan or somewhere, and they're getting products, not from anybody we know, from somewhere else. And they're supplying them to people that we know. It's awful.

I think in that respect, yes, those shops should be definitely in trouble. Because I wouldn't want my kid, a I have a 23-year-old who's disabled, I wouldn't want him to be harmed by marijuana. Going to some shop at 14, picking up something that said CBD and it wasn't really CBD. The problem. You don't know what those are. So a person like me, I would never buy a product in one of those stores because I have no idea what that is.

So that's the problem is the people like us wouldn't buy those products. We wouldn't even be party to those. So it's like you're harming everybody for-- and those people need to be harmed that are running these shops. Where I live in North Windham, there aren't a lot of those kinds of shops. I drive to New Haven, on every street corner, there's one smoke shop. There's a convenience store that has all these

flashy signs and I walk in and they have so much kratom and all this stuff that's unregulated, I'm like, wow. Where I live, there's just like a regular convenience store. They might have a couple of pipes, but they don't have all kinds of other junk. So, thank you.

REP. LEMAR (96TH): Thank you. Sean Dizenzo, followed by Jennifer Fell.

SEAN DIZENZO: To share you the redundancy, I'm going to be a little later. We're going to say the same thing. We're business partners. So a couple points I have to bring up. We're getting caught in the web of what some other folks, I guess, are doing out there. We're second-generation community owners. I've done this for 28 years, a few more years for my brother. The last 10 years, we've gone up an average of $ 7.50 a year. This is the first time that we need an increase that might be $20.25. As my reward for doing the right thing, now when I'm at this juncture, somebody's jumping and saying, hey, here's what you have to do. So it just feels like a massive overreach.

If you want Fair Rent Commissions to address a few bad actors, sure. But this one-size-fits-all all catches people like us, and we've just put our heart and soul into this. I was on the phone with a resident yesterday morning and I quote her, she trusts me like she trusts her sons because she knows I have her best interests in mind. And we do. We're accessible, we're clear, and we're trying to do the right thing because we believe the right thing ultimately will benefit us.

I'm contemplating getting my daughters into this business, and it's stuff like this that I'm having to rethink it because my job's hard enough. I've heard some mention of putting policies in where I need to get exemptions. I don't need to make my job any harder. It's hard, and I'm okay with that. I signed up for it. But to have the government kind of just suddenly jump in, it seems very unfair. I know I'm repeating that.

We're in the middle of a major paving project right now. It's going to be $180,000. All of a sudden, I don't want to start rethinking my strategies. We've had communities that we acquired in '98. We coordinated with the FBI to flush out the drug trafficking. Currently, I have people on a three-year waiting list to get in there. I would love to take you through the communities. I encourage you to talk to my residents. I tell anybody buying a home from me, go out there. When I'm not here, go ask them what you think. Because I know what the answer is. What more can I do? Why would this policy be put in to harm people like us when we're not part of the problem?

I've submitted a testimony. My brother did as well. I have to mention, because it's worth mentioning. In one community in particular, in the last 10 years, trash is up 150 percent, insurance is up 80 percent, snowplowing 100 percent, power upgrades 150 percent, sewer use 70 percent, taxes up 50 percent, $7.50. Hit after hit, we're trying to do the right thing. I take pride in it. I imagine you might not have heard my name, DiCenzo Communities. There's a reason. Please I just urge you to look for another avenue. And by the way, we're both licensed installers. We

put in over 100 homes. We're getting old. We don't do it anymore.

We're invested in the ground up, everything. You want to ask questions? Or there's a professional housing consultant designation; I went and got that. Accredited community manager, I went and got that. I like to be professional. I'm up here today. Our entire operations are shut down. This is it. So we're speaking together because we need to get back to the calls that have come in. But I feel like we're being attacked.

And another point to make, our residents' homes in the last 10 years, some of them have doubled in price. So they bought these homes 10 years ago for 65,000. One of them recently sold for 130. They were afforded 100 percent profit.

SEAN DIZENZO: Yeah, they're building equity. They're building equity because it's a wonderful place to live. I understand there are circumstances out there that we're all sitting here before here today, but it just seems egregious that these outliers are going to wide blanket folks like us. And, it was mentioned before, like, I get it. Yeah. Now I'm like, geez, do I unload this asset?

My equity is eventually going to go backwards? It's going to reflect on the residents as well. We just continually improve and improve and improve. And, yeah, I'm sure I say go through my communities, there's one or two I'm sure that don't like me. They don't even know what I look like and who I am, and maybe they haven't talked to me, but there's always a few. Hopefully, you don't run into them. But 95 of them are going to tell you, we're there. We're

always there. We're trying to do the best we can to take this business that our father bought. We've done the dirty work, put in tireless hours, sacrificed literally blood, sweat, and tears.

I just think there's avenues out there with Fair Rent Commissions to take care of these situations. I just don't get where this is really all coming from. It's just a few bad actors. I mean, our lot right now, $475 the state average is $5.50. I mean, come on. What more can I do? Why am I going to be handled the same way that a few people are doing things? And to be honest with you, I've heard some communities, we don't have pools, we don't have clubhouses. I don't think anybody asked them what their lot rent was today. It's not a lot.

So I can tell you that we have lots of people on fixed income, social security. It wasn't designed to be your entire source of income. I won't get into that conversation, but we get it. We understand that number is continually diminishing as we make our increases. So we have a conscience. I hear the time running. I could sit here for a lot longer. I won't do it to you. Any questions, please?

REP. LEMAR (96TH): Thank you. I do appreciate the testimony, and I do understand there's a fundamental tension between government regulation and evidences. There's an evidenced problem in one aspect or another that the government feels like, okay, there needs to be some level of either regulation, oversight, or accountability added. That's the nature of government. There's a business practice that's somewhat exploitative of a certain population and that's brought to our attention. We're going to

try to figure out what the rules are to govern against that exploitation.

SEAN DIZENZO: I get it.

REP. LEMAR (96TH): It's a necessary tension that's going to be between the regulated and the unregulated and the folks who feel like that regulation should apply to them or not. Say you're a responsible restaurant owner in the state of Connecticut that only uses the highest grade food, only complies to the highest levels of cleanliness and standards, treat your employees well, you hate the fact that the Department of Public Health can just walk in your front door at any point in time, disrupt your business operations. Like, what the heck? Why do I need to subject myself to that? I've always been above board. I've always done things right. But it's the only way we can ensure that the people who aren't doing a good job are subject to those same conditions. That we can bring up the natural level of baseline standard. And so you come in, and you say--

SEAN DIZENZO: It's like a one-size-fits-all all. That's where my concern lies. I get it. But there's a way to handle those out loud.

REP. LEMAR (96TH): And I think that's where we--

SEAN DIZENZO: It's just like with our problem residents. We don't treat them all the way to the bottom.

REP. LEMAR (96TH): Sure. But that's where we need your advice. I don't want you to feel attacked. I want to feel like--

SEAN DIZENZO: You can tell from my tone, it does feel that way.

REP. LEMAR (96TH): But that's why I'm telling you it shouldn't feel--

SEAN DIZENZO: Why [inaudible] here? I've never even heard it from anyone. I'm sorry. I'm over talking you. Go ahead.

REP. LEMAR (96TH): No. It's alright. Representative Martinez.

REP. MARTINEZ (22ND): So actually, I was going to say a lot of what the chairman just said, but I mean the problems that are coming out, though, are there are those places that are at 800 or are very close where equity is being lost, where services are not being handled. And, honestly, from everybody that's reached out to me, it does seem to be a lot of out-of-state-owned entities. But then how do we make it so that-- Fair Rent Commissions, some towns don't have them. Some towns are not utilizing them in the fairest way. And a lot of towns, I'm sure, do not understand manufactured home law.

REP. MARTINEZ (22ND):

That's where I was going with the exception form because I get it. I have no intention on you losing money or not being able to do your paving project or anything like that. But it's a harsh reality when there are people that can't get up and move that easily. It's a huge expense. They're just getting hit with thing after thing and fee after fee after fee after fee. I believe we're going to hear

testimony in a little bit from some other people that are in parks where they have five, six, seven different fees, ancillary fees that are tacked above and beyond their rent. So I'm not saying that it's something you're doing. It's just how can we as a body, look at ways to protect these people then?

SEAN DIZENZO: Yeah. I didn't come here today to solve the problems of a few bad actors. I didn't. I just came here to defend my business. But I can tell you that Fair Rent Commissions are put in place for this matter. And, I mentioned when I started, my job's hard. It'll be harder if I have to go through these processes. It's not going to be easier. That much I know. So, again, I've been doing it all the right way. You're referring to people clearly; it's not us. So, did I come here prepared with a solution for somebody else doing their business poorly? No, I didn't. That's not my thought training. But bringing it up in real time as I'm talking to you that the Fair Rent Commission to me, isn't that what they serve? Isn't that the point? Maybe some institutions where you want to regionalize them, whatever the case may be, just something that doesn't penalize somebody like us.

SEAN DIZENZO:

I'm not the only one. You're going to hear from some other community owners who are family-oriented. It just feels like we're being punished for something we didn't do, and that's what I'm here to talk about today. I've put everything into it. I can't do any more than what I've done. I'm sure I could think about maybe some avenues and how to address people that are doing this poorly, but it's kind of hard to do when you know what to do, when you're doing

right. I can't tell them to do what I do. They're not. I can't control what other business owners do.

REP. LEMAR (96TH): Thank you.

SEAN DIZENZO: All right. Thank you. Thank you for the time.

JENNIFER FELL: This felt like this is a lot of work. It's my first time here. So, hi. I'm Jennifer Fell. I am the lobbyist for the Connecticut Cannabis Chamber of Commerce. So, this is my third time testifying in front of you guys this session. So I'm going to do my best not to belabor the points that have already been demonstrated earlier and also by our members today. I think they've been very eloquent in demonstrating themselves as subject matter experts on our priorities. But I do come before you at representing all the different license types within Connecticut. As members, we have a large social equity, owner portion of our membership, we have ancillary services, but they're the people that are living this business. They're trying to stand it up. They're trying to make it successful, and they care about what they're doing.

We know that since adult-use cannabis was legalized in 2023, we have seen that they've gone from nine to over 60 places that you can purchase cannabis, and sales have stagnated at $24,500,000 a month. So nine stores selling $24,500,000 a month, almost 65 selling the same amount. Now we've seen some product pricing go down a little bit in product use, but there is a flat trajectory, and there is no demonstration that it is going to improve. We have additional operators that will be coming online.

We do know that there are going to be additional producers coming online in the very near future. However, we are running into a challenge where we are not competitive with our other states, the surrounding states. One of the things that I was looking at, I just Googled, if I wanted to get products at a higher potency that are nationally known brands, I could drive 29 minutes from here and get those in Massachusetts. So what would be my motivation to stay in the state and have limited product?

You've heard people talk today about the medical market and the challenges there. We've gone from, I think, 53,000 medical patients down to 30,000. They're struggling to get the products that they need, the different the variety, and those kinds of things. Our advertising is not there. We did an OLR report, which I don't know if you've been able to see, but we'd be happy to share doing this comparison about competitiveness across the States. So our request for you is that maybe that we could take the opportunity to try to right the ship because we're already seeing businesses go under, close. Many are not even able to open their doors. And so, with HB 7178, we are requesting five priorities that we've discussed since January and probably longer than that. We're requesting five priorities. May I share the priorities quickly?

SENATOR MARONEY (14TH): Please do.

JENNIFER FELL: Perfect. Okay. Quickly. So number one, I'm looking at market advocating to children or anything fun, just color. In ownership freedoms, we've talked extensively about the social equity, EJV ownership changing from seven to three. So I

will let that set. Preservation of the medical market that would come from considering universality of product.

As we explained before so that we can have a larger market share by allowing products to be made in adult use, and so then they will be also available for medical patients. We talked about we also would like to prioritize extending that policy procedure time frame because now DCP is looking to go to regs. And as we've discussed, there are a lot of things under the burden of regulation that are really depressing the growth of the market. That specifically comes back to laboratory testing reform. So Reno did an incredible job of explaining final form testing versus intermittent batch testing.

One thing that I just don't want to step away without highlighting is that the laboratory testing is very, very important because it is one element of determining if your cannabis is safe. Because most of it is there's good manufacturing processes, there's critical control points you need to look at. And the laboratory testing is giving you a good sense of some of the different items, but it has to be both functional and safe.

So right now, with final form testing, those products, they delay it for so long that they might never even leave the producer's office before they have to go to stability testing, and then they'd have to go back into testing already. So, the request is that we consider the priority shared but also really take a look at what is functional for the market and safe when we're considering these layers of regulation to go through. So thank you for

the additional time. I'm happy to answer any questions.

REP. LEMAR (96TH): Thank you for your testimony and for highlighting a lot of the issues. Some of them, as you might imagine, have greater levels of support than others. I think a couple of them this committee is exploring a little bit in more earnest than others. I think we looked at the seven to three for social equity vendors. We want to have an external entity take a look at those contracts, make sure no one's being exploited. We thought maybe sending that contract change to a social equity council to review to ensure adherence to the underlying justification for the law in the first place means that--

JENNIFER FELL: That's something that we are very supportive of. We think that's a very wise decision.

REP. LEMAR (96TH): I'm intrigued by this recent movement towards final form testing away from intermediate bulk testing, how that determination was reached. It seems like a curve ball that's thrown into the marketplace. It makes things a little bit more complicated, a little bit more expensive, and isn't practiced by surrounding states. So, I'm wondering, what informed that determination?

Maybe we needed more time to reach that determination. Maybe there need to be a delay between the decision to move in that direction and the decision to immediately incorporate that into the PMP. So, I think a greater exploration of that might be necessary post the JFS deadline. I do worry that's going to have broad, long-lasting

implications on the marketplace that just because I'm prepared for.

JENNIFER FELL: Yeah. And I don't know if you're aware that -- So, that went into place as a policy and procedure, and it caused such chaos that they had to stop on it for six weeks. So that they could finish and then went back into place on January 1st. And to DCP's credit, they've done some education and things like that, but when we look at the functionality for the marketplace, it is a significant challenge and a huge cost. It really comes close to doubling some of the costs.

REP. LEMAR (96TH): Yeah. I'd like to explore the cost basis, you know, determination that you guys are reaching to say, you know, in some cases doubling the cost of bringing some products to market. Like, I think that's an important consideration. Like, what is the safety benefit inherent in moving towards final form testing versus intermediate bulk testing? And what is the cost associated to the business?

And ultimately, we recognize that there are inherent advantages to having a regulated marketplace. Are we making the regulated marketplace so difficult to access and so expensive that it's essentially irrelevant to either whether they're medical consumers or just traditional intel use regulations of some sort. So, I think data is going to be our friend as we look at this for the next month and a half.

JENNIFER FELL: And I think there's the opportunity to consider that things are different but equal, right? So, you can have two different pathways to

achieving a similar level of safety. But again, what is functional for your operators? And in health care, that was always the way we determined safety. You looked at your population and you do what's best for that population to achieve safety for them.

REP. LEMAR (96TH): Excellent. I think there's a number of issues that we'll have as we discuss these bills after we leave committee. I'd love to encourage your members to make sure they're serving the medical community a little bit better. You're going to have a little bit more pushback from folks because they feel like they've been left out of this evolving marketplace in a way, and I think we need to have broader conversations about how our medical consumers are better serviced.

JENNIFER FELL: I mean and I think we've covered -- You've crossed a lot of bridges as a group with a variety of folks because we all know that the medical patients do deserve better opportunity, better choices, that kind of thing.

REP. LEMAR (96TH): Yeah. Thank you. Any other questions? Seeing none, Jennifer, thank you so much.

JENNIFER FELL: All right. Thank you.

SHAWN MAGILL: Yeah, I'm Shawn Magill. Me and the next person, Jacob Honig are going to go together. We've got separate messages, but we'd like to field the questions together and we're definitely here on the United front. So, I'm going to actually let Jake lead it off here.

JACOB HONIG: All right. Thank you, Honorable Chair, and members of the General Law Committee. My name is

Jacob Honig. I'm testifying today on behalf of the Connecticut Hemp Industry Association and our farm and Hemp company, TheCBGGurus, in support of SB 970. The Connecticut Hemp Industry has been devastated by the recent laws, leaving hemp farmers and manufacturers with no legal way to make products and no legal market to sell them.

SB 970 will re-legalize hemp manufacturing in Connecticut and offer an opportunity for hemp farmers and manufacturers to support the regulated Connecticut dispensary market. Under last year's Public Act 24-76, hemp and hemp extract are now considered marijuana due to the manufactured cannabinoid and high THC hemp product definitions.

Furthermore, Connecticut hemp farmers and manufacturers have no legal market for their products in Connecticut and cannot manufacture their hemp products to be sold out of state. As a result, Connecticut hemp manufacturers have completely ceased production, and Connecticut hemp farmers harvested only 16 acres of hemp in 2024, down almost 90% from 134 acres in 2020.

The hemp industry needs changes to the law this session to survive. Meanwhile, the growing Connecticut adult use and medical cannabis markets are facing significant supply shortages and increasing demand for more medicinal, non-intoxicating, and low THC products made with hemp. CT's hemp manufacturers and farmers have the capacity to grow and supply hemp products and hemp extract for the regulated dispensary market and address the consumer demand for cannabis products that don't just get you high, but help you heal.

Ever more concerning, research institutions across Connecticut, including UConn, can no longer use naturally extracted hemp and hemp cannabinoids for scientific studies due to Public Act 24-76. As a result, Connecticut has gone from a leader in cannabis research federally to complete prohibition on hemp based research in the state. SB 970 seeks to establish a regulated market for hemp and hemp products within the Connecticut dispensary system, strengthen the law to prevent the sale of intoxicating products outside of CT dispensaries, allow scientific institutions in Connecticut to conduct research using hemp, and re-legalize hemp manufacturing in Connecticut.

We urge you to support SB 970 as an opportunity to save the Connecticut hemp industry. By working together, we can establish a safe and fair regulated market for hemp products in Connecticut, encourage business and cooperation between the Connecticut hemp industry and REFRACA licensees, stop the unregulated sale of synthetic cannabinoids and intoxicating products outside of dispensaries, and restore the access to the hemp plant for CT researchers, medical patients, and adult consumers.

I just wanted to finish by saying we appreciate the members of the General Law Committee championing the spirit of collaboration through this process, and we look forward to working with the General Law Committee members and relevant stakeholders to pass a bill that we can all get behind. Thank you.

SHAWN MAGILL: I'll just go ahead and say my words before we field any questions. So, hello, everybody. My name is Shawn Magill. For the record, I am a medicinal plant chemist turned hemp farmer and

manufacturer. I have been involved in the hemp industry for five years operating in Harwinton, Connecticut at the property I grew up on as CEO of TheCBGGurus.

We have been out in the community since the inauguration of our business, spoken to thousands of patients, and used our knowledge and experience to educate a lot of our customers. This has allowed me to gain a unique perspective on the industry, and I have seen firsthand the positive impact hemp farming and manufacturing can have on public health and the potential it has to stimulate local economies.

I'm here today to testify in strong support of SB 970, a critical bill that will help begin to restore the Connecticut hemp industry. As Jake mentioned, under Public Act 24-76, hemp and hemp extract are now classified as marijuana, which has created confusion and halted the legal production and sale of hemp products in Connecticut.

The current legislation blurs the lines between hemp and marijuana, putting responsible hemp farmers and manufacturers in legal limbo. Hemp manufacturers are unable to legally process or sell hemp products. Without the ability to manufacture or sell, the hemp industry in Connecticut is at risk of complete collapse. At TheCBGGurus, we operate a small USDA certified organic polyculture farm.

Over just the past few years, Jake and I have been personally responsible for getting thousands of pounds of fresh local produce into our community. The unfortunate reality is that one hemp plant has the potential to produce as much profit as an entire row of tomatoes. Well, we love providing for our

community. This has been made possible through hemp farming.

I'd love to continue operating our farm and would plan to ramp up our food cultivation as I believe all good farmers should, but I'm currently in fear of losing my business and farm entirely. SB 970 will help begin to meet the growing demand for non-intoxicating hemp products and low THC mixed ratio products in both the medical cannabis and adult use markets.

These products are highly sought after by patients and consumers, and Connecticut hemp manufacturers are well positioned to meet this demand while also helping REFRACO licensees create uniquely therapeutic products. I would love to help create a cannabis market in Connecticut that is actually innovative and prioritizes the patients. Thank you for your time and attention, and we urge you to pass SB 970, not just for the hemp industry, but for the future of agriculture, public health, and the economy in Connecticut.

REP. LEMAR (96TH): Thank you. I'm taking a look at a lot of submitted testimony. I'm having to catch up on chemistry and science lessons by understanding this a little bit better and I have to admit that I'm a little bit behind you, right? So my questions are going to seem almost like a second grader asking their teacher. Okay?

SHAWN MAGILL: Awesome.

REP. LEMAR (96TH): I apologize for that. Get it right off the beginning. If you're growing -- How can I get this? No. The determination that hemp

should be categorized in its current schedule was made upon what the derivative of hemp can become chemically that is have a higher THC content than we would otherwise allow for sale in a THC product. Is that my understanding of why we reached this determination about the dangerous impact of hemp and --

SHAWN MAGILL: There's too much THC in naturally grown hemp. The amount of THC that exists in naturally grown hemp is too high and makes it classified as marijuana under the current definitions.

REP. LEMAR (96TH): Okay. So, you've got a product that you've grown, what do you have to do to it to get it to a level that is compliant with what a traditional --

SHAWN MAGILL: So, right now, in terms of from a natural product standpoint, there's nothing that we can grow or produce that will comply with the current laws. If we wanted to make compliant products, we'd have to take the flowers that we grow and run them through a very involved, expensive, and frankly, in my opinion, gross chemical process with a lot of different solvents, and you pull the THC out.

We don't do that on our farm. We use ice water extraction, no solvents. So, we, even in processing extract, do not have the ability to pull out the THC. So, we grow this natural flower, which we're not allowed to sell, and then we do this natural extraction process to create an extract to make secondary products, but we're not allowed under the current law to really do any of that.

REP. LEMAR (96TH): Right. So, I think to me this is the crux of this argument about how you've been so negatively impact is essentially we've rendered your product almost impossible to be sold, marketed, or generate profit from a significant investment that the state authorized you to make and in some cases helped you make about a decade ago, right? Is that a fair short characterization of the situation you find yourself in right now?

JACOB HONIG: I would say that's pretty fair, and I just wanted to add, so the hemp flowers, the hemp that we're growing, all receives a pre-harvest compliance test from the Department of Agriculture where they come out and take a representative sample. And all of those samples have to pass that test and have less than point 0.3% total THC to be able to be harvested.

But it's within that 30 day harvest window that the THC levels will rise a little bit higher. They'll end up around half a percent total THC, while the Delta-9 THC is still under 0.3%. So, it's totally federally legal under the federal law and the program and Connecticut's hemp agriculture program. But, yeah, once it's harvested, because it has slightly more the flower itself than 0.3% total THC, under the current statues, it's marijuana and it has to be destroyed.

REP. LEMAR (96TH): That was a good answer. That was my next follow-up questions. Like, what do you do with that product?

SHAWN MAGILL: Yeah. So, right now, basically, we're allowed to grow the hemp and harvest the hemp with

our pre-harvest compliance test. But then, you know, realistically, to remain totally legal, we'd have to move basically wholesale all of the hemp out of state. Because if we got -- Because we're allowed to wholesale the hemp out of state using just our pre-harvest compliance test. But if we went ahead and got any final product testing done on the hemp, it would then be classified as marijuana and we would have to destroy it.

REP. LEMAR (96TH): Okay. And again, this is like you're only as smart as the latest information you've been told, right? Someone told me today like, the very things I'm most concerned about which are the illegal and illicit products are showing up on convenience store shelves and gas stations and apparently not at specific gas stations owned by one specific company, but everywhere else.

Oftentimes those products are manufactured using wholesale hemp that's bought large not from you guys specifically, but that's where they get their product from. And so, it is very product that we're right now wondering how we can --

SHAWN MAGILL: Yeah. I think that our proposed definition of changing the synthetic cannabinoid definition would, you know, help address those products.

REP. LEMAR (96TH): Okay.

SHAWN MAGILL: To be clear, we're not trying to sell any intoxicating products. You know, we're trying to sell hemp products that are medicinal and non-intoxicating, they just happen to have a trace amount of THC naturally existing in them.

REP. LEMAR (96TH): Sure.

JACOB HONIG: Yeah. So, the manufactured cannabinoid definition gets redefined in SB 970, and explicitly lists the allowed extraction methods that are all direct extraction methods. They don't make synthetics or semi synthetics, and they're all used, have been used throughout the Connecticut hemp industry and the Connecticut cannabis industry and everywhere in the world for cannabis.

REP. LEMAR (96TH): Great. Well, now I have third grade level understanding of this issue and I hope to spend most of April getting up to at least the high schoolers, and so I'm going to rely on you guys quite a bit. Okay?

JACOB HONIG: Thank you. Yeah. We definitely look forward to working with you.

REP. LEMAR (96TH): Sounds good. Any other questions for these two? Senator Maroney.

SENATOR MARONEY (14TH): Thank you. So, I have questions on, I guess, the moderate THC vendor license, right? So, currently you guys have a manufacturer's license, I would assume.

JACOB HONIG: Yeah. We have our hemp producers, so that's the growing and hemp manufacturer's licenses.

SENATOR MARONEY (14TH): Okay. And what does that allow you to sell versus what the moderate THC vendor's license would allow?

JACOB HONIG: Well, currently we can't sell anything that we make or have made in the past. The moderate THC hemp vendors license defines moderate THC hemp products having between 2.5 and five milligrams per package. This definition was kind of a carve out from Public Act 24-76 for this company called SunMed who runs your CBD store in Connecticut.

So, they get all their hemp from Florida, they make all their products in Florida, and then there's a lot of your CBD store franchises across The US. So, they're realistically the only large company that would be able to change their formulation and pull extra THC out to get it between that 2.5 and five milligrams per package amount. Generally, full spectrum hemp products have a little bit more than that.

SENATOR MARONEY (14TH): So, they're using a process you said to extract.

JACOB HONIG: Yeah. They're using chemical extraction processes to do that. And like I said, they're really the only one who could realistically comply with that moderate THC hemp vendor part of the law. But yeah, that was part of Public Act 24-76.

SENATOR MARONEY (14TH): Okay. Great. Thank you.

IVELISSE CORREA BROWN: Oh, you want to come up? Okay. I'd like to thank the committee for allowing me to speak today. I'd first like to support SB 970. The Connecticut Canada Warriors did warn about this. It's nice to see a proposed bill to fix what I was protesting against in the first place, and it's very

affirming. Fun fact, did you know George Washington grew hemp? Google it.

Secondly, I'm a previous medical card holder here to oppose HB 7181. Most people outside the inner-city were not impacted by drugs until the opioid epidemic. While inner cities have been dealing with illicit drugs since 1985, I wouldn't expect most people in Connecticut to relate to the struggles of sleeping through gunshots, underfunded schools, but the war on drug goes hand-in-hand with the new Jim Crow.

There are no 100% Black or Brown owned dispensaries in Connecticut, and I doubt we'll get one from someone who grew up in Connecticut inner-city, but I won't hate on whoever is propped up by the cannabis industry as their token Black friend, at least make sure they're from Connecticut. The cannabis shortages and inequities were predicted by the Connecticut CannaWarriors. Sorry. One second. Pause. Thanks. Like, 10 seconds back. I'm nervous. So, all right. Thank you.

The Connecticut CannaWarriors, they have spoken out for years. Everything has come to pass. Joint equity ventures are shuttering. We still lose sales of legal cannabis to surrounding states, especially Massachusetts, a state where I can cross the street from one dispensary to another, and they're thriving but cost much less. But as someone with a green thumb, I prefer to grow my own.

This bill is nothing more than unfunded mandates and blank checks to police. Instead of just creating a license and tax structure to bring in more tax revenue to the state and bringing the gray market

into the light, Connecticut decided they're allergic to actual tax revenue, especially in light of the fact we're about to have huge federal cuts to funds we depend on.

I'm paying 10¢ a bottle for tax on that, but Connecticut is funding free school meals with their established millionaires tax and Connecticut cannabis customers. We're very generous. We live in a country where one of the most popular shows of all time was a man selling crystal meth to afford his cancer treatment. We're eventually going to have to choose between saving people from fentanyl and paying for education or criminalizing flowers that make you go hungry.

I want my taxes to go towards education and not the DCP playing cowboy. Raids will not bring in more tax revenue. Connecticut dispensaries simply don't have products strong enough for me or many other Connecticut customers. Thank you.

REP. LEMAR (96TH): Thank you, Ivelisse. I appreciate your testimony and I appreciate the numerous times you've been before us. I think I've always found your testimony enlightening and I think we've had good conversations. I, again, befuddled by the opposition to 7181, which perhaps I'm getting something wrong. And I trust you're not too nervous to tell me if I'm getting it wrong. But the goal of pushing against illegal and illicit sales happening at corner stores, corner markets, gas stations.

IVELISSE CORREA BROWN: In mostly communities that I come from.

REP. LEMAR (96TH): Me too.

IVELISSE CORREA BROWN: Yes.

REP. LEMAR (96TH): Me too.

IVELISSE CORREA BROWN: I have to eat because I have children.

REP. LEMAR (96TH): The number one concern I have heard from constituents in my district with respect to all of these laws is what's happening in those locations. What I hear from teachers and administrators and principals, what you heard if you're -- I don't know if you were here earlier, you're usually here.

So, you might have seen it like from mayors, from First Selectmen, from public health officials is documented problems with really toxic, really high levels of THC, untested, unregulated things that are sending kids to the hospital, not coming out of our regulated marketplace, but instead coming out of these corner stores. I get and I appreciate maybe you weren't referring to me that I don't have experience and exposure to the very things that you --

IVELISSE CORREA BROWN: Oh, no. I said in general, most of Connecticut.

REP. LEMAR (96TH): I think you know that I do. I think the issue that I'm trying to get to, maybe I didn't do it perfectly, is something that you might support generally, which is how do I prevent the toxic overdoses that I'm seeing from kids? Like, when I was 14 years old-- I'm not going to pretend when I was 14 years old I wasn't finding illegal and

illicit products. I was. None of it was sending any of us to the hospital.

IVELISSE CORREA BROWN: Yeah.

REP. LEMAR (96TH): Right. It was available to be picked up at --

IVELISSE CORREA BROWN: I mean, it's a great enough couch change for a Nick. It didn't send us to the hospital.

REP. LEMAR (96TH): Right. I was able to pick it up at a corner store and have me in an emergency room half an hour later. It wasn't for sale openly and part of a really dangerous and problematic thing that's establishing throughout our state. I don't think it was disingenuous when you saw public health officials, community leaders, First Selectmen in New Haven. It's management team leaders, it's people who are been active in their communities, who have the same story that you and I do about where we grew up and how we lived and what we've experienced who are saying, this is too much. We've got to get on top of this. So, that's all that is. I don't think I'm restarting the drug war. I don't think we're re-empowering DCP to rating Black and Brown businesses. I think we're trying to get --

IVELISSE CORREA BROWN: Have you checked William Tong's Instagram reels?

REP. LEMAR (96TH): You know what? I haven't.

IVELISSE CORREA BROWN: I would because he has one. I remixed it. It was to share the count, but I remixed that one where the sunglasses dropped down

on him and he's coming out like a cowboy because he actually did have rock music in the background of that. And police were there and Caroline Simmons was in the background walking around. It was Stamford.

And I just remember thinking how frustrating it was that instead of helping people who have been disenfranchised because no one has, you know, hundreds of dollars, like, no kid on Garden Street that wants to, you know, get into the cannabis industry has a way really to do it right now. So, it's not like they can sit there and say, "Hey, I want to go to the Social Equity Council. I want to take these classes. I want to apply for the loans. I want to work my way up."

Connecticut hasn't given a pathway to those that live in those inner-cities and are still being impacted every day. You have to team up with some rich guy from out of state, and that's not doing anything. So, I don't want my children to have access to these illegal products. But before these shops popped up, they were still accessible. I could still buy them.

I mean, I have years old Snapchats from 2018 where I'm just sitting there showing my stash and I was about to smoke. I've had those tough conversations with my children. So, my son just gave testimony earlier in the Education Committee. And I know that many times overworked parents, curious teenagers, it's not a good combination at all. But I think we need to go towards easing people who do want to really get into this market and don't have a pathway.

We need to ease them in with a licensing structure so that they're actually checking IDs so that they're not working and operating illicitly. So, we're not talking about bad actors at gas stations that just want to maximize profits and they don't care what they sell kids. But there are some people who do operate illicitly, who do carry many of these, not the same products, but similar labeled products that aren't harmful, and they would be okay with testing and paying taxes and licensing as long as it's not millions of dollars. I don't want my friends' kids to have access to this stuff. I can tell you my first edible story and you'll be horrified, but everyone has one.

REP. LEMAR (96TH): We want too much disclosure here.

IVELISSE CORREA BROWN: It sucks. I was high for two days. Yeah.

REP. LEMAR (96TH): I know. To be fair, I took it to heart when people say like you're restarting the drug wars. I don't think that's what I'm doing. I don't think that's the approach is. I think I'm trying to find a way to enhance the legal market and understand that the regulated market has a role to play. I think right now you might be correct that we're not providing enough opportunity and there isn't enough opportunity to enter this space and to work in this space and create high quality products that are regulated and tested and should be available to market.

Like, I think all those are fair arguments. I just don't know that I'm all the way with you and I shouldn't be cracking down on some of this illegal

and illicit material that's finding its way into the back pockets of 14-year-olds who can access it at almost every convenience store in the city that I love and represent. And I hear from parents on a daily basis who like 10 years ago, they were telling me I needed to decriminalize marijuana. I needed to get their kids out from underneath convictions that they thought were unfair and racially biased, that we need to enhance a medical marijuana program, and I need to support adult use.

And I was there for every one of those arguments because I think they were right and I think they were on the right path. When you and I might disagree on some of those votes, but I thought we were heading in the right direction. But I also think I need to crack down on the illegal and illicit marketplace that's happening internal to a lot of these places because, gosh, I feel like you and I should be on the same side a little bit more.

IVELISSE CORREA BROWN: Do you think it's going to be like playing Whac-A-Mole? I mean, here's the thing. We might be on the same side for a couple things, keeping it away from kids.

REP. LEMAR (96TH): Yeah.

IVELISSE CORREA BROWN: But the thing is though, the way that you're going about it, kids are still -- It's going to be like playing Whac-A-Mole. So, I mean, if I can't get at the store, I'm just going to go to the guy in the corner, I'm going to go to the kid in school, I'm just going to go to someone else that has it, because something that we've been doing since, what, like 1934 now on a federal basis has

been trying to stamp out cannabis, and that's the one thing that's frustrating the nation right now.

We don't even know -- I know -- Just hear me out federally. Both candidates, while running for office, did promise to legalize cannabis, something that the previous administrations have not done. So, both candidates that ran for federal office, whoever won, whether it was Kamala or Trump, promised to legalize cannabis. We don't even know what that looks like yet or how it's going to be legalized because we're not talking about a de-schedule, we're talking about a full on campaign promise for legalization.

And if it's done like it was done in other states, then we might be over restricting here again. I say more education and a better pathway into licensing and probably cracking down on fentanyl. I've lost family to fentanyl. I know I'm going to guess most people in this room have already. I want to focus on things that are killing people. And having discussions with kids, you can seem really nerdy to them. And we're all going to look like squares even the pothead mom saying, "Hey, please don't smoke."

And then they'll be like, "Ah, mom, you're such a nerd." I'm like, so my kids think I'm this complete dork, but so far they have stayed away from cannabis. They've had open conversations with me, and I'm hoping that maybe we do more education surrounding the subject because this is mostly going to impact cities that are already over policed with strained police budgets. The City of Hartford right now, they have a, you know, officer shortage just like most of the inner-cities. What are we doing? So, we're not going to be able to afford it pretty

soon, and we're going to be making tough choices a couple years down the road.

REP. LEMAR (96TH): Any questions for Ivelisse? Seeing none, thank you. We will definitely be talking more.

IVELISSE CORREA BROWN: All right. Thank you.

REP. LEMAR (96TH): Thank you. Josiah followed by Deborah. Sorry, Josiah Schlee followed by Deborah Nolan.

JOSIAH SCHLEE: I just want to say good evening to the respected members of the General Law Committee. And I know I owe some of you a very serious apology. And I think you know who you are, so I just want to offer that genuinely. And I hope if you haven't read it, that you do have a chance to. On HB 7179, I think I'd like to see -- I do support the bill, but I'd like to see some strengthening and oversight of the DCP, potentially through government oversight committees regarding regulations and major changes that they have that affect the industry.

And, HB 7180, oversight on the SEC council, I think, should definitely be outsourced a bit more to other organizations to over oversee it as well. Self-policing does work sometimes, but not all the time. HB 7181, the task force, I think, just scared a lot of people because a lot of people have had our doors kicked in, you know, stalked, had very traumatic things happen to us. So, just seeing the word task force, even just the wrong title, can be like, it throws people because I know what it does.

It actually targets smoke shops with those really bad, nasty products that are just garbage and not safe. Nobody knows what they are. I am totally with you in getting rid of stuff like that in smoke shops. My concern is there's no language to explicitly exclude individuals. I know you made sure that it said, like, only landlords who are knowing, but I didn't see anything explicitly making sure that we were excluding any kind of normal individual that's not a business entity from charges like that.

So, I think that might be where a lot of the concern comes from. So, I'm trying to move quickly. I shared about five regulation amendments on DCP items. I sent a number of amendment suggestions on a few bills. And I think most people in this room will hate me for this, but I would love to see RERACA repealed and focus back on medical cannabis and Connecticut only producers, only Connecticut locals, and hemp is American's apple pie.

I've thought about that a little bit more. It really is. And I don't think these people are trying to hoodwink anyone or secretly get high or do something subversive to get something done. I do think hemp generally should be more recognized in Connecticut. We're really missing out.

And I think just hearing from Rino today that you understand the difference between large corporations who, you know, don't even write their own things and caregivers and people with real faces who actually care and the difference between that. So, I didn't get through a lot of it, but I submitted a lot of testimony. I appreciate your time and any questions you have. And I really respect you guys. Thank you.

REP. LEMAR (96TH): Thank you, Josiah. I do appreciate your testimony and some of the written correspondence from you directly over the last couple days. I understand you care passionately about this issue. Please don't feel like you shouldn't reach out. It's from me to you. Like, there's a lot that I'm going through trying to figure out the right way to approach a number of issues.

And I do appreciate your willingness to engage in what your thinking is on a number of things. Never going to be offended by you reaching out. So, don't feel a need to apologize if we disagree because sometimes I'm going to feel I'm right and sometimes I'm going to feel maybe I'm wrong. And so, feel free to let me know when you think I'm going the wrong direction. I don't mind it in the least. Okay?

JOSIAH SCHLEE: Any conversation is very welcome because this year, underestimate a lot, I've spent 300,000 hours of research in the statutes, made 10 different versions of the caregiver bill of varying degrees of freedom, the less freedom. Like, I have so many variations of so many pieces of legislation, so many programs. Like, please open up a dialogue, and we have a forum room coming up April 16th, so a good time to have those conversations. And if anyone has any questions left or anything.

REP. LEMAR (96TH): I don't think so. We're good.

JOSIAH SCHLEE: I appreciate you. Thank you.

REP. LEMAR (96TH): Thank you. Deborah Nolan followed by Angelique. Is Deborah available? No? Angerlyk.

ANGERLYK FRYTZ: Good evening. Esteemed members of the General Law Committee, my name is Angerlyk Frytz. I go by Angie, so Angie is fine. This is Justin Fritz, and we are licensed cannabis transporters with the White Oak Bridge. I am grateful for the opportunity to submit public testimony on House Bill 7178 with some recommendations in two key issues. The first thing I'd like to highlight is a proposed revision to Section 2d or pages four and five of the draft bill concerning infused beverages.

We are supportive of the intent to allow liquor and beer wholesalers to exclusively engage in the wholesale of infused beverages without being required to sell liquor. Because we believe that allowing specialization in this emerging market is vital for consumers and current and upcoming distributors as market trends evolve and change in time.

However, I want to point out that to obtain a wholesaler permit, the application requires the applicant to first secure a permit number from the Alcohol and Tobacco Tax and Trade Bureau or TTB. Meaning, wholesalers would still be required to sell alcohol if this language passes in its current form. To resolve this, we propose the creation of the infused beverage wholesale permit that would not be subject to TTB requirements.

I want to highlight that under our proposal, this permit would not prevent current beer and liquor wholesalers to distribute hemp infused beverages. It would just allow upcoming distributors to specialize in this beverage category without the need to carry

also alcohol. Details of this proposal are available in my written testimony. Secondly, we ask the committee to consider adding language that would allow cannabis transporters to consolidate retail ready orders.

You may have heard from me that transport agents are exposed to risk beyond their control with the same day transfer model if they were to have undeliverable cannabis. To resolve this, we propose the implementation of the term finished product consolidation center, which would allow us to store finished products for up to 14 days without taking ownership of it while in custody.

This language would also provide a crucial safety net for transport agents since the same day model exposes us to undue risk beyond our control. It would also provide economies of scale that would benefit the market, all that while keeping the transport license as an entry level one in the industry. Again, details of this proposal are as well on my testimony. Thanks again for the opportunity to testify, and I'm happy to answer any questions you might have.

REP. LEMAR (96TH): Thank you, Angerlyk. We've had a long conversation about some of these issues. I think we're zeroing in on -- You're not --

ANGERLYK FRYTZ: No. It's fine.

REP. LEMAR (96TH): I think we're zeroing in on a solution. There's a series of issues related to the distributor. I get it. I think we've clarified a number of those things over the last couple of months, working with DCP, working with you guys,

working with the industry. I think we're getting close to a resolution. I have an opportunity to speak to a couple of lawyers inside the House Democratic Caucus trying to figure out what the final resolution is going to look like. So, I'm going to forward you some potential legislation that addresses this soon.

ANGERLYK FRYTZ: Okay. Thank you.

REP. LEMAR (96TH): Thank you. Any questions for Angerlyk? No? Senator Maroney.

SENATOR MARONEY (14TH): So, I just had -- Hi, Angie.

ANGERLYK FRYTZ: Hi.

SENATOR MARONEY (14TH): I just have a question on the definition, you know, creating the finished product consolidation center. So, would that mean in a way you guys would become more of a fulfillment center?

ANGERLYK FRYTZ: Not specifically fulfillment. Because fulfillment, and Justin, feel free to jump in whenever. Fulfillment means that you take the individual products and you put it in a case and then you close the case. That's not necessarily what we're looking into because it is an opportunity to enter deviations or errors, mistakes, and that's not what we want.

The proposal is to have the retail ready order. So, if the store orders this product with this, this gets all secure into its own bundle, and that is what gets store in the facility. And when the

delivery or not the delivery, but the transport, happens, then it goes to the store. So, it's a way of ensuring integrity of the contents of the case. It's a way of also serving the market without introducing opportunities for deviation.

SENATOR MARONEY (14TH): So, why would you need to start for the 14 days then?

JUSTIN FRYTZ: Hi, Senator. My name is Justin Frytz. The premise behind this is from a standpoint of dealing with holidays, weather, anything else that could come up. The idea is that we function more like FedEx and UPS. By having the same day model, it's costly and we have to do everything same day. By being able to bring it back, store it, we're able to reroute products more efficiently, pass those cost savings on to the manufacturers, and get the products out to retail.

ANGERLYK FRYTZ: And if I may add, we're proposing 14 days because when we look at the languages of other states that can consolidate, most of them were, they can store product for indefinite periods of time. Some of them are six months. We propose 14 days because 14 days is really the least amount. It gives us some flexibility if we have to go back to the facility or if something happens, but it's not such a lengthy period of time that would compromise the product in any way.

SENATOR MARONEY (14TH): Okay. Great. Thank you.

JUSTIN FRYTZ: Does that answer your question?

SENATOR MARONEY (14TH): Yeah. Yes.

JUSTIN FRYTZ: Yeah. We're not looking to act as a distributor wholesaler where, you know, it's unsold product. All we want to do is to go to manufacturer A on Monday, pick up all their orders for the week, bring it back to our facility, consolidate with orders from other manufacturers, and put it out over the course of the next week or two, depending upon when stores are ordering.

There are stores that are remote in the state that are not easy to get to by themselves. So, being able to consolidate those orders, put them all together, and, you know, maybe wait four or five days to get those out, allow us to pass those cost savings on to the manufacturers, which reduces the overall cost of the actual product.

ANGERLYK FRYTZ: Yeah.

SENATOR MARONEY (14TH): Great. Thank you. No, that makes sense. Thanks for explaining that.

REP. LEMAR (96TH): I'm going to run something by you real quick.

ANGERLYK FRYTZ: Yes, sir.

REP. LEMAR (96TH): To see if this sounds familiar to conversations you've been having and if this sounds like you're going in the right direction. The current bill suggests creating a pipeline for transporters to become product packagers, instead of doing that, we should create a sublicense for finished product consolidation centers.

ANGERLYK FRYTZ: We're proposing kind of like an endorsement, and I'm not sure if that would be the

actual term. So, if it's a license or an endorsement, I'm not sure. But that's kind of the pathway that we figure it could be a compromise where we can serve the industry, we get the safety net that we need for transporters because we drive the vans, so we know.

REP. LEMAR (96TH): Right. So, you'd never take ownership of the product itself. You'd just hold it on cycle after 14 days.

ANGERLYK FRYTZ: Never. We would never take ownership of the product itself. No.

REP. LEMAR (96TH): To get this endorsement --

ANGERLYK FRYTZ: Yes, sir.

REP. LEMAR (96TH): You'd have to fill out an application, right? And we'd have to have a details operations plan.

ANGERLYK FRYTZ: Correct.

REP. LEMAR (96TH): That you can comply with the storage and security regulations inherent in the underlying consumer doing the deal. You'd have the full specs on where the work would take place, the facility's location, the layout, the intended capacity, so we know exactly what's inside of that facility at all times. ECP has an ability to issue that sublicense understanding the contents of your facility, and that you guys are not taking ownership and therefore not repackaging.

ANGERLYK FRYTZ: Correct. We're not taking ownership of the product.

JUSTIN FRYTZ: We don't want to resell.

REP. LEMAR (96TH): You're not reselling.

JUSTIN FRYTZ: No.

REP. LEMAR (96TH): You're not violating the --

JUSTIN FRYTZ: It's strictly for storage standpoint.

REP. LEMAR (96TH): Okay. Just temporary storage and consolidate.

ANGERLYK FRYTZ: Correct, sir.

REP. LEMAR (96TH): 14 days.

JUSTIN FRYTZ: Yeah. We charge on a flat rate fee for delivery, so we're not looking to take ownership and resell it to retail. It's we're picking up the order from the manufacturer like FedEx, we're bringing it back to our consolidation center and putting it back out on another vehicle to efficiently move the products around the state.

REP. LEMAR (96TH): Excellent. I like it. All right. Thank you.

ANGERLYK FRYTZ: Thank you all.

JUSTIN FRYTZ: Thank you members.

REP. LEMAR (96TH): Lesli Gooch followed by Stacie Pride. Leslie online?

MADELINE TWEDEN: Hello. Can you hear me all right?

REP. LEMAR (96TH): We can, Lesli. You have the floor.

MADELINE TWEDEN: Awesome. Hello, members of the committee. I'm Madeline Tweden with the Manufactured Housing Institute. Unfortunately, a change in travel has prevented our CE, Lesli Gooch from attending today's hearing. If you'd please review our written testimony regarding House Bills 5428 and 5111, we'd be happy to follow-up on any questions you might have. Thank you.

REP. LEMAR (96TH): Excellent. Do you have any questions for Lesli? No? No? Seeing none, thank you so much. We'll review the written testimony. We'll get back to you when we have questions applicable. Okay?

MADELINE TWEDEN: Thank you.

REP. LEMAR (96TH): Thank you. Stacie Pride will be followed by Kebra Smith. Mr. Salinas is joining you for -- Oh, okay. David, do I have you on the agenda otherwise or no? No? Okay. David, just name and business for the record.

DAVID SALINAS: David Salinas, Let's Grow Hartford. So, it's okay that she yields? Thank you. We had a glitch when we registered, so apologies for that. So, my name is David Salinas. I'm with Let's Grow Hartford. We're a multi-licensed cannabis legal adult use cannabis holder in Connecticut with locations in Derby, Windsor, New Haven, soon to be more in New Haven and Hartford. And I'm here to talk about a couple different bills.

We'll start with the big cannabis bill with some of the language that I think should be coming on. One and you've heard it a ton today, is the seven-year to three-year, or personally, I don't think there should be any years. Now I'm not a Social Equity applicant, but I do identify as one. I grew up poor in a poor neighborhood that was ravaged by drugs, and just in the circumstances when this license came out, I was over a threshold that didn't allow me to be a Social Equity applicant.

But I think that I represent a couple points that I'd like to make about that. One is, I have a podcast where I interview entrepreneurs in Connecticut. I've interviewed 60 entrepreneurs that have exited companies, sold their stake in their companies. Two things that are true in every interview that we have. One is that no one told them they could not sell when they wanted to sell. And the second is that they all attribute timing to their exit.

Some of them will tell us stories where they were about to be out of business. They were about to lose their family and friends' money. They were about to lose their investors' money. And then, you know, lightning in a bottle happened, and they were able to exit that company. The perfect marriage happened. A merger and acquisition happened and they were able to get out. These range from -- And I've had Governor Lamont on the show. I've had a lot of entrepreneurs on the show.

These range from people that have sold companies for a couple million dollars to a few billion dollars. And I just think that holding anybody to any time frame is detrimental. And the last example I would

give you is that there have been entrepreneurs that were not Social Equity applicants that have been able to exit early, and they've made millions of dollars. And today, anybody that's trying to sell that same license would not get a quarter of that value because of how the Connecticut market has started to unfold and indicate things to investors and potential buyers.

The second thing is the packaging and branding, which I've testified for in the past. So, we now have an open store in Derby, and we we're holding packaging. We have brands that are sold in California that are now being manufactured and sold in Connecticut. They're not in the same packaging. They don't have the same value that they have. I used this example the other day when I was talking. Coca-Cola, the brand, is worth more than Coca-Cola, the liquid in the bottle, right?

And one thing that I think is really important in the Connecticut market is that by not allowing the packaging rate changes to happen, you're preventing us from potentially creating a Coca-Cola, right? So, we can't have brand value, so the only value that we have is price value.

And lastly is the beverage rules in the infused beverage market, which we are going into, and the fact that we need the safe harbor provisions to protect us if we want to make product and ship it outside the state to compete in these markets, because right now all the beverages in Connecticut are out of state beverage companies. We really need those protections, or a simple change from three milligrams to five to parity everybody else's market

would change that situation for us. Thank you for your time.

REP. LEMAR (96TH): Thank you, David. And again, I appreciate the conversation we had back in January when I was at the chamber event. I appreciate the number of conversations you and I have had on a number of issues in New Haven for about a decade now. You've been an earnest business partner for the city. You've done incredible things in our city, and with great respect, I'm going to disagree with you on an aspect of your testimony that I want to explore just a little bit more with you.

And I think I've come a long way on the idea that under certain circumstances, it makes sense for folks who otherwise were selected and determined to be of under the contract terms of having a seven-year responsibility to fulfill the underlying obligations associated with being selected as Social Equity applicant, right? It's seven-year contract essentially. And that means you want to leave those terms, state determined terms after three years instead of seven.

To me, that's violative of the original construct of what we're trying to do. In your mind, well, wait a minute, you're permanently decreasing the value of this owned asset that they have by dictating the terms by which they can release it. And I think you're right from your standpoint. Like, what other marketplace are you telling people when they can and cannot sell the asset that they own and control that they've put their blood, sweat, and tears into, and you've got an artificial limit on when they can maximize their profits.

I think from a traditional business sense, you are 100% right. I think what I have is a contract and a commitment between that the state of Connecticut was a partner in when this individual was identified. And part of that contract is the maintenance of their commitment for seven years, right? I don't know if how I'm thinking of that seven-year obligation and how you're thinking of that. So, I'm thinking of an obligation to the state to be able to bypass the traditional process we established for everyone else as we are holding you to this seven-year commitment.

DAVID SALINAS: Yeah.

REP. LEMAR (96TH): I think we can get to three years, but I want the Social Equity Council to evaluate the nature of that sale contract. So, if you want to buy out a Social Equity partner after a three-year period of time, I don't want it to be and I'm not picking on you. I hope you don't lose that.

DAVID SALINAS: No. No. No. No. I understand.

REP. LEMAR (96TH): I don't want it to be that you are well-financed and you're able to take the current market disruption or market term that has undervalued the asset that that person owns. And after three years, they need to get out because of whatever economic hardships may exist in the marketplace. And someone who's a well-financed business partner can say, "This is a great time for me to buy low. I have an opportunity to buy low from someone who needs the cash."

And there goes that sort of commitment we are trying to make towards Social Equity ventures. And there

goes the sort of underlying justification for that program in the first place. Because now it's David. You might identify as a Social Equity applicant, but that's not who we had in mind originally. So, now that ownership stake is gone completely and I got Let's Grow Hartford who owns seven different locations across the state and no Social Equity applicants because they all had to sell out when the market took a downturn after year three. And you are --Again, not you. I hate -- But someone who is well-financed was able to take advantage of that market hiccup and buy them all out.

DAVID SALINAS: So, can I respond?

REP. LEMAR (96TH): Oh, no. Of course. Please. Yeah.

DAVID SALINAS: Yeah. So, respectfully, I think that the intent of the seven years, I completely understand. I think that in -- And this is the problem with and I disagree with some of my colleagues here about going to having anyone evaluate the fairness. Fairness is between the seller and the buyer, right? So, for example, if let's just say right now that there are -- We've seen stores close. We've seen stores hemorrhaging. You guys don't hear about it, but there are stores that are hemorrhaging.

So, if a Social Equity applicant partners with let's say they partner with me, and we open a store and that store loses $50,000 a month immediately upon opening that store. For the next year, that Social Equity person in 100 out of 100 cases is out of business. But because of my partnership, if I had the means, I don't have the means to carry a $50,000

burn per month, but if I did, I would hold that business up to see if we could get out of that hole.

That money now goes in front of any profits or distributions upon an exit for the Social Equity applicant anyway because money in takes precedence, right? So, there's a situation where that contract is hurting. It has a negative value on that person, right? So, timing is everything in this situation. And I think that if I was a Social Equity applicant working with a corporation and I wanted to pay for medical bills, I would want to be able to sell for whatever price I could get to cover medical bills for myself or my family.

If I wanted to make a purchase and move into a different asset, if I thought that Bitcoin was going to go to $200,000 and I just wanted to double my money because I didn't like where we were, I would want as an investor, as a person, I would want that opportunity. And I think that you're creating a negative issue here. And I see your point 100%, and I get it. There's a protective at -- You're trying to protect here, but there's also a tremendous amount of harm.

And again, coming from someone who started his first business with $5,000, right? Like, coming from someone that they used to dig through the couches for change, I understand what it is to be in those circumstances, to grow up in those neighborhoods, right? And I'm just telling you that now as a mature business person that understands investments and all of those things, it is detrimental to that person, whether it's three years or five years or seven years or having someone evaluate your deal.

One other example that I'll give you is that we had someone tell us that the lease that we were signing was too high. And in fact, the lease is about four and a half percent of revenue, right? So, the person advising that person that we were signing a high lease was incorrect because a retail lease should be four to 15% of your retail revenue. So, it was actually on the low end, right?

So, I would ask who's going to be making the decisions as to what is fair and what basis do they have to make that decision. So far, I have not been and there's been changes to the Social Equity Council, but I've seen a lot of mistakes made in the rules that have been made and I understand why they were made, the timing behind them, but I do think it should be evaluated. So, respectfully, I think this is a great conversation.

REP. LEMAR (96TH): Yeah. No. And I appreciate it because frankly, you're negotiating against my comfort level, right? And that's an awkward position for you to be in. I appreciate that's awkward position for me to be in, right? Like, I don't know that I'm right. I know that I'm uncomfortable with the proposal, and I'm trying to get comfortable.

DAVID SALINAS: Yeah.

REP. LEMAR (96TH): And so, I think that's where you're seeing me struggle a little bit.

DAVID SALINAS: Great dialogue.

REP. LEMAR (96TH): Okay.

DAVID SALINAS: I appreciate it.

REP. LEMAR (96TH): Appreciate it. Any other questions for David? Seeing none, thank you. We'll be in touch.

DAVID SALINAS: Thank you so much for your time.

REP. LEMAR (96TH): Kebra. Oh, it's Kebra right there. Yeah.

KEBRA SMITH: Good evening. Good to see you. Thank you, Senator Maroney, Representative Lemar, and the esteemed members of the General Law Committee. I appreciate the opportunity to provide testimony in strong support of House Bill 7178 Section 11, and to respectfully -- So, I wrote this beautifully eloquent testimony in support of this section, and then I heard the SEC's opposition. And it changed everything I wrote.

So, I just want to kind of go because honestly I think it speaks to the relationship. Like as a Social Equity applicant, I should have a relationship with the Social Equity Council that if there's something that I strongly support and they have apposition, before we come to a hearing, we discuss it. And that has not been happening. So, because of that I'm going to address these things.

So, first and foremost I want to remind the committee that this isn't the first time you've seen me. I've been a staunch advocate for cannabis legalization and social equity from the very beginning. I worked tirelessly to ensure that this industry was built on principles of justice, expunging records, reinvesting in disproportionately impacted areas, and creating real economic

opportunities for those most harmed by the war on drugs. And my commitment to these goals has never wavered.

When I stood up and advocated for equity, I did so not just as an entrepreneur, but as someone who grew up in a disproportionately impacted community. I did so knowing that my own success was meant to be a part of that spirit of the law they keep speaking about. A success that would not just be for me, but for New Haven, for the people who have been waiting for real economic opportunity.

People are waiting for me to open my businesses. And so, the SEC argues that Section 11 is unnecessary because prior legislative expansions already increased flexibility for cultivators, citing that there are now 41 municipalities with DIA cultivation can occur, including tribal land and outdoor grows. However, these expansions have not solved the problem for Social Equity cultivators like me who are deeply committed to our home communities.

I could have already set up my cultivation in another DIA. But I made deliberate decisions to fight for New Haven, the city where I was raised, where I've done this work, where I've invested my efforts and where the harm was done to me and my community.

Further, this perspective overlooks the complex reality of zoning with DIAs like the fact that cultivation facilities require location zone for manufacturing or specific agricultural designations. Many DIAs lack such areas, necessitating applications for zoning variance, a process that is both uncertain and extremely costly for a social

equity applicant who isn't backed by a large corporate entity.

Securing a zoning variance is not guaranteed and it involves rigorous approval process, adding layers of complexity for already disadvantaged and underfunded applicants. Can I keep going? Each municipality has the authority to regulate you -- excuse me. I can't see through that. Each municipality has the authority to regulate land use through zoning controls, leading to a patchwork of regulations that can further complicate site selection for cultivators.

Also, despite these expansions, the reality is that New Haven has virtually no viable locations for a 60,000-plus square foot cultivation facility. The proposed five-mile flexibility is not about moving cultivation out of DIAs. It's about ensuring that those of us who are actually from these communities can still operate businesses that benefit them. The SEC also raises concerns about mandating landlord contributions to reinvest in social equity programs and requiring that 60% of employees reside in DIAs.

Let's be clear, these provisions are the very essence of what social equity is supposed to be about. Putting money back into communities that were harmed. If we are serious about making the economic benefits of this industry reach the people who deserve them the most, then landlords and businesses must be active participants in that mission. The SEC questions how the five-mile radius would be measured, a map and a measurement. But I will say those are logistical details that can be easily resolved through regulatory clarification. What's more important is the fundamental principle ensuring

that social equity cultivators have an actual viable path to success rather than being locked out of the very communities we set out to help.

And finally, the SEC claims that allowing the provision could create inequitable advantages for certain cultivators. But what is truly inequitable is the fact that I, a lifelong New Haven resident, have fewer options than cultivators in other municipalities simply because of the lack of available space. This is my last real opportunity to establish a cultivation business that will directly benefit New Haven, create jobs for New Haven, generate tax revenue for New Haven, reinvest in New Haven. And without this flexibility, I and others like me will be shot out of the very opportunities that we fought to create.

The spirit of the law is tied to the spirit of those who of us who fought for it. My success is not my own. It was always meant to be a part of a larger vision for what social equity and cannabis could and should be. The original intent of Connecticut cannabis legislation was to repair the harms caused by prohibition and create economic opportunities for those most impacted. That means making sure social equity businesses can actually operate and support the communities that matter to them the most.

REP. LEMAR (96TH): Thank you, Kebra. We had you in back in early January, I believe.

KEBRA SMITH: Yes.

REP. LEMAR (96TH): And you made a very compelling pitch. We actually ended up unanimously supporting what you had in mind.

KEBRA SMITH: Thank you.

REP. LEMAR (96TH): Ultimately, you having the ability to carry out the vision and the approved mission associated with your social equity venture. Can't get a location, though. 60,000 square feet is hard to find inside of an 18 square mile small city that's already -- it's hard to find any property.

KEBRA SMITH: Exactly.

REP. LEMAR (96TH): So allowing you to step out outside of the geographic confines of the municipality, only five miles. And maybe I need to figure out a way to measure five miles, I guess. That's part of the question.

KEBRA SMITH: I can help with that.

REP. LEMAR (96TH): Yeah. But I think at the beginning -- so long as you're carrying out the underlying mission associated with your application and you're supporting New Haven residents and those monies are being redirected back into the community, I think it was a compelling ask.

KEBRA SMITH: Thank you.

REP. LEMAR (96TH): It didn't violate the original intent.

KEBRA SMITH: Not at all.

REP. LEMAR (96TH): I will talk to, Mr. McGee, who I think everyone here knows I think the world of.

KEBRA SMITH: Me too.

REP. LEMAR (96TH): I love him. I disagree with him on the assessment on this particular bill. But I'll talk to him and try to see if I can rectify some of the concerns that they have.

KEBRA SMITH: Thank you.

REP. LEMAR (96TH): I might reach out to you post JF deadline to go over what solutions we might have in mind, but you have my continued support.

KEBRA SMITH: And I'd be happy to help. It just always has been about the people who are from the communities being able to operate in their communities because they know what the community needs.

REP. LEMAR (96TH): That's right.

KEBRA SMITH: So thank you.

REP. LEMAR (96TH): Thank you.

KEBRA SMITH: Thank you.

REP. LEMAR (96TH): Any questions for Kebra?

KEBRA SMITH: No.

REP. LEMAR (96TH): Seeing none, thanks again, Kebra.

KEBRA SMITH: Thank you.

REP. LEMAR (96TH): Leah Cantor followed by Robert Bailey.

LEAH CANTOR: Good evening. Can you hear me?

REP. LEMAR (96TH): Yes. We can. You have the floor.

LEAH CANTOR: Thank you. Senator Maroney, Representative Lemar, nice to meet you, and distinguished members of the General Law Committee. My name is Leah Cantor, and I thank you for the opportunity to share some eye-opening testimony supporting 7179. Not only am I responsible for the inception of the recently completed transition plan to strip the DCP of its oversight over Connecticut's 1,048 home companion agencies, which I will call HCAs for the purpose of this testimony, but I'm dually responsible for the formation of the task force whose recommendations resulted in this transition plan.

My story is only one of many. I am here because my family hired an HCA, one of the largest in the country, to care for my elderly and disabled dad. The HCA knowingly provided an unvetted, unsupervised caregiver who is believed by Homeland Security to be a criminal impersonator with a history of identity theft. She abused my dad and left him alone, allegedly close to 45 times in nine months.

This HCA has a decade long history of DCP documented statutory violations. And to quote the DCP, a pattern of behavior designed to mislead, deceive, and defraud the public as well as the commissioner. Yet to date, the DCP has never revoked, suspended, or refused to renew its certification or any HCA for

that matter. It is likely that some of your loved ones are currently being taken care of by this HCA.

In my six years of tireless research, I discovered reams of evidence, much of it provided to me in the approximately 5,000 pages shared with me by the DCP, demonstrating the DCP's failure to enforce regulations, failure to exercise its authority, utter lack of transparency, intent to cover up investigatory findings, inability to conduct honest and timely investigations, and unchecked disregard for protecting clients of the 1,048 home companion agencies under its jurisdiction.

The Connecticut Mirror has recently won national awards for its reporting on the DCP and Connecticut's broken home care industry. The fight I had to endure with the DCP for three years just for a fair process and honest and timely investigation while incurring hefty fees for legal counsel because the DCP wouldn't answer my questions was disgraceful.

After almost three years after filing a lengthy complaint to the DCP and submitting 11 inquiries about when my case would be completed, I was stunned to learn from a journalist that the DCP provided him with a 360-page investigation of my case. And it wasn't until months later that I would get it. So I could go on, but in this instance, the DCP truly speaks for itself. I'd like to read a couple of excerpts from the DCP memos and reports that relate to this HCA that my family hired.

REP. LEMAR (96TH): Thank you. If you could -- just quickly summarize.

LEAH CANTOR: Sorry?

REP. LEMAR (96TH): Just if you could quickly summarize those, that'd be great.

LEAH CANTOR: I'm going to put these all in my written testimony.

REP. LEMAR (96TH): Oh, perfect.

LEAH CANTOR: Let me summarize. I find it disingenuous that the DCP issued a letter to the HCA that we hired stating that it was defrauding the public as well as the commissioner, while the DCP continues to defraud the same population it is charged with protecting. There's a reason why this legislation was passed recently to mandate a transition plan to strip the DCP of its jurisdiction over HCAs. But this transition may not be implemented. And if it is, it may not happen for four years. Meanwhile, radical change must be implemented today.

This DCP is enabling bad actors to abuse your loved ones as we speak. I have been working tirelessly pro bono, getting legislation introduced and passed with new regulations to better protect Connecticut's HCAs with more stringent regulations and even the establishment of a community ombudsman. But if the DCP refuses to enforce the regulations for the agencies under its jurisdiction and exercises authority, regulations are merely suggestions and become irrelevant. I encourage each of you to review my written testimony, which I'll submit next week, that documents more examples that I didn't have time to cover today as to why this bill is so crucial. I

think it'll be eye-opening. And thank you for your time.

REP. LEMAR (96TH): Thank you, Leah. I do appreciate your testimony. I don't see your written testimony. Maybe it came in under a different bill.

LEAH CANTOR: I'm going to submit that next week.

REP. LEMAR (96TH): Okay. Perfect. That'd be great. Thanks again.

LEAH CANTOR: Yes. Thanks.

REP. LEMAR (96TH): Robert Bailey to be followed by Adrian Furlotte.

ROBERT BAILEY: Good evening. Thanks for letting me speak tonight.

REP. LEMAR (96TH): Of course, Robert.

ROBERT BAILEY: First, my name is Robert Bailey. I live at Mobile Home Park in Clinton, Connecticut. And I just have a few -- I think you've heard a lot about what's going on in the industry as far as mobile home parks, so I don't want to rehash any of that. I just had a few points I'd like to bring up, if that's okay. And I want to stay within that three-minute. What was that? The fastest time in football. Right?

Some of the feelings that are out there that, maybe I wasn't listening, didn't hear. Most of the residents in most of the parks, I can probably speak for 99% of them, they don't trust the ownership. It's not so much the local people that are running

the individual parks as much as it's the ownership because they control those folks. And the other attitude is the owners don't really care. They're more out for the money that they can make.

One thing I did find out that was really upsetting that in my park, Evergreen Springs, the taxes for that corporate, for that land that our homes sit on roughly now, this is going back last year was $95,000 a year. And doing the math real quick, that's about seven weeks of what we pay. So after seven weeks, outside of trash, the wells, if they have issues, the plowing, we kind of shake our head about that, and septic from the connection to the leach field. So from the connection into the home is our responsibility.

You've heard enough on rent hikes. I don't need to readdress that. I don't want to bring up fair rent. We have a Fair Rent Commission in Clinton. And one of the things I noticed because I had a complaint legitimate one, I thought, I had to provide all this evidence, but the corporate owners were able to sit there and not have to justify any of their statements where I had to justify all mine, which I had no problem with justifying. But when they told me to get copies of the leases from my park when they already had them, I thought that was a little bit out of character. I think there needs to be some work done on the Fair Rent Commissions as far as what they're allowed to do and what they can't do because there's more to it.

Corporates being held accountable. I think you've heard that before. They're not really held accountable. Roads and trees and stuff like that haven't been taken care of in years until somebody

rings a bell, then all of a sudden they'll do it. I had to put together a petition to get eight unoccupied homes removed. A petition that I had to go and get signed and send it because it wasn't acceptable by fair rent. That was the quick of it, I hope.

REP. LEMAR (96TH): I appreciate that, Robert. I didn't think it was good. My fallback intellectually has been, like, well, maybe we need a statewide Fair Rent Commission specifically tailored toward mobile HARC issues. Representative Luxenberg, who's on this committee as well, was one of the architects of our state's fair rent expansions over the last few years. He knows more about fair rent issues than anyone else on this committee. That's for sure. Maybe Senator Cicarella is close.

ROBERT BAILEY: They're not. Don't get me wrong. They're not bad. They're just --

REP. LEMAR (96TH): They're not bad. They're just maybe not equipped to deal with this specific challenges that are in here.

ROBERT BAILEY: They've got their guidance and that's what they have to go by and I understood that.

REP. LEMAR (96TH): Yeah. So, I think it's worth exploring a little bit more, and trying to figure out the right way to approach this issue, so that Fair Rent Commissions, when they're dealing with mobile home challenges, understand the distinct differences between the types of property that you have and the underlying property rights associated in assessment fees and a traditional apartment that

may exist in the city of New Haven, and it's general cost drivers. It's important to understand the distinction. And perhaps in Clinton, they don't quite understand that. Maybe we need to ramp up that.

ROBERT BAILEY: If I can?

REP. LEMAR (96TH): Yeah.

ROBERT BAILEY: One more thing I'd like to add, I was also told that I had to get rent comparisons because my main complaint was that, but I was also told at the same time that I couldn't go out of Clinton. So we have four parks under the same corporate, and there's two other parks in the town. So, if I did the comps --

REP. LEMAR (96TH): It would be all other comp ownership.

ROBERT BAILEY: Yeah. The four of them would be pretty close.

REP. LEMAR (96TH): Right. But they control he entire supply, so therefore, they can justify that being a relevant cost because they're charging everyone the same price.

ROBERT BAILEY: Right. And I think Bill hit on it too, that we had someone move in July, and they moved in -- now, I was paying $788. That was the regular rate. They moved in at $860, I believe. And then they just got a rent increase on this year in March, March 1st of $19. So, there's something going on with that stuff.

REP. LEMAR (96TH): Senator Cicarella got a question, and Representative Luxenberg's got a question.

SENATOR CICARELLA (34TH): How are you? Thank you for hanging around. So, you just mentioned your rent increase. It could happen even if the lease is not over?

ROBERT BAILEY: No. It's somebody moving in new. Like, if you were to buy a home in there, and let's just say you bought it in July, you're going to pay an entrance fee. I can't think of a better word to call it. You would think it would be based on whatever the prevailing rent was at that time. And then again, come March 1st, you get hit with an increase. And you haven't even been there six months, seven months, and you're hit with an increase of -- this particular case was $19.

SENATOR CICARELLA (34TH): Was this an assessment because of extra work that was done?

ROBERT BAILEY: I can't answer that.

SENATOR CICARELLA (34TH): And they don't explain what -- so, I'm trying to compare them from a regular rent, like, you live in a multi-family home, your lease is up, homeowner says, my taxes went up, water bill's higher, hey, I need to go $50. Within the period of time you're leasing, one year, five years, they could go up on the amount of money you have to pay for your rent of that piece of land?

ROBERT BAILEY: No. Not to my knowledge. I haven't seen it in the 19 years I've been there. No, I haven't seen a special assessment. I lived in condos

before I bought a home there, and I had three houses that I had owned before that. But no, I haven't seen that. They do charge extra if you have an oil tank. They charge you extra if you have pets And I'm not sure about if you have somebody extra living in your home.

SENATOR CICARELLA (34TH): Okay. So how much is it for a pet out of curiosity?

ROBERT BAILEY: Well, it was $10.

SENATOR CICARELLA (34TH): A month or a year?

ROBERT BAILEY: A year.

SENATOR CICARELLA (34TH): Okay.

ROBERT BAILEY: Oh, no. I'm sorry. A month. Is what I'm saying.

SENATOR CICARELLA (34TH): Okay. A month.

ROBERT BAILEY: And the other thing is your oil tank is $11.70 a month. Because you have an oil tank, that protects their land that you're paying rent on in case of --

SENATOR CICARELLA (34TH): In case of a leak?

ROBERT BAILEY: -- a spill or --

SENATOR CICARELLA (34TH): Okay. And with the dog, is it, god forbid, if a dog bite that they have to cover insurance? Because you maintenance your own property.

ROBERT BAILEY: Right. Because that's our insurance, our home insurance.

SENATOR CICARELLA (34TH): Yeah. Why would you have to pay for the dog if you maintenance your property?

ROBERT BAILEY: I've heard different stories about that because people don't clean up after their dog and whatever the reason might be. It's just another way of -- and we can't get together, like some of the parks they've tried to--

SENATOR CICARELLA (34TH): Associations.

ROBERT BAILEY: -- establish an association or whatever. And getting the people to sign up for that is hard because they're afraid of repercussions.

SENATOR CICARELLA (34TH): Sure.

ROBERT BAILEY: And that's understandable, but we've been trying to get that going.

SENATOR CICARELLA (34TH): How long have you been living at this park?

ROBERT BAILEY: Nineteen years.

SENATOR CICARELLA (34TH): And are they year leases or five-year leases?

ROBERT BAILEY: One year.

SENATOR CICARELLA (34TH): One year. And how much do they go up each year, if you don't mind me asking?

ROBERT BAILEY: Well, this year, it went up $39 Usually, it was between, and I'm thinking back, 15 to 18, then it went to 21. Because each year, your new line is higher, so then your percentage is higher on how much the increase is.

SENATOR CICARELLA (34TH): Sure.

ROBERT BAILEY: So it's going to vary.

SENATOR CICARELLA (34TH): Sure. And now, what is an average rental for the land a month?

ROBERT BAILEY: Oh, the average?

SENATOR CICARELLA (34TH): Yeah.

ROBERT BAILEY: Oh, that's hard to tell. I'd say the majority of us that live in that park, we're over $800.

SENATOR CICARELLA (34TH): A month?

ROBERT BAILEY: A month. I think mine just went to 827.

SENATOR CICARELLA (34TH): Okay. I appreciate you testifying and answering my questions, shedding some light on the questions that I have. Thank you very much.

ROBERT BAILEY: Oh, and thank you for allowing me.

REP. LEMAR (96TH): Representative Luxenberg.

REP. LUXENBERG (12TH): Thank you, Mr. Chairman. I had a question which relates to the value of the

manufactured homes themselves. I think probably the people on this committee know what's happened with residential real estate values over the last three to five years. Like, if you bought a condo or a single family home or a multi-family home in 2019, you might be able to imagine what that home is worth today. And I'm not sure the committee members or at least I could speak for myself, know how values of the actual manufactured homes have changed.

And the reason I ask, just so you understand the nature of the question is, one of the concerns that I think we're debating is whether folks in your situation are landlocked. Because we've heard about how expensive it is to pick up the manufactured home that you own and move it. It's not like you can just easily move it like a regular use and occupancy tenant because that's expensive. I'm trying to weigh that barrier to movement, which some might say leaves people in your situation landlocked with these increases. And I'm trying to weigh that against but have you gained anything in terms of the value of the actual manufactured home that you own, and kind of weigh those two things against each other, if that makes sense.

ROBERT BAILEY: It does. It does. Earlier, one of the gentlemen that was speaking, he made a comment in regards to the value of mobile homes going up. They depreciate more than they go up because you run into other factors. And the one reference that was given by Bill Joyce was a fact, and that's true, that was in my park. She was trying to get to sell it and she had to lower it almost $40,000 to be able to sell it because part of it was the additional land fee because our land fees are high.

The last time I did a check on that, we were second in the state as far as the highest rents and I think the other ones was the same corporation that had our park. So, if that makes any sense. And as far as the value, it really depends. I've done a few things to mine, but I paid 105,000 when I bought mine, and I'll be lucky if I get 100,000 back. I've added a garage. I've added ductless air. I've made a lot of improvements. So like Bill was saying. So you would think that would increase the value because that's usually the way it works in a home, but in mobile homes, it's not necessarily true. Yeah. There's mobile homes out there up to 300,000, but those things are huge. Mine's, double wide but when you think about it, it's only 54-feet long and 1,384 square feet. So that's --

REP. LUXENBERG (12TH): A brief follow-up if I might.

ROBERT BAILEY: Did I answer your question?

REP. LUXENBERG (12TH): You just educated us that it sounds -- I think when I looked at this deeper, but it sounds like unlike all the other types of real estate ownership, you just don't see the appreciation and the value of what you own the way others do. I certainly want to research that on my own to fact-check it, but I appreciate your honest feedback that they tend to depreciate as opposed to appreciate. So, my follow-up question is, you're landlocked, your land rent is increasing rapidly. You can't sell the asset for more than you bought it because it doesn't appreciate like another real estate asset, if I'm hearing you. So what about renting it out? In your park, in other parks, do you have the option to say, okay, I'm going to move

somewhere else, and I'm going to rent this unit out. The park rules often, do they do typically allow you to do that? Do they not allow you to do that? And can you rent it out for more than the land rent cost you? Question.

ROBERT BAILEY: That's a great question because that has happened in past leases. We were not allowed. You were not allowed to rent your home. And I haven't gotten a definite answer yet, and I haven't investigated it yet, but I understand that that's going on, that they are being rented. I know the owners can rent if they own the mobile home, but as far as the individual residents, I don't think so. At this point, I wouldn't want to lie to you or make something up.

REP. LEMAR (96TH): That's why it's something for us to understand and kind of get answers to.

ROBERT BAILEY: And just to give --

REP. LEMAR (96TH): Yeah.

ROBERT BAILEY: I was just going to give him a comparison. You talk about values. When I moved back, because I was working and living out in California, I bought my house out there for $150,000, and six years later, it was worth 450. Just to give you the depreciation example that I can use because I don't have one from here. But that's a big difference.

REP. LEMAR (96TH): Yeah. Any questions? Oh, yeah. Sorry.

SENATOR CICARELLA (34TH): I had to ask it because you mentioned the rents, trying to put in perspective, just land alone is 800, home could range from 50 to 300,000, as you said. Do you have any idea what those units are going for that the owners are renting out?

ROBERT BAILEY: No, I don't. And we have some that are for sale right now by the ownership that was taken over by the ownership for eviction and they resell those or they try to. And we have vacant lots. But not to mention any names, but they're all crying they don't have any money. And they told me one day, don't forget you live in the woods because I have some tree issues.

SENATOR CICARELLA (34TH): Oh, that was a different threat.

REP. LEMAR (96TH): Yeah.

SENATOR CICARELLA (34TH): That's where I was going with it. Yeah. A tree fell. Okay. I get it. I was like, well, it was pretty --

ROBERT BAILEY: Again, I want to really thank you all for listening to me. I am a proud Navy vet and I love this state even though I was gone for years, but like they say, you always come home. So, thank you again.

REP. LEMAR (96TH): Thank you, Robert. I do appreciate your testimony. I do appreciate you hanging out with us all day as well. I hope you enjoyed your time in Hartford.

ROBERT BAILEY: Yes. I do.

REP. LEMAR (96TH): Okay. Good. I have Adrian Furlotte and Nicholas Furlotte. If you guys want to come up together or separate?

ADRAIN FURLOTTE: We'll go separate.

REP. LEMAR (96TH): Okay.

ADRAIN FURLOTTE: Is that all right?

LEAH CANTOR: It's fine.

ADRAIN FURLOTTE: Thank you for the opportunity to speak to the community today. My name is Adrian Furlotte. I'm the second generation community owner and manager.

REP. LEMAR (96TH): Microphone.

ADRAIN FURLOTTE: And I'm on the board of the Connecticut Manufactured Housing Association. I would like to voice my opposition to House Bill 5428. My career in mobile manufactured housing began long before I became a community manager. It started as a teenager, painting homes, mowing lawns, fixing potholes, and performing general maintenance duties in our mobile home parks. It was during these summers working as a teenager that I got to know a lot of our residents on a first name basis. It was these early personal connections that taught me that the residents were not to be thought of as tenants or our customers, but they are partners who have a shared interest in maintaining a well-kept and desirable place to live.

As part of maintaining a desirable place to live, we aggressively reinvest in the infrastructure of our community. If we have a pothole, we'll fill it. If we have multiple potholes, we'll repave the entire section of road. If we get a complaint about a tree, we have an arborist prune it as necessary. The result of our aggressive capital improvements is that our residents' homes appreciate in value the same way that stick-built housing will. By collecting a fair lot rent, the communities are able to be maintained at a high standard that positively affects the standard of living of the residents and the values of their homes.

As a real world example of rising maintenance costs, we used to be able to replace a septic system for a home for less than $10,000, 5 to 10 years ago. Today, we spend between 20- and $30,000 to replace and maintain the same septic system for a single unit. We also recently replaced an electric meter panel that served five homes in Stonington. It cost us $32,000 in December. A couple years ago, that would have cost us about 15,000. If rent control is enacted, many family owned and managed parks would have to pull back on capital improvements and reduce the frequency of maintenance.

CPI plus one simply does not cover the real life cost of capital improvements, improvements that are usually welcomed and applauded by the residents. Although the majority of manufactured home communities in Connecticut are locally managed and not unlike most industries, there are always a couple of bad actors, but passing rent control legislation is not the answer. Instead, let the Fair Rent Commissions deal with unfair rent increases on a case by case basis. This will ensure a better

outcome for both community owners and residents compared to a broad one-size fits all rent control bill.

Mobile homes are one of the few non-subsidized opportunities that allow for affordable homeownership in Connecticut. Instead of proposing rent control legislation that will stifle the maintenance of existing communities, growth of the industry should be encouraged. As there's continued to be a need for affordable housing across the state. If rent is going to be capped, then property taxes, insurance, interest rates, garbage pickup, snow plowing, road paving, and landscaping costs should be capped as well. In summary, I strongly oppose House Bills 5428 and 5011 as it will lead to the eventual disrepair of quality communities in Connecticut. Thank you. Open to questions.

REP. LEMAR (96TH): Thank you, and I appreciate it. And I appreciate your testimony. A chance to look at -- you're in a lot of parts of Connecticut and you have different cost bases depending on where you are in Connecticut. So, I can understand why the concern about, like, hey, look, this one size fits all does not reflect that my property taxes in one community might go up 15% this year while in another community they might go down 1% this year. So, I understand why a hard cap may seem somewhat ill conceived or applied less than regularly when considering the underlying cost structures or cost basis that you have to confront on a location by location basis. I get that.

And generally, my preconceived notion about rent caps is like, hey, they'll stifle supply, they'll stifle investment, they'll stifle people willing to

make investment because they know they can only recoup some of those costs. So, I think those are like germane economic arguments. But I think my role, more than anything else, when we have conversations like this, is to get you who may have started the day dead set against these bills. Over the course of five hours, hopefully, you've heard stuff today, like, oh, I get it. I get why they're trying to address something here. And for folks who want hard rent caps over the course of five hours here from people, you'd be like, all right, that makes a little bit of sense. I can see why that doesn't work.

So, you've now had the benefit, like everyone else on this committee, of a lot of education on this issue. So, when I leave here today, we leave here today, and we think about what bill we're going to vote out on Friday and what bill we're going to try to bring to the floor in a month and a half. Is there anything over the course of this that stuck with you? You know what -- and you said you think the Fair Rent Commissions might be the appropriate way for us to look at this. Is there anything else today that you're like, I get it now? I get where they're going and this might be a way.

ADRAIN FURLOTTE: I'd harp on the Fair Rent Commission and hearing the previous gentleman paying over $800, that it's astronomical. Our average rents right around 500. We're in three different towns in Eastern Connecticut, and we seem to be on the lower end, compared to the communities in each town we're in. So, there's definitely a couple parks that seem like they've gone up too much and too quickly, and doesn't seem fair to the residents there. But I do think enacting rent control, you're trying to catch

a couple big fish and it's such a wide net that I think you're going to catch a lot of the smaller businesses in it and we're going to get tangled in it.

There's a park down the road from us in Groton, for instance, they're more than $100 a month, more than we are. We have similar expenses. So if we're at CPI plus one or CPI plus two and so are they, well, our increase is a lot less than their increase, but we might need it more one year to the next. So, it seems like it would be a better system. So, if there is someone that's $800, they should be get called to the local Fair Rent Commission. And I could see how you're bringing up doing a state commission. Well, Stanford might be different than Groton or Stonington, but maybe a regional commission.

We seem to have the tools enacted in the last couple years for the Fair Rent Commissions, but it doesn't seem like each region knows how to use the tools they've been given. For instance, I know a park near us in Groton, they were called to a Fair Rent Commission and maybe justly so, but it took nine or ten months for them, between someone complaining and having a meeting. I think we should get better at using the tools that we've already been given before we enact more legislation. You know, give it a chance to work.

REP. LEMAR (96TH): Senator Cicarella.

SENATOR CICARELLA (34TH): Thank you. Thank you for coming to testify, and it's important to get both perspectives. It helps us make an educated decision and try to find a balance that we will help individuals and not hurt business. And I agree that

the consumer price index is not a good option. It goes up and down. So I don't think that's the right idea, and I think we should find something to make sure the bad actors take advantage of our constituents and the residents of Connecticut have an outlet, and we address that. We don't want to hurt the small business or businesses in general. You said your rent's approximately $500 for that piece of land.

ADRAIN FURLOTTE: Correct.

SENATOR CICARELLA (34TH): And you maintenance all of the property?

ADRAIN FURLOTTE: So, we take care of the common areas, you know, the road paving, snowplowing of the roads, tree removal on individual lots, common areas. We pick up the rubbish. We do the capital improvements. We take care of the septic systems and do the regular septic pumping. The homeowner themselves, as you've heard, they're responsible for their home and their immediate lot, which is used about 50 by 100 feet.

SENATOR CICARELLA (34TH): Got it. Thank you, and you have to pay for, obviously, taxes. The owner of the home pays for the taxes on the actual home, but you're paying taxes on the land

ADRAIN FURLOTTE: That's correct. So, we're assessing the value of the entire community. And maybe five or six years ago, we had a big reassessment by the town of Stonington, and it was about a $60,000. It was a pretty big jump from one year to the next with that assessment. We said, well, hey, even if we divide out the cost of our

reassessment by 12 months by the 50 lots, we can't justify going up on the rent this much. So, we went up partially one year, partially the next year, and then we had a year with no increase. So, as you heard from the DiZenzo brothers earlier during the hearing, it feels like maybe we're going to be punished for trying to do the right thing for so long and my father before me trying to do the right thing. So, we don't want to be caught in a situation not increasing the rent and then it catches up to us and our expenses are higher than we can get back.

SENATOR CICARELLA (34TH): Absolutely. Well, I appreciate you answering the questions. Makes sense, and we're hoping to strike a balance here. So we appreciate you answering those questions.

ADRAIN FURLOTTE: Thank you.

REP. LEMAR (96TH): Representative Martinez.

REP. MARTINEZ (22ND): Hi. Thank you, Mr. -- oh, jeez. Thank you, Mr. Chair. So what I wanted to ask you about was the question I was asking earlier, and I just wanted to get your feedback on it. So with relocation expenses falling on the renters unless you're changing the complete use of the park, and it being so expensive for a renter to make the decision to relocate and move, how would you feel about a rent cap with that exception form?

ADRAIN FURLOTTE: In principle, I would be against it because it feels a little bit like we're guilty and have to prove yourself innocent. So, there might be a couple big operators that are going up in the rent. So every time we have a justified increase, we're going to have to go through the red tape and a

meeting and find the paperwork. Our job's hard enough, so the harder you make it, there might be a point where say, you know what, it's not worth the effort to run the community with a tight budget and keep expenses down, but sell out to a REIT and let them deal with it. And then at the end of the day, the residents won't benefit from more out-of-state ownership.

As far as relocation expenses, it's not an expense. Most of the residents that maintain their home, they leave and they have more money in their pocket than when they moved into the community. We have someone who bought a home five to ten years ago. It was 90-ish thousand dollars. He passed away and the living relative just listed the home last week, actually. They had three offers for $180,000 in the first week. So, if they are cared for and they're in a desirable community, they do appreciate the same way a house would. So as we've heard people say, you don't really move a mobile home and it's a big expense, they're correct. You don't typically move a mobile home, but you do sell it. And as long as it's been taken care of and hasn't fallen into neglect, they should come out with more money than they started with, much like a condo.

REP. MARTINEZ (22ND): Thank you so much for that feedback. Yeah. Obviously, it's just tough because with companies that are charging upwards of $800, and then 9 to 10 months. So when you're looking at tenant that is income restricted as is, to have to make that decision and have to pay the relocation fee or have to try to sell quickly, that would be really tough. So I'm trying to look at ways that we can make that process expedited and make it fair for everybody.

ADRAIN FURLOTTE: Understood.

REP. LEMAR (96TH): Thank you so much for your testimony. Nicholas, you're up next. You want to --

ADRAIN FURLOTTE: Thank you.

REP. LEMAR (96TH): -- fix anything that he said? Did you do okay?

NICHOLAS FURLOTTE: I am Nicholas Furlotte. I'm a longtime Connecticut resident and the owner of a small family-owned mobile home park business. So, thank you all for the opportunity to comment today. I would just quickly note that I've been a landlord in Connecticut since 1986. And before that, I was a tenant. And I was also a tenant in New York city where there is rent control, and it doesn't work the way you might hope it would. And I'm in opposition to 5248 and 5111.

The stated purpose of 5428 is primarily to "cap rent increases and ancillary fees" in mobile home parks. However, no rationale is provided as to why any kind of rent control is needed, nor how it would increase nor improve needed housing in the state. There's no market analysis, no statement of economic impact, and no review of those markets where rent control has been tried. The proposed legislation is too broad, too heavy-handed, and ultimately it will be counterproductive.

The legislature has already established Fair Rent Commissions, which I agree with, as a mechanism to deal with potentially excessive rent increases. And in my opinion, there have been excessive rent

increases at some parks in the state. But isn't that precisely why the legislature established fair rent precisely why the legislature established Fair Rent Commissions. If the proposed rent control legislation is enacted, you'll have created an absurd situation in which so-called excessive rents are locked in place while those of us who've been moderate and responsible are handcuffed going forward.

With CPI plus 1%, how am I supposed to handle the more than 100% increase in property taxes that we got in our park in Norwich? One year, went from $52,000 to 110. How are we supposed to handle that? Or how do we fund long term capital improvements with the own ongoing increases in the cost of labor and materials, which outpace the CPI, which is the broad based measure of consumer prices.

Since 1999, I've purchased several run down dilapidated parts and worked very hard to turn them around. Getting rid of the drug dealers, and the prostitutes, and the violent and dangerous tenants. And during this period, we made substantial investments in upgrading the infrastructure, repaving roads, removing large numbers of overgrown and dangerous trees, installing new engineered septic systems, upgrading drainage, and much more. And during the financial crisis, there were three years we didn't increase rent at all.

At this time after keeping our rent increases to 2- to 3% a year during a period of rapid inflation, meaning over the past four or five years. This year we need to take a more substantial increase. But HB 5428 would deny that to us. It just doesn't make sense. The horse is already out of the barn if those

handful of parks that have been aggressively raising rents and nobody seems to have challenged them effectively at the Fair Rent Commissions but the rent control proposal instead of challenging seemingly excessive rent increases, you slam the barn door shut on small in state family owned businesses.

And furthermore, and I'll be as quick as I can, the apparent thinking driving this rent control initiative seems to be that somehow park owners should subsidize tenants. What this ignores is the simple fact that if a park resident leaves, there is another person ready, willing, and able to buy that home. We get more than a dozen inquiries every month from people who want to move into our parks. So many inquiries that we've stopped maintaining a waiting list. So raising the rent, and I'm not in favor of excessive rent increases, but raising the rent in and of itself doesn't deter those who want to move into our parks. And by the way, for us, in our parks, residents who sell their homes are getting far higher prices than they got even a few years ago. And I've got a standing offer to all my tenants.

I'll pay you. I'll buy your home back from you for what I sold it to you. And I've got no takers on that because they know they can get a lot more on the open market. If you're interested in helping lower income residents in need, then subsidize them directly or pay their property taxes on their mobile homes. But don't try to shift the burden onto park owners. And not all park residents are low income, not by a long shot.

We have residents who spend the winters in Florida, take summertime cruises to Alaska, extended trips to Europe, they play a lot of golf, they go on camping trips, they go RVing, and much more. Most are simply not hard pressed financially, although of course some are. I understand the legislators need in helping those in need, but rent control is the wrong approach and would prove counterproductive.

Basic economics and the hard lessons of actual experience demonstrate that price controls never achieve the desired result in the long term. It may sound appealing to some activists and housing advocates but heavy handed rent control results in hollowed out run down communities, the kind that I used to buy. It's a recipe for creating slums and eroding the value of residents home. Also, and I'll be very quick --

REP. LEMAR (96TH): [crosstalk]

NICHOLAS FURLOTTE: -- $15 per year in ancillary fees is unreasonable. For example, residents in our parks who have not yet changed from oil heat to gas or electric, meaning they've got an exterior fuel oil tank, they take --

REP. LEMAR (96TH): With all due respect, I think that the buzzer went off over a minute ago, and you said you were going to be quick then. If you could just summarize really quickly, and then we'll go to questions.

NICHOLAS FURLOTTE: Okay. We charge $25 for oil tank insurance to an insurance company. We just collect it. As for pet phase, we already have a problem with an increasing number of tenants suddenly claiming

their dogs are service animals. We're starting to run a kennel instead of a community for people. As for fire hydrants, I believe the proposals unrealistic and unworkable. We have parks in rural areas that are on their own wells. There are no fire hydrants anywhere in the vicinity, not for single family homes, not for multi-family apartments or houses, and not for mobile home parks. One of our parks is on town water and sewer. We don't own the fire hydrant. That's put in by the municipality, and we pay an annual fee for maintenance.

REP. LEMAR (96TH): Thank you, Mr. Furlotte. Are there any questions? Seeing none, thank you again for testimony today.

NICHOLAS FURLOTTE: I could go on.

REP. LEMAR (96TH): I'm sure you could. Next up is Lou Rinaldi, followed by Christopher Fryxell. Lou's not in. That's too bad. Chris Fryxell.

CLERK: It's actually going to be --

REP. LEMAR (96TH): Fryxell. Michael Goodenough?

CLERK: No. I'm sorry. Jennifer Jennings was going to take Chris' place.

REP. LEMAR (96TH): Oh, sorry. Jennifer Jennings.

JENNIFER JENNINGS: Thank you. Thank you. Appreciate that. Although, I really appreciate you guys hanging in here all day being number 64 of, I think, 64. Wasn't very exciting, although this day's been educational. So my name is Jen Jennings. I am the Executive Director of the Connecticut Heating and

Cooling Contractors Association, and I sent you guys all an email today. I attached some information with some statements from a trades coalition represented by a few of us, a few of the different trade groups. And, hopefully, you guys had an opportunity to look at that. I'm not going to reread all of that.

I'm in my 20th year up here with you guys. I'm no foreigner to the General Law Committee. We do have some new faces. We do have some returning faces over the years. I've had the same ask for the last several years, and it's this hiring ratio. We have got to look at the hiring ratio and what it is doing to the workforce. It's stifling the kids that are graduating out of technical high schools. The state pays for these technical high schools. It's our tax dollars. About $200 million funds the 17 technical high schools. Thirteen of them offer HVAC.

We are providing these kids with a robust, worth-its-weight-in-gold education, 720 hours of trade-related instruction in addition to their high school diploma, full certificate, all trade hours complete, and some are graduating with up to about 2,500 apprenticeship hours for the on-the-job hours. But when they graduate there, they're unable to get an apprenticeship. They cannot secure their apprenticeship because of the hiring ratio.

I've sent you guys the chart, showed you guys what it would look like if we adjusted the chart. We just want to provide more opportunities for kids, better workforce. It is certainly a silver tsunami. This workforce is aging. We all know that. The numbers have not grown over the years. We're staying stagnant. This legislature has put forth amazing initiatives, but it really requires skilled labor to

complete all of these initiatives from housing affordability and availability to energy initiatives. It requires the skilled trades.

So with all of that being said, I'm willing to work with you guys. I'm willing to come in and sit with you. I know you've put working groups together over the years. I was here in 2006 when Senator Calpitro put one in, and then again in 2017, Senator Maroney, you and Representative D'Agostino. The groups just don't work together. Unfortunately, they're two different business models. Neither one of these models is bad. I grew up in the union construction household. I fully support both business models. But 96.4% of your warm air refrigeration licenses, the contractors that are servicing all of your central air units at your homes, 96.4% are nonunion.

Again, two different business models. Someone's working on power plants and municipal buildings and school construction, government jobs, but the ones who are servicing our AC and installing our AC and building and replacement and repair, the residential market is predominantly non-union contractors who are the ones hurt by this hiring ratio. So, I'm just asking that you take a look at it.

In all the different hats that I do wear too, I would like to just comment on the housing bills that are in here right now and manufactured housing. I did wear that hat briefly too. I was the interim executive director of Massachusetts Manufacturing Housing Association, and I fully understand where as a landlord too in the state of Connecticut and a realtor. I recently just sold a manufactured home in East Windsor, Connecticut, and I spent more time selling a manufactured home, with the amount of

volume of phone calls and showings that I had on that home than I would have a $3 million home in Darien, Connecticut. It was outrageous, the interest in it. And truly, absolutely, the person's money doubled in the eight years that they owned it. But the property owners of the actual manufactured housing complex, their communities' taxes have just increased tenfold over the years, as has the labor for the snowplow and everything else that we've heard about. So their costs do increase too. That's it.

REP. LEMAR (96TH): Thank you, Jenny. I appreciate your testimony. I did notice that, in case for the committee's edification, you sent to everyone this morning, 11:40. Our testimony isn't online yet, but you did send it to us.

JENNIFER JENNINGS: And I'll upload online.

REP. LEMAR (96TH): That's absolutely perfect. I will let you know that we have had numerous meetings. Senator Cicarella has led a couple of those meetings independently and has reached a broad consensus, I think, with a number of folks who are concerned about modifying our current ratio relief process, which is not engineered anywhere in law. It exists in a gray area, and trying to create a more streamlined ratio relief process, establish new ratios inherent to that. I know that isn't necessarily the business model that you are representing here today, but there has been a lot of conversation this year and how we could reform that to bring greater clarity and understanding and transparency to that process and, although slightly, adjust some of those ratios as well. So hopefully, you'll be able to see some of that language in the

next few weeks. Senator Cicarella, we might want to invite Jen to some of our working group meetings. There we go.

JENNIFER JENNINGS: Well, I greatly appreciate your time and effort in looking at that. And although I don't love the idea of the permission slip, if you will, I appreciate everybody's efforts to work in a direction because I'm the one who fills out those ratio relief applications, an item by any of you to sit down with me for what that experience looks like. It's something.

REP. LEMAR (96TH): And it is going to change.

JENNIFER JENNINGS: Looking forward to it. Sounds great. Thank you, and enjoy the rest of the evening.

REP. LEMAR (96TH): John Court, followed by Terry Hopper. Is John available? Okay. No John. Terry Hopper.

TERRY HOPPER: Hi, Chairman and members of the committee. Thank you for hearing us today.

REP. LEMAR (96TH): Good to see you again.

TERRY HOPPER: Nice day here. As I listen to my friend's comments and a few different people's comments, a couple of things have really came through here. For one thing, the cannabis community, we understand you don't understand us. It's a different culture and stuff. It takes a little while. But we are totally against the smoke shops and all these unregulated products that are coming from out of state. And I'm a former teacher, so I really hate the idea of students getting into stuff

like this when they should be learning stuff in life. But part of the lack of trust between the two groups is, I would just like you to understand that, cannabis caregivers are not drug dealers. They go on a whole different -- you know, it's easy to think of the people with the smoke shops. They don't care who they sell to, young or old or whatever. Once they leave the door, it's their problem, basically.

But the cannabis community is not like that, though. We genuinely want the purest medicines, the cleanest medicines. I've had to return dispensary medicine so many times for mold or being so dry that it was actually under the weight that it said on the label that sold me and stuff. And I think there's a place for the legacy market within this. And I know you're concerned about safety and things, but instead of enforcement like 7181, which I oppose, why not put that money into lowering the cost of testing and make it available for smaller producers for one thing? Or work out a cannabis event.

There's ways to do with some creative taxation. We want to pay our taxes, and we want to show that it's safe medicine that we're giving it stuff, but the barriers are so high with the prices that you have to be a millionaire to even be involved from day 1 practically. And you're missing a lot of great experience, a lot of growing experience, and, I think that smaller operators are better able to handle the limited needs of their communities. Something may not be profitable for a scaled-up manufacturer, like someone previously said. There wasn't enough of a market, so they stopped making them and stuff. But that's where smaller caregivers could really fill the void.

I wasn't seizure-free until I got off the dispensary medicine and went to legacy medicines, actually that were really produced with care and intent. And as of January, I have eight years seizure-free now. I'm a retired teacher. So anyway, we could work with you. I just wish that you would drop the stereotype and think that we're only in it for the money and stuff like that because there's nothing could be further from the truth. I don't know of any cannabis caregiver they wouldn't give away as much as they sell because the profit is not the point. It's just trying to help. And so hopefully, we can work together, like I say, some creative tax schemes maybe. We'll pay the taxes to the state, so they're not losing the money that way. We would like to participate in the testing if you make it available to us.

I've been a cannabis activist for 52 years now, and it's great to see members of both parties working together here. In Nixon's day, people like us were public enemy number one. So, it's taken a while, but we're coming a long way here. And another thing that's really obvious is that it's a very complicated issue. There's not any single answer that's going to please everybody. There's a lot of issues that weren't foreseen back then. So we're working it out, but please, listen to us, too. We have a lot to give.

REP. LEMAR (96TH): Thank you, Terry. And thank you for your testimony. And it's a couple of times you've come up there this year. I appreciate it.

TERRY HOPPER: Yeah. I don't work for prepared remarks because it's easier to speak from the heart. It's the same on the radio. I've been on radio for

32 years, and it's easier just to speak from your own understanding of things the way you see it. Much easier to read it off a paper.

REP. LEMAR (96TH): I appreciate that.

TERRY HOPPER: But thank you for hearing me. I mean, I'm not a business owner or anything. I just [inaudible]. But I think we could work this out, you know, and there could be a room for legacy marketing and the dispensary systems as well. In many other states, they function side by side, different slices of the community. [inaudible.] Thank you.

REP. LEMAR (96TH): Thank you, Terry. David Evans.

DAVID EVANS: Can you hear me?

REP. LEMAR (96TH): We can hear you, David. Yes.

DAVID EVANS: Okay. Great. Esteemed Committee members, thanks for this opportunity. I live in one of the Sun Community Southern Turning Parks, the same as Dave, Delorean, Diane earlier on. And I concur completely with everything that they said. So, I'm not going to repeat what Dave, Diane, or Bill said. I've got a couple of extra points I can add, which might be of value to you.

The comment has come up a couple of times about some, when they took over reducing staff, which is correct. They fired a couple of the maintenance guys practically the day they took over. And Tim and the other maintenance people who are still around are doing an excellent job of coping, but, of course, it takes them a lot longer. So, things tend to get

fixed a little bit more slowly, but they do get fixed competently.

The other point I can throw in, somebody was asking earlier on about what the percentages were, and I have my own percentages handy. So, last year, the CPI went to 2.9. My increase was 5.3%. So, not quite twice CPI, but horribly close. As I said, the rest of it was covered very comprehensively and competently by David, Diane, and Bill. So, I'll call it a day at that. If there are any questions.

REP. LEMAR (96TH): Are there any questions for Mr. Evans? Seeing none, thank you, David, for your testimony today and for being with us for so many hours. We really appreciate it.

DAVID EVANS: Right. Yes. But half of it was nothing to do with housing either.

REP. LEMAR (96TH): That's right. All right. Thank you for your time today.

DAVID EVANS: Thank you. Thanks for the opportunity, and good luck with it all.

REP. LEMAR (96TH): I appreciate that. Heather Toutain, followed by Christina Capitan.

HEATHER TOUTAIN: Hello, Esteemed Council. How are you this evening? I am from the East Hartford Park that had the explosion. I'm the Homeowners Association president there. I'm going to speak more in comparison to what Henry Genga was speaking about. On September 16th, 2024, a catastrophic event happened on Navajo Road in an RHP community. This event was not only negligent, but avoidable.

During the demolition of an unoccupied trailer, a demolition crew hit a propane line, which resulted in three homes being damaged and total loss of another as well as a home pet. I have lived in this neighborhood for 15 years and have never seen such a devastating scene. When the fire department arrived on scene, it was determined that the existing fire hydrants did not have enough pressure to adequately put out the fire.

At this time, a subsequent line was run to the main road. This did in turn shut the main road down for many hours. As the fire hydrants are privately owned, it was the due diligence of the park management to make sure they were kept in working order, which they failed to do so. In 2019, a structure fire broke out in the adjacent park. The then fire marshal stated there was not an adequate water pressure then to put out the fire. Why were the fire hydrants and the pressure not addressed at that time?

During the time following the explosion, the residents of the park did not have water, and there was no communication from the park management regarding restoration of services or even the explosion. Eventually, services were restored, but there was a boil notice that was put in place and was not lifted until 11 days later. Also, during that time, a disabled veteran whose home was damaged during the explosion, was left with limited options on what his next steps would be. He was put in a hotel with no food or water by park management and resided there for over two weeks post-explosion.

The resident had lived with no running water or electricity, and he was provided little to no communication from the park owners on when he could return. It was at this time I advised Representative Henry Genga on the issues, and a press conference was called, which included Attorney General Tong. It is imperative that we find a way to hold these out of state management companies liable for their actions.

Multiple DCP complaints were filed regarding the lack of portable water and resources given during the 11-day time frame. When myself and other residents called to obtain the status of their own claims, we were told no information can be given during an active case. Department of Consumer Protection has the ability to hold these individuals and their licenses accountable, but during this time, transparency was lacking in all areas and continues to be an issue.

Above all, I'm here today in support of the bill because as a mobile homeowner myself, we can do better. I brought my home back in 2009 looking for an affordable option that I could own. I had invested an incredible amount in renting properties. In August 2009, I purchased my single-wide home on Navajo Road. Throughout the years, it has been anything but affordable with rent increases continuing to rise every year.

I also live in one of the most expensive parks with lot fees ranging from $669 to $800 a month plus utilities and auxiliary fees. In mid-2016, I put my house on the market with hopes of moving, and because of the lot fees, because they were so costly, I had to take it off the market because I

would have lost money. The community does not have a pool, lawn service, or public areas except for a very small clubhouse. It does not sustain the amount of money that is being charged each month. I believe there needs to be a cap put on how much the management companies are charging. We cannot continue to accept the rise in lot fees, lack of communication, and transparency with nothing in return, including public safety.

REP. LEMAR (96TH): Thank you for your testimony here today. We've had a number of issues raised over the course of a number of these last few hours. I've had an opportunity to speak to Representative Genga outside of this room as well, highlighting specifically this provision and the different amendments we could potentially make on here too. DCP recognizes it might be difficult on their end to enforce. So, we might empower our local communities and our local fire marshals to be responsible for ultimate maintain. So, I'm going to work with Representative Genga and yourself, if you don't mind, to try to make sure we've got this covered.

HEATHER TOUTAIN: Absolutely.

REP. LEMAR (96TH): Of course. Any questions? Representative Turco.

REP. TURCO (27TH): Thank you, Mr. Chairman. Thank you for testimony. We just heard from a previous person testifying that this would be very difficult to implement because a lot of the parks are on well water and remote and don't have access to any fire hydrants or anything like that. In East Hartford, are you on East Hartford Municipal or maybe it's MDC Water?

HEATHER TOUTAIN: Water. Correct.

REP. TURCO (27TH): MDC Water. So, those fire hydrants are hooked up to that main water system?

HEATHER TOUTAIN: I believe right now they're in a private system, but they are integrating MDC fire hydrants in the plan which Henry Genga spoke about. It would be a dedicated MDC line. But as of right now, no. It's part of their private water system.

REP. TURCO (27TH): Okay. It's been something that's just been totally separate, that was supposed to be managed and maintained by the owners?

HEATHER TOUTAIN: Part of our consumable water. It's the same system.

REP. TURCO (27TH): Okay. Thank you so much.

HEATHER TOUTAIN: Yeah.

REP. LEMAR (96TH): Any other questions? Representative Martinez.

REP. MARTINEZ (22ND): Hi. So, you had said your rent windows were between $660 to $800 a month, and you said no utilities that's including the water and --

HEATHER TOUTAIN: No utilities. So, we pay kerosene, propane, pet fees, water.

REP. MARTINEZ (22ND): And I have a question about the pet fees. So, if you have a cat, are you still paying a fee?

HEATHER TOUTAIN: Yeah.

REP. MARTINEZ (22ND): And you're paying it monthly?

HEATHER TOUTAIN: Correct. It's $8 per month.

REP. MARTINEZ (22ND): But you own your home, so the cat's not causing any damage and --

HEATHER TOUTAIN: Correct.

REP. MARTINEZ (22ND): There's not really an insurance issue?

HEATHER TOUTAIN: Correct.

REP. MARTINEZ (22ND): Okay. And then I just wanted to ask you how many homes are in your community?

HEATHER TOUTAIN: Four hundred and sixty-two..

REP. MARTINEZ (22ND): So, 462 homes times 660 to $800. So it's over $300,000 a month.

HEATHER TOUTAIN: $388,000 a month.

REP. MARTINEZ (22ND): Is what they're bringing in?

HEATHER TOUTAIN: Roughly, median.

REP. MARTINEZ (22ND): Okay. I think that's it. Thank you

HEATHER TOUTAIN: Okay.

REP. LEMAR (96TH): Thank you so much. What was the last thing? The last number you just said?

HEATHER TOUTAIN: Well, I said roughly $388,000 a month per month.

REP. LEMAR (96TH): Per month. Got it. Thank you. I appreciate that. Christina Capitan.

CHRISTINA CAPITAN: Good evening, Representative Lamar, Senator Maroney, Representative Rutigliano, and other esteemed members of the General Law Committee. Thank you for taking time to hear my testimony today. I did submit some pretty strongly worded testimony. And I can't apologize for that because as somebody who was directly impacted and definitely suffers from PTSD from the war on cannabis and task force kicking in my door, this legislation definitely caught me off guard and did put a chill in my bones.

So, I don't want to read directly from that, but there are some pieces of that written testimony that I'd like to bring forward. So, after sitting here for all these hours today, I do have a different understanding of what the intention of this legislation was, but I can't say still that I'm willing to support that wholeheartedly without some genuine indication in there that it's going to exclude individuals such as myself and other caregivers in the community that do help to share cannabis to people in need.

I know I put myself at risk by saying these things, but there are real people in real need that we've been helping for a really long time. And so I can't live in fear for doing that and not letting people

suffer. So, I'm here today to still strongly oppose 7181 as it's written. Patients are still struggling to obtain and afford their. Legacy providers who have built this industry have been locked out of the legal market. Individuals like myself that were most hurt by prohibition by way of arrest and incarceration for cannabis, continue to be excluded from fair and equitable opportunities that I believe they deserve.

The CT CannaWarriors also shares the concerns of this Committee and of the office of the Attorney General regarding smoke shops and gas stations being run by out of state players illegally selling cannabis to Connecticut residents. We do agree that these issues should be swiftly and appropriately addressed. However, it does seem like the state is already exercising their powers accordingly, conducting raids on these shops and arresting the people running the stores.

So, we are a little confused why we need this legislation, and maybe that's where some of that concern comes from as well. We have concern that once we run out of smoke shops and these folks on these task forces are being paid a lot of money and they have to justify those jobs, then where do they turn? Then what do they do with their time and their resources that are being used there?

We believe that instead of unnecessary increase on enforcement, we really should be focusing on education and hoping that that will curb the use of these smoke shops and the people that are going to them and purchasing products. We are also concerned about children, these things getting into the hands of children, and we want to put a heavy emphasis on

having these conversations with your kids and being very clear that that's not okay.

So, to summarize, moving forward, I hope that to be able to regain my faith in members of this government in the state of Connecticut and in this Committee, that you and your colleagues will continue to stand up for what's right, focusing only on introducing cannabis policies that truly serve the people and prioritize patient needs. And that you will all make a real commitment to learn about and respect cannabis and your constituents that rely upon it and have a better quality of life. And I do think that you're taking the time to do that, and I do appreciate it. So, I want to recognize that. Thank you.

REP. LEMAR (96TH): Thank you, Christina. And reading your submitted testimony, you could have gone in that direction too. I'm a big boy. I can take it. You think I'm wrong? Let me know.

CHRISTINA CAPITAN: Absolutely.

REP. LEMAR (96TH): All right. I think you raised a salient point, the first point today where I was like, you know what? I didn't quite think through that. Say, for example, we run out of illegal illicit smoke shops, and we have these operationalized task force who stole responsibilities to target the illicit trade. Does that mean they show up on your doorstep? For the first time I think I get where are some of these concerns coming from because I think you articulated that well. That's a rational concern for someone to have who's lived and experienced the things that we've experienced and seen how this can be

operationalized in ways we never anticipated at the onset. For the first time today, I think I get it, right?

CHRISTINA CAPITAN: Thank you.

REP. LEMAR (96TH): I don't think that's where I was going. I hope you appreciate that that was not where I was going. And maybe there's some constraints in here that I can work with you on that?

CHRISTINA CAPITAN: Thank you.

REP. LEMAR (96TH): As to everything else, I don't know that I'm solving every cannabis related issue. I don't know that I spend the next 10 years here. I solve everyone. But I'm going to spend the next month-and-a-half trying to get there. I'm going to rely on you and a lot of folks who've I've built a relationship with over the last month-and-a-half to help guide me there. So, expect a call from me in the next month-and-a-half to get me over the final edge. I appreciate it.

CHRISTINA CAPITAN: Absolutely. And we and we are always open to those conversations and anything we can do to help educate you or help you to build empathy for our community. We're always here for that. And we will be here on April 16th having a forum, so we would absolutely love to have anybody there from this Committee as well.

REP. LEMAR (96TH): Thank you. I appreciate it.

CHRISTINA CAPITAN: Thank you so much.

REP. LEMAR (96TH): Any questions? Seeing none, thank you, Cristina.

CHRISTINA CAPITAN: Thank you.

REP. LEMAR (96TH): Kenneth Hoddinott. Kenneth? I promise you Hoddinott was how I say that last name. If your name might be close to Hoddinott, (laughter) but not Hoddinott and your first name is Kenneth, you can come on up because it's probably you. Seeing none, no. Raphael Podolsky. Nailed that one. (laughter)

RAPHAEL PODOLSKY: Representative Lemar, Senator Maroney, members of the Committee, my name is Raphael Podolsky. I'm a lawyer with Connecticut Legal Services. I'm here in support of House Bill 5428 and House Bill 5111. I guess I should tell you that I've had a long-term relationship with the Mobile Home Park Community. I've been involved since the 1980s with landlord-tenant law around mobile home parks. The unusual situation, the unique situation of tenants who rent the land but own the homes with no practical way to move if they have a dispute with the park owner.

So, this is something that I followed for a long time and worked at various times with the Mobile Home Alliance. I want to make some brief comments on four things that are in the two bills, and I'm going to start with things that are not the rent cap issue. In 5428, Section 3 deals with updating. It's almost technical, of the what's paid, the relocation assistance amount that is paid if a park is closed.

Essentially, it doubles it from 10,000 to 20,000. I looked up the CPI for this time period since 1999

when it was set at $10,000. There's been a 92% increase in the consumer price index, so this is really nothing more than just a catch-up. That's independent of the rest of the bill. Section 4 of 5428 deals with access to information from the Department of Consumer Protection, which regulates mobile home parks.

I am a member of the Mobile Home Park Advisory Council, which is a state advisory board to the Department of Consumer Protection. The department takes the position that anytime it does an investigation, you can't really find out what's going on in the investigation, that there's a provision in the statutes that allows them to treat it as confidential. It interferes with the ability of their own advisory council to advise them on policy, but it also, I think has been reported to you, makes it hard for a complainant to even find out what's going on with their complaint, and that one section would change that.

Sections 1 and 2, actually several sections in the bill deal with an ancillary fees. My understand, they set a maximum of $15 per year. I'm told that was meant to say $15 per month. That dollar amount is more reasonable. I think you've heard from other people the way in which these side fees end up increasing the rent because they're fees that people pretty much are going to end up needing to pay.

The interesting conversation about the difference between cats and dogs, which I it's in -- it caps it, and you've capped fees in apartments for -- okay. And finally, now that I need to stop, I would just say that I support, certainly in concept, the idea of limiting rents. There's reasons why mobile

home parks are in some ways different. There are limitations on what fair rent commissions can do, and I'm happy to answer any questions about any of these, if I can do that for you. Thank you for the opportunity.

REP. LEMAR (96TH): And thank you. The only conversation I've had on mobile home parks in this legislature prior to this coming year, has been conversations I've had with you. So, that's something that whether it was the ability to purchase the underlying development, whether it was about rental protections, what about sale protection. It's only been you that I've ever spoken to in the past about this issue. And so I appreciate your longstanding presence in this space and your knowledge and ability to look at proposed legislation and get a sense for where it might be headed in the right direction or wrong direction.

I know Representative Martinez is going to count on you for the next month-and-a-half when I can't meet the meetings, but she's going to make the meetings to sit down with you and kind of iron out some of these details and address a lot of the concerns that were raised today. And so I'd appreciate if you'd sit down with, Representative Martinez in April and make sure that I got a product I can bring to the floor in May and we can get this over the end.

RAPHAEL PODOLSKY: Thank you. And I'm very glad that your view of who you can talk to is actually broad from it from today's hearing where you've heard from a lot of people, including a lot of people who live in mobile home parks.

REP. LEMAR (96TH): Yeah. Thank you very much. Any questions? Senator Maroney.

SENATOR MARONEY (14TH): Yeah. Thank you for coming. I do have a question. We've heard a lot of people say, why don't you just use the fair rent commissions? Can you address some of the limitations fair rent commissions might have in solving -- other than the obvious that not every community has a fair rent commission, are there any other reasons why a fair rent commission wouldn't be fully capable, and what would a statewide solution look like in your mind?

RAPHAEL PODOLSKY: Well, first of all, it starts from the fact that I'm a very big fan of fair rent commissions. So, my view of fair rent commissions is positive. I'm very glad we have them. I'm very glad the number have grown. We've gone up, I think we're up to 54 fair rent commissions as a result of the 2022 statute that essentially doubled the number. But fair rent commissions, though, are built around a model that is not at all like what you might call a rent cap because they regulate based on individual complaints, and the result is they don't have a lot of impact on the market as a whole.

They can be very helpful to an individual who files a complaint with the Fair Rent Commission, but they don't necessarily solve a bigger problem. It is possible for multiple residents with the same landlord, same building, or mobile home park to come in and all compile their individual complaints at the same time about the same situation, and then Fair Rent Commission will have a way to group them together and try and address them as a group. But

the Fair Rent Commission statute isn't designed for that.

So, that's the first thing that puts a limit on what fair rent commissions can do. So if, for example, if one resident in a mobile home park files a complaint about a rent increase and they prevail at the fair rent commission, the rent isn't necessarily going to change for anybody else. They would need to do so with an organizational campaign if they want something broader. So, that's one aspect.

The second aspect is that fair rent commissions are essentially boards of equity. In other words, their standard is framed in terms of a rent increase that is so excessive as to be harsh and unconscionable, or in some cases, to assess what would be fair and equitable. Those are terms of equity. Those aren't specific numbers. Those are weighing a variety of factors and coming to a conclusion, balancing the factors out, coming to a conclusion is what seems most fair. And they have the power to roll back rent increases.

They've got a pretty fair amount of power, so I don't want to understate their power, but they're based on this balancing of factors. So, some level, there's a certain amount of unpredictability in any individual case. A rent cap operates in an opposite way. It says if a rent increase stays under the cap, whatever it is, CPI plus one, whatever the number turns out to be, if it stays under that, that is presumably okay. It's all right. Nobody has to talk to anybody about it. You just can't go over the cap.

If you want to go over the cap, and you do need to put this into a structure, into a cap structure. If

you want to go into the cap, the property owner who wants to go over the cap needs to come to some review entity and say, I've got a good reason why I want to go under over the cap. And that entity has the power to say, okay, that's all right.

So, it flips the structure. If that's making sense to you, but it flips the structure and it has the impact of covering everybody, which is interesting for a mobile home park because the mobile home park statute actually says that for residents in the same situation, the rent is supposed to be the same. In other words, park owners under the statute are not supposed to individualize the rents, which in some ways the opposite of a fair rent commission. They're not supposed to individualize the rents for whatever reason they might have.

So, for example, if the lot is bigger, all the rents for the larger size lot might be more might be at a higher price. They don't all have to be the same as each other, but the rents for lots that are identical under the Mobile Home Park Act, should be the same. And if the rent's going to go up, then all the rents will go up. That may vary when you have complaints coming to a Fair Rent Commission because the Fair Rent Commission has the power to reset the rent for the applicant to the commission.

So, if the question is, is it possible to have a system in which you use the fair rent, the answer is, yeah, possibly. It's not going to provide the same relief that you would get from a cap situation, but it is possible. And as you pointed out, not every town has a Fair Rent Commission. Many towns with mobile home parks do have fair rent commissions, but many don't. And in fact, mobile

home park residents have sometimes been the driving force in getting a Fair Rent Commission in certain Westbrook, for example, has a Fair Rent Commission in significant part because or Killingworth because of mobile home parks, but that takes massive organization to try to do that town by town.

So, there are certainly ways to play with the role of a fair rent commission. And even in a ramp rent cap system, you probably have to have some entity, whether it's the state of Connecticut, a department, or conceivably a fair rent commission that can decide on -- I think has to have a provision for exceptions. And the park owners have certainly made that comment, that some entity is going to have to make the exception, has to decide the exception. I don't know. Is that more or less of an answer than you wanted?

SENATOR MARONEY (14TH): No, no. It was a lot of information. It was very helpful. I didn't realize that they could've individualized the rent. And so there are definitely differences with the -- if we were to set up a state fair rent commission. Because again, looking at some of the towns that some of the people testified to use the fair right commission, and I googled fair rent commission. Southington, for instance, there isn't one because it's only -- not Southington, Stonington. Stonington's only 18,000 residents. There's no fair rent commission. So, if we were to set one up, there are different laws that necessarily would apply to other rentals.

RAPHAEL PODOLSKY: Well, the other thing is that I do think you have to recognize that even though we're a small state, it takes a while to get from one part of the state to the other. So that I think

when people have thought about, for example, let's say with that all town, forget about mobile home parks, all towns should have fair rent commissions. The approach has been to look at regionalization so that the towns that already have them should keep them, but that the towns that are too small, rather than each one has to have its own.

If you try to have one commission for the entire state, let's say a mobile home park commission, you need to at least think about the travel distances that are involved and whether -- that might be a really good idea, but you should at least think about the practicality of whether everyone in the entire state coming to one place with their mobile home park complaints or whether you would do some a mobile home park regionalized system. And I guess I don't have a real opinion on that at this point, but it's something you should think about.

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

REP. LEMAR (96TH): Real briefly, just to follow up on that point, do you think that the COGs would be a good vehicle for regional fair rent commission under the system?

RAPHAEL PODOLSKY: It's been proposed and it's actually in Senate Bill 2, I believe.

REP. LEMAR (96TH): Yeah.

RAPHAEL PODOLSKY: Maybe. Perhaps. I know it was suggested. It was suggested two years ago. I think that's a discussion you have to have with the COGs as to whether they're prepared to do that. And they

need to be willing to give us some staff time to it and some planning to it.

REP. LEMAR (96TH): We're now exploring Senate Bill 2 to make sure (laughs). We're with that on our agenda for Friday. We don't know housing is. Senator Cicarella.

SENATOR CICARELLA (34TH): Yeah. I'm getting yelled at for asking questions. Everybody's being late, but I know you're a wealth of knowledge, and I wanted to ask you a couple of questions. So, a couple of quick ones, though. Really quick. And if the response could be quick, I said Dave's going to beat me up. He wants to go home. He's tired. Do you believe the CPI maybe isn't a good option?

RAPHAEL PODOLSKY: No, I think it is a good option. If you're going to have what's essentially some fixed amount that is going to be the normal standard below which you don't need anybody's permission, which is what the concept here is in 5428, then CPI is as good as -- I think it's probably better than anything else. It doesn't cover unique expenses. If somebody repaves the road, it's not necessarily going to pick that up, but ordinary expenses that a business would pay and that a consumer would end up in the charge to the consumer, which in a mobile home park is the rent, typically would work its way somewhere into the CPI.

And so as a starting point, I think it works, as it may be that that there's certain expenses that might be proportionally more of the cost of the rent in a mobile home park than it might be in a residence, where there might be greater need for an exception structure. That's possible. I don't actually know

that, but it's possible. But I still think you would probably start with CPI. I don't know what the substitute would be.

SENATOR CICARELLA (34TH): Well, that's why we want to explore this, having this conversation. But when I look the CPI goes up and down and you don't know what kind of expenses may come to a business that would not be captured in this. And we just said the fair rent commissions, as good as they are, they can't handle all situations. So, it's a same argument for the CPI. It won't capture, like you said, certain types of maintenance, big projects, septic situations. They're astronomical just for a small residence. Imagine doing a septic for a whole park.

Those are the things that we have to take into consideration when we do this because we don't want to hurt the good actors. There's a couple of people here before that say they don't go up on their rent when they don't have to, and they agree with somebody that testified before saying the rent was $300 more. It's crazy. And the individuals that try to be good actors might say, well, let me put up their bring the rent up now. If this comes into place, I could get hurt. I don't want to hurt myself. So, I just want to make sure when we do this, we think of both sides of a situation.

RAPHAEL PODOLSKY: Yeah, I think that CPI does because what you use it for is you use it as a trigger. In other words, if you're setting a cap, the cap says, this is the cap beyond which you need to get permission. So, the cap approach doesn't say you can't raise the rent more because you've had special expenses. It has a mechanism by which the

park owner can say, here's my special expenses that would justify going more. So, I think any rent-capping system has to have that in it. So, it's not like it's an absolute cap.

I think the residents probably would like an absolute cap. And maybe in principle, I would say I wish there was one, but I don't think you can do it as a total and complete absolute. You have to have some sort of an escape hatch so that the reason you use CPI is for the trigger purpose. In other words, you don't have to come to some entity and ask for permission as long as you're within the trigger. But once you hit the trigger, you need to ask for permission. But it doesn't mean you can't go above the trigger under the right circumstances, but it's controlled. It's not like the park owner can simply decide and say, well, I had to spend a lot of money on the septic system, so now I can raise the rent to whatever I want. The system still says that needs to be reviewed and approved.

SENATOR CICARELLA (34TH): Thank you very much for answering that question. And then just one more, because we were doing some research. And you said if the lot's the same size, it should be the same price. There should be no exceptions?

RAPHAEL PODOLSKY: It's always dangerous to say there should be no of something, but it seems to me that the rule is and it's in the statute, the price should be the same unless there are different circumstances. So, I don't know what those circumstances are. Maybe one lot is level and has no rocks, and some other lot you can't actually use the space. I mean, that might justify the difference,

but the purpose of the statute is to keep people from discriminating --

SENATOR CICARELLA (34TH): I understand, that makes sense.

RAPHAEL PODOLSKY: -- tenants who are in essentially the same situation.

SENATOR CICARELLA (34TH): You gave a great example. I was just giving another one. We were looking at them. It was a beautiful mobile home on the water, and they were stacked up. And the one in the front had a great view, and that made me think of that. I'm like, I definitely would want that one in the front. So, that would be a good reason, but you gave another great example. Topography with the grounds off, it's not as usable or level. So, there is reasons that you can say justifiably it's still quarter of an acre, but it has a better view, has better topography, et cetera, you could charge more. I just wanted to clarify that. That's reasonable. It makes sense.

RAPHAEL PODOLSKY: That's my understanding. The Department of Consumer Protection is typically where people would go if they'd make a want to complain about that. I don't know that anyone has ever gone to the department and raised that issue. So, I'm not aware that there's been any kind of a formal decision, but it seems to me that's what the statute seems to say.

SENATOR CICARELLA (34TH): Got it. Excellent. Well, thank you, Ralph, for sticking around and helping us try to determine what the best course of action here is moving forward. I really appreciate your time.

REP. MARTINEZ (22ND): Hi. Just one question. I just wanted to ask you what your thoughts are on fair rent commissions and manufactured home communities. And if you don't have the answer today, it's fine. I'm sure we could talk, later as well. But do you think that there should be one for manufactured homes only or do you think that we need to look at the representation of manufactured homes, residents, and owners on fair rents commissions?

RAPHAEL PODOLSKY: I think all those things are fair to look at. It's certainly possible to have fair rent commissions for mobile home parks only or rather than mandating all towns have fair rent commissions, mandate that any town that has a mobile home park has to have a fair rent commission. You could do those. Those are all within the range. If you were looking at fair rent commissions as distinct from some other entity, those are all possible. I think they'd all have some pros and some cons, and you would need to weigh out what you thought was the most effective way to do it.

REP. MARTINEZ (22ND): I think my worry is that there is such a difference in the laws between, say, an apartment and a manufactured home tenant, that just making sure that they're getting represented and --

RAPHAEL PODOLSKY: Yeah. No, that's a possibility. The mobile home parks have been part of the statute from the beginning. So, if the town has a fair rent commission, it will cover the mobile home parks. So, it's not an issue of having to get them into a mobile home park if there's a fair rent commission. They'll be there for sure. But in terms of the

membership of the commission, there's certainly no requirements on that.

REP. MARTINEZ (22ND): Right. It was more my concern about the understanding of the differences in laws, and that's something I've been hearing quite a bit about, is people that have went to fair rent commissions just being different with manufactured homes and --

RAPHAEL PODOLSKY: Well, I think that the difference that you may see is that there a gut reaction from commissions that the bigger the rent increase, the more offensive it is. Because mobile home parks, the residents are only paying for the ground rent. Inherently, their rents are going to be lower than an apartment rent, and typically, an increase in rent is going to feel much more offensive to the residents even though it seems on the small side because it's a larger percentage. The base is lower. And so it's important that commissioners on a Fair Rent Commission, if they get a case from Mobile Home Park, understand that a relatively smaller rent, maybe every big is offensive as a somewhat larger rent in an apartment, but I think they've pretty much handled that. I don't think it's been a problem.

REP. LEMAR (96TH): Thank you for testimony here today.

RAPHAEL PODOLSKY: Thank you.

REP. LEMAR (96TH): Joseph.

JOSEPH ACCETTULLO: Senator Maroney, Representative Lemar, Representative Rutigliano, Senator

Cicarrella, and esteemed members of the General Law Committee, thank you guys for staying late today. I appreciate your service, and thank you for the opportunity to speak today. My name is Joseph Accettullo, and I am the cofounder of the CT CannWarriors and a representative of the Connecticut cannabis community, a community that has been providing safe, compassionate, and responsible care to patients long before the regulated market existed.

I understand the concerns right now are smoke shops and convenience stores that are selling cannabis and other illegal substances. It has become problematic and put children at risk. Those concerns are valid, and I share them. However, I must stress that the vast majority of cannabis caregivers in Connecticut are not bad actors. Caregivers have strong genuine relationships with patients, and we serve many of whom are seniors, veterans, and individuals with serious medical conditions.

We've been providing this care for years long before the regulated market was even a reality. Our community educates and age-gates cannabis use, ensuring it is kept out of the hands of minors. We self-police and share responsibly, and we're asking not to be cast under the same wide net that seeks to find bad actors in smoke shops, especially in a bill like this one.

This bill was particularly triggering for me as I was a target of a statewide narcotic task force for cultivating marijuana 10 years ago. And this bill brought back memories of the days when Willie White style drug task forces set the tone for a war on people and brought terror to New Haven County

targeting marijuana growers in both black and brown communities and the counterculture. Most of whom were just trying to do right by our communities.

We are not here to create an unregulated market or to undermine the progress made by the regulated system. We are simply asking for fair treatment and not to be unfairly targeted by overbroad legislation. The vast majority of us have not been given any path into the regulated market after years of being targeted during the war on drugs. Caregivers offer a personal, compassionate touch that the regulated market often cannot provide. We need to be able to continue to serve those in need without fear of unjust repercussions. Thank you for your time and consideration.

REP. LEMAR (96TH): Thank you, Joseph, for your testimony. As you might imagine, harking back in your reference to Willie White, I think is apt and puts me in my place pretty quickly. So, that was good job by you. I think it's a relevant concern. Christina brought it up similarly, like, what happens when this task force stops targeting illegal and illicit sales at corner stores and convenience stores and gas stations and instead turns their efforts somewhere else. I think that's a relevant concern based well on historical precedent. So, I think that and your reference to Willie White are well heard by this Chairman. So, thank you, John.

JOSEPH ACCETTULLO: Thank you for the dialogue today, guys. I really appreciate you.

REP. LEMAR (96TH): Daniel Billings followed by Gordon Whelpley.

DANIEL BILLINGS: Yes. Good evening. Hopefully, you can hear me now.

REP. LEMAR (96TH): We can, Daniel. Thank you.

DANIEL BILLINGS: Oh, Okay. Great. Thank you very much to Co-Chairs Lemar and Maroney and Vice Chairs and Fontana who? Fontana, is it? And ranking members, Rutigliano and Cicarella, as well as the rest of the General Law Committee. My name is Daniel Billings and I'm a resident of Stonegate Manor in North Wyndham, Connecticut. And I am here to offer my support for Bill fifty 5428.

And I should say I'm also a member of the Advisory Council to the DCP as well as I'm president of our local cooperative here in the park. And I am chairman of the Fair Rent Commission here in Wyndham. So, I do think that a bill with a cap based on CPI is a good way to go. I think that giving them 1% above that is actually a little bit too generous.

Say we're having low inflation of 2% and they can go up 3%, that allows them 50% more of an increase than what inflation was. And you've heard a lot of the park owners talk about their expenses. Well, they are not subject to all of the expenses that you'll find covered in the CPI. If they increase our rents, that increases inflation. And a year later, they have to raise our rents because there's inflation. So, it's self-feeding, if you will.

And I'll I'm going to skip some of my other comments, but I wanted to go over some of what Podolsky was talking about. There's two things that are happening. There's a law about we have to have 12-month leases. And the law says mobile

manufactured home park owners must provide residents with an initial rental agreement before renting the lot. This is Connecticut General Statutes 21-70b. The agreement must be one, signed by both the park owner and the resident, and two, last at least one year unless the resident requests a shorter term in writing.

And the other thing is DCP regulations. There is a publication that they put out rights and responsibilities of mobile manufactured home communities in Connecticut. And if you look on Page 8 in Paragraph 2, this is what it says. The community owner may not charge the new buyer a rent for the lot greater than a prevailing rent for similar lots, nor may the owner charge the new owner an entry fee for moving into the Park.

I filed a complaint with DCP just about a year ago. We have seven other people that have filed complaints. As you've heard, I can't get information on my own complaint, and certainly no one else can. So, in this bill, you have some freedom of information act. I think that will be most helpful, but more than anything else, I think we need to have improved enforcement. If you don't enforce the law, just don't waste your time. And if I can help with any questions, I'd be happy to try and answer them.

REP. LEMAR (96TH): Thank you, Daniel, for your testimony, for sharing your experience, and the role that you've had adjudicating some of these issues. It really is appreciated. I know Representative Martinez might be reaching out to you to clarify some of the obligations that we may wish to reconsider across the state. Thank you again.

DANIEL BILLINGS: Of course.

REP. LEMAR (96TH): Gordon Whelpley followed by Michael Goodenough. Gordon's here.

GORDON WHELPLEY: Good evening, esteemed members of the General Law Committee. My name is Gordon Whelpley, and I am the CEO of Flooth House, a hemp-infused food and beverage manufacturer located in Windsor. I'm here to provide testimony regarding House Bill 7178 and Senate Bill 970. I know it's been a long day, so I'll do my best to abbreviate what I planned on saying with the rest easily found in my submitted testimony.

We appreciate the meaningful changes proposed in both bills, which will help level the competitive landscape for Connecticut-based manufacturers. I'd like to address a few critical provisions that and offer recommendations to further strengthen these important proposals. Safe harbor provisions. Both bills recognize the necessity of safe harbor provisions, allowing Connecticut manufacturers to produce infused beverages exceeding the state's current three milligram limit, provided that they are exclusively intended for sale in states with higher allowable limits.

Most states that regulate infused beverage have set their limit at five milligrams per serving, a standard already in place in Rhode Island and being considered by more neighboring states, including New York and Massachusetts. Lifting these restrictions will allow us to compete in those markets as well as make it possible for us to go back for brands formulated at a higher dose and is currently allowed here.

We understand there may be concerns that a safe harbor provision might inadvertently lead to higher dose products entering Connecticut's retail market. However, this concern overlooks Connecticut's robust regulatory framework, which ensures compliance from manufacturing through distribution, retail. I've included a portion of our DCP-approved state SOP in my written testimony, which clearly demonstrates the stringent control measures in place to prevent such scenarios.

Products destined for other states will not find their way onto Connecticut shelves from us, our wholesalers, or the licensed retailers who sell our beverages. We understand that there is concern that allowing hemp manufacturers to produce these high THC products will undercut licensed cannabis operators in the state. Cannabis remains federally illegal, and no product manufactured with cannabis can cross state lines. We will not be competing with them in out-of-state markets.

To enable manufacturers to thrive and compete fairly in markets beyond our state's borders, we urge the Committee to adopt strong, clear, safe harbor provisions in either or both bills. Inbound and derived THC testing requirements. Well, Section 1 of SB 970 introduces significant improvements to Connecticut's hemp testing protocols. A critical barrier remains for locally infused beverage manufacturers.

Currently, hemp-derived THC ingredients are required to be tested upon receipt at our facility. As I had discussed with the Committee back in January, this is a redundant test since all of our inputs that we

purchased come with a COA from the original hemp crop, and everything goes through final full panel testing prior to being released for distribution.

Since then, I and other manufacturers have heard from DCP that we cannot receive any water-soluble emulsion over 0.3%. This requirement substantially complicates beverage production and inflates costs. Presently, the only feasible workaround involves diluting these active ingredients out of state before shipping them into Connecticut, adding unnecessary complexity, opportunity for error, and obvious cost burdens. Furthermore, this dilution method severely restricts formulation and leads to less precise dosing. Many regulated states like Minnesota, Colorado, New York, California explicitly permit WIP or work-in-progress hemp products to temporarily exceed 0.3% THC, provided the final consumer product meets all compliance.

REP. LEMAR (96TH): Gordon, I think we got the bulk of this rectified in the language we have before. So, the JFS language will hopefully be coming out subsequently. If we don't have this fully wrapped up by the end of the day, Friday, I'm going to have you and former Representative Alves come in and walk us through what we don't have right, because I think you're you made a very compelling pitch to the Committee back in January. I think we're all aligned with trying to rectify some of the ambiguities in the law that are preventing you from doing the work you're trying to do. And I think we're all with you on this one, so we're going to try it over the first line.

GORDON WHELPLEY: Appreciate that. Yeah. Just wanted to touch on since it still seemed a little unclear,

and would love to talk more about it. So, I can move on from that. Briefly impacting a label transparency, I want to thank the committee for including the provisions in the bill to improve transparency and labeling for the consumers. I know it's been mentioned, and we recognize that taxation is not typically in the purview of the General Law Committee, but we feel it's vital for the success of our industry to address the existing dollar-per-container tax.

REP. LEMAR (96TH): That's a good point. At that point, we've actually forwarded to the Finance Committee for consideration in their finance package. I think you'll see that language included there. That way, it eliminates a potential mandatory referral if it were included in our language. I've talked to the finance the house finance chair who's subsequently agreed to put it in as part of their package as well. Gordon, I'm going to shut you off. We've got your written testimony.

GORDON WHELPLEY: Great.

REP. LEMAR (96TH): I will be reaching out to you if we have further questions. I know you sent some questions to me. I'll try to get you some answers, and we'll try to clear up some of that language for you as we move forward. Thanks again.

GORDON WHELPLEY: All right. Thank you.

REP. LEMAR (96TH): Next up, we have Anne Marie. Oh, sorry. That's Michael Goodenough.

REP. LEMAR (96TH): Michael Goodenough is taking the place of Anne Marie Rosado, followed by Eric Toto,

then Derek Gibbs, then Kirk Wesley, and then we'll finish with Sheila Kimball.

MICHAEL GOODENOUGH: Yeah. Hey. Look at that. Thank you very much. I appreciate you guys having me. To all of our representatives, it's really important to me that you know who I am. You've heard from me for 11 years now. This is my 11th year in testifying with you all. I am the first hemp farmer or the actual second hemp farmer. I'm the first extraction company in the state. I used to service over 80 different farmers across the state.

What that means is I would take their hemp, I would extract it, and I would help them make simple products. There's obviously a higher tier of revenue that you can get from manufacturing a tincture or a lotion or other components than there is in us selling our hemp. Unfortunately, the law that was put into place last year, very clearly says that any cannabinoid in our hemp is completely illegal with the exception of a CBD isolate. CBG is illegal, CBN is illegal. CBC, there's a 40 of these molecules in this plant. All of them are illegal to us with the exception of a CBD isolate.

It completely crippled our entire business. I came to you last year and asked for help because I was going to lose my family farm of fifth generation. It's gone. I lost that farm. I had to give up my store. Along with some of my other friends that are here that have been here today, they lost their businesses in the stores. We are the legal market. We are the ones following the laws. We cannot produce the products that you say we can't produce, so we don't. So we go out of business.

I want to be very clear. And I'm so happy this year to hear people say that drugs were illicit products being sold in these smoke shops and other locations., you're not calling them hemp products. And I thank you so much for that because those drug manufacturers were hiding behind our hemp products and calling their crap drugs hemp, and that was hurting our views. You guys made such strong regulatory rules that you made everything illegal to us, and it's still in those smoke shops and stores.

You have to realize that the oversight and the things that were put into the law last year made no difference except for to us, the legal businesses within this state. You have to undo some of the damage that was done in those laws, and that's what Bill SB 970 actually does. It might go a little bit too far in giving us back rights, but we need to work together on getting to a very clear definitive location. CBG, CBN, all of these other molecules are not psychotropic. They don't get you high. THC gets you high.

You heard us all, none of us want to get people high unless they choose to and go to our local dispensaries. We certainly don't want children or other people getting their hands on these products. These smoke shops would be simply controlled if you put in distribution. If you couldn't sell a hemp product that didn't come from a licensed distributor, there would be no drugs sold in these stores, but it's a missing link in our current business model. If we had the ability to sell our products through somebody who made sure that there was no THC that went out, then we would be fine. Man, that time goes so fast, and I think everybody has the same opinion.

REP. LEMAR (96TH): It does, but you're making some points that we're actually sort of engaging on up here, so keep going.

MICHAEL GOODENOUGH: I think the reality is that the DCP came to us and they took my CBG, which was an isolate format that I wanted to be able to sell to one of our Connecticut manufacturers. And they said we're going to have to embargo this because it's illegal for you to be in possession of. Same thing with my CBN isolates. No THC in them whatsoever. They are now preventing me from being able to sell them to the current manufacturers within the state.

You have your beverage manufacturers. They want to get their hands on our THC or the THC that's available within my hemp by its smallest finite layer, which is what you said they had to do, but they can't because it's illegal for me to possess it in any form other than the flour. If I take the flour and I turn it to any a concentrate, whether it's taking that flour and putting it to water, into oil, the minute it's in a concentrate, it is illegal. And that means that I cannot manufacture or refine any concentrate to put into any other product.

And it's insanity where if you think about it, that means I'd have to take that flour and I'd have to stir it in a lotion, and I'd have to hope that that lotion had the right dosage. It's not how it works, and you guys know that. And so at the end of the day, we were told by DCP, you need to make sure the law says what you need in order to accomplish what your business needs because right now it's illegal. And that's why I'm begging you, give us the ability

to have our business back and be competitive. Because what has happened is my true friends and competitors have left this state, gone into another state, now manufacture their products, and they now bring them back into this state. While we, those who have been here forever, are suffering by the laws because we're trying to be true and we're trying to be honest and we're trying to follow every law that we need to.

Furthermore, we have no national business. I had 40 national brands. I cannot manufacture their products anymore. You've literally prevented us from doing business in our own state and out of our state, and I know that wasn't the intention. It was one doggone paragraph that snuck through last year that everyone missed, or else we would have been testifying against it.

And so there's so much more to say. I really want you guys to understand the difference between hemp, and I think we can talk about that for a minute, the difference between a synthetic. Look. A synthetic is really easy. I can show you a lab of my hemp. It says what molecules were in my hemp natively. If I show you a product that was created and I say it came from this hemp, but it wasn't there natively, then it was synthetically made. It's that simple.

Yes, you can convert my CBD molecule into 140 other molecules with acids and incredibly nasty chemical processes, but if I can show you the originating COA of where this flower was and show you the lab of what the that CBN, CBG, or other product is, now you have a true chain of custody to its original authenticity. And you know it's not a synthetic, but the DCP is scared right now. They're scared of these

components. You heard somebody talking about Crohn's disease.

I've been studying CBM with an m for over four years now. It solves Crohn's disease. It solves diabetes. It's been studied in Israel. It's been studied in Israel. It's been studied in Italy. I've been following that study, but the Department of Consumer Protection wants to seize my study material because I'm not allowed to have it because they deemed it a synthetic. It's ridiculous. It's heartbreaking, and they don't mean to do harm with enforcing these laws. They just are enforcing the laws that you guys are helping be written that actually close the gap on these pieces.

So I'm begging you, let's come up with laws that protect my hemp natively and allow me to continue to do business in this state because this is where I live. This is where I'm raising the sixth generation that was supposed to be on that farm. Oh, and the air in this room is so much different than every other year. If you haven't noticed, every one of us are actually unified for the first time ever. The chamber.

I'm the founder of the Connecticut Cannabis Small Business Alliance. I'm also a founder of CHIA, the Connecticut Hemp Industrial Association. We are completely all aligned. CannaWarriors, we have all met together, and we all want to support each other's needs without allowing those needs to impede in different areas. I want to thank Anne Marie for yielding her position to me. She also wanted to speak on the patient's side.

You guys, the patients are key. We've got to make sure they have access to the right medicine. That's the most important thing. The rest of us smoke weed because we enjoy it. It's not medicinal. Medicinal is medicinal. You're talking about paraplegics. You're talking about people who are paralyzed from going out in public. Medical is real. It is as real as the person sitting next to you with back pain that needs to have it fixed, or else they can't work. And our Connecticut ombudsman has been doing a phenomenal job, although it's a brand new job and it's the first year ever, and she's the first ombudsman in the entire nation recognizing cannabis. It's a hard position, but I want to thank her for all of her efforts. And I'm done with that. I'm sorry.

REP. LEMAR (96TH): Thank you, Michael. I know, I appreciate you went over, but you're actually, there were some points in there that I don't think were highlighted by anyone else earlier today. And I think was an important educational aspect for me to engage in as well. I don't have any questions. Do you have any questions at this point? Yeah, Senator Maroney, do you want to --

SENATOR MARONEY (14TH): Just quick. Yeah. Are you going to submit written testimony?

MICHAEL GOODENOUGH: Yes, I did.

SENATOR MARONEY (14TH): And if so, can you just -- oh, you did?

MICHAEL GOODENOUGH: Yes.

SENATOR MARONEY (14TH): Did you include that paragraph so we can just look at the one from last year? You said there was one paragraph --

MICHAEL GOODENOUGH: I did not. I did in one of the -- I've sent you guys a lot of emails. I'm sure you've gotten them. In one of those emails, it does, but I will be happy --

SENATOR MARONEY (14TH): Yeah, would you just forward that back to?

MICHAEL GOODENOUGH: Absolutely.

SENATOR MARONEY (14TH): Thank you.

MICHAEL GOODENOUGH: Thank you very much.

REP. LEMAR (96TH): I think it's a little bit more complex than just that one paragraph. So, we're probably going to have to reach out to you and walk through that a little bit more. I think it's a little bit harder. I think if we just deleted that, it would still cause some other problems. So, it might be a little bit more complicated, but so we might be bringing you in April to work through that a little bit.

MICHAEL GOODENOUGH: Absolutely.

REP. LEMAR (96TH): Erik Toto to be followed by Derrick Gibbs.

ERIK TOTO: Thank you, Esteemed Members of the Committee. My name is Erik Toto. I live in Danbury. I am actually the Vice President of the Miry Brook Homeowners Association. We were actually the first

park in Connecticut to exercise right of first refusal, or at least well, we did exercise right of first refusal. We just didn't make it to the finish line.

I am here in support of 5428, 5411 because things, honestly, they just really need to change. In our particular park, I can tell you I have been an owner there since, bought the trailer 2013, so it's been 11 going on 12 years. In those 12 years, our rents have gone up from 485, they are now about to be starting next month, 718 just for the base rent. In that time, no major capital improvements have really been done. They paved the roads once and they've replaced the well pump, which they repaired numerous times before the company finally said, we cannot repair this anymore. You have to replace it. Our septic systems are original to the park. They're in desperate need of servicing. We do not have the opportunity yet to connect to Seward. We're working on that.

But on top of just our base rents in doing the whole process of going through right of first refusal and doing our due diligence, we found out there was more wrong with the park than any of us realized. But there are fees for just about everything. So let me give you a quick example. Base rent is going to be $718 a month. No utilities. No mowing. Yes, we get plowing. They now charge us for garbage, which used to be included in the rent up until last year. They charge if you have a dog, it's another charge. If you have a washer-dryer, that's another charge. If you have three or more people, it is $15 per person over two.

So, there's a family in the park that has two dogs and three kids living with them. So, as of April 1st, they're going to be paying over $100 over the base rent. They're going to be paying basically, I did the math, it was like $822.30. That's crazy. The other three parks we have in Danbury all pay at least $100 less. And we looked at going to the Fair Rent Commission. We held off last year because we were negotiating the sale, and going through that process. So we said, let's hold off. We were going to do it this year. We didn't get the new leases until February 27 or February 28, and they start April 1st.

So just over 30 days. Can't go through fair rent before that. And when we looked at the fair rent forms, they're not designed for mobile homes. At least ours -- I don't know because I know I've heard every fair rent commission has slightly different forms. They have their own way of doing it. I looked at ours, and I'm a pretty intelligent person. My former partner who unfortunately passed away just before the right of first refusal kicked in was a Real Estate Attorney. And I think even he would have looked at this and said, this is confusing.

A lot of our residents chose not to fill one out when we initially asked several months ago, because they were too confused. They were like, I don't understand how to fill this out. So a lot of them didn't. Some of them were afraid to. They're afraid to complain about issues. We have periodically, you will go outside and you will smell septic and it could last for a couple hours. Could last for a couple days. But if you complain, you might get a response, you might not.

We've had a groundhog issue for years. Now they're tunneling under, I think they're under just about everybody's trailer and or shed causing issues. They're collapsing my front stairs, which now I have to fix. So I have to get a permit. I have to fix the stairs. I have to pay to pour concrete so that it won't sink again if they keep coming back. And it's things like this, that really are what I think the mobile home owners have a problem with. Because of right of first refusal, and we did get to do due diligence, we got to see the expense report income and expenses for 2022 and 2023. In 2023, their profit was 42% of their growth of what they collected in rents.

REP. LEMAR (96TH): It's fascinating that's the number that you were able to research because we were, roughly trying to take all of the information that we're being provided. We came up a number pretty close to 42% once we deducted all of the actual cost basis either we understood. Yeah, they showed the right of first refusal. They had to show their books to him in order to look at it. All right. Sorry. It's an aside. It's literally the number we came up with on our own independent without having access to anything. I was like, this seems like a pretty lucrative thing.

ERIK TOTO: I could go on for the rest of the night, but I know everybody is tired. It has been a long day. I appreciate the fact that you guys do this and you open it up to public comments, and you sit until everybody gets a chance to speak. I do want to appreciate recognizing that.

REP. LEMAR (96TH): That's come as a choice, but it's the right choice.

ERIK TOTO: Sometimes I question my choice to actually become a member of the association or the vice president of the associate. But you know what, it's all for the greater good.

REP. LEMAR (96TH): I appreciate that. Well, thank you for your testimony. As you've seen over the course of a lot of hours today, we're struggling with appropriate way to handle this, but I think the concerns have been heard well. Again, both sides of the aisle, both chambers. I think we hear these concerns. We're wondering what the right approach is going to be, and your input and what you've been able to offer to this committee is really valuable. So I appreciate it.

ERIK TOTO: Thank you.

REP. LEMAR (96TH): Thank you. We got Derrick Gibbs, then Kirk Wesley, then Sheila Kimball.

DERRICK GIBBS: Good evening. Thank you to the General Law Committee for hearing me speak this evening. My name is Derrick Gibbs. I'm from Budr Cannabis. I'm one of the founders. We're one of the first social equity joint ventures, retail to open in the state of Connecticut. We've got four stores, West Hartford, Danbury, Tolland and Stratford, Connecticut.

I'd like to say that I think that our structure, I'm obviously biased, is a unique situation. I grew up in East Hartford, Connecticut, 170 Smith Drive. I lived there for 15 years in a disproportionate impacted area, although I don't qualify for the social equity requirements. The social equity owners

of our business are my family members. They unfortunately weren't able to be here this evening. But those consist of one, my mother, hers, two sisters and her cousins. And so these people are obviously, dear near to my heart, and I speak in reference to them and support this particular thing that we're talking about, which is, comments on the, HB 7178. I know this is a somewhat of a difficult conversation and dialogue regarding this particular bill.

One thing that I find interesting is that some of my colleagues that, sometimes we don't always agree with each other. This is one thing that we do agree with, regarding changing the social equity owner's ability to have to stay in for seven years and bringing it down to perhaps three years, and having it as an option. I want to continue to say that it's an option. It's not something to force the individuals out. It is something that they can take a look at and say, this is something that I want to do.

In regards to our social equity owners, the individuals that I mentioned, my family members, are above the age of 62 years old. I'm not going to give up my mom's age, of course. But a seven-year commitment, puts my mom, Ken, at a higher age, and puts her at a different situation. She's not 40 years old in this situation.

I would also like to say that the 149 Application, as you, I'm sure know, has a three year requirement for those social equity owners, and just putting the law to all social equity owners, to be sort of an equal opportunity type of thing. I compare this to a CHFA loan, C-H-F-A. And we've got a lot of people

here from mobile homes, folks that bought it in 2019. Imagine if the situation was that they couldn't sell their mobile homes until seven years after. And right now, as we know, the real estate market is hot and they want to get out. And I look at it as just being an option for them to be able to sell.

I'd also like to say that, this isn't going to be a change to our social equity plan. We're a social equity joint venture. We don't have any plans to make any changes to that. We're going to follow through on the plan, entirely. And just to prove some of that, one of the things that is not a requirement of us is that, even though we're a social equity joint venture, the one forty-nines are required to be in DIAs. One of the things that I've done, for the organization is really finding locations. Three locations that we had submitted applications to zoning, we're all in disproportionate impacted areas. That's not a requirement for so social equity joint venture, is for Section 149, Application.

Those stores, one was in Hartford, Connecticut at 89 Arch Street. That was the first retail Social Equity joint Venture Application in the state of Connecticut, 89 Arch Street. It was denied, though. The next one was, the Hartford Hospital Amphitheater in Bridgeport in a DIA. That was denied by zoning as well. And then the third one, is at 389 West Main Street in Stamford, Connecticut, also in a DIA and also denied by zoning.

And so this just give you a little bit of an idea of where we come from in terms of social equity. We take it seriously, and we are, I think, going above

and beyond the social equity requirements, in regards to our organization, considering the fact that is not even a requirement for us to be in a DIA zone. Thank you for your time. And if you have any questions, I'll be glad to answer.

REP. LEMAR (96TH): Thank you, Derrick, for coming here today. I had a chance to hear you a little bit back in January. I think you should have been an event I was at. You've just been in a car accident.

DERRICK GIBBS: Yes.

REP. LEMAR (96TH): And then you had still made it to the events to outline what your concerns are and to highlight this issue. I don't know if you heard me then that night or any of my subsequent clients. I am concerned about moving from seven to three years. I'm concerned. I think I've been won over, but only partially. My concerns, I think I've articulated to folks. I don't know if you've heard them prior. I'm worried that some folks might be taken advantage of because of a certain moment in time, the business isn't doing as well.

They're worried about their investment, disappearing out from underneath them, and they feel pressured to sell. I don't know if that's me being somewhat patriarchal and determined. I know better than them if they should sell or not, but I know we had a seven-year timeline in place. We're moving it down to three. I think maybe the Social Equity Council should help review some of those sale arrangements. If we're going to move from seven to three, just to make sure everything's above board, no one's being taken advantage of.

There wasn't a situation that is inherent in any of those sales contracts that doesn't protect the cadet, the state's original interest in establishing, a seven-year timeline and making sure the individual is not being taken advantage of. So I think folks aren't there yet. Things don't think I'm heading the right direction. They just want move from seven to three. But, I think you've won me over a little bit. And I'm going to continue to maybe evolve on this issue, but I'm hoping I get to a greater comfort level.

DERRICK GIBBS: Yeah, I just want to make sure that everyone knows that we're presenting this as an option. It's not a three years and everyone has to get out. It's an option. And I think that folks may think that this is a golden handcuffs to this situation. If I owned a business here, which I do, I own a home healthcare company, I wouldn't want anyone to tell me that I'm required to be in this thing for seven years, considering whatever the situation was.

And you mentioned my car accident, I brought to that meeting, ironically, that I was in the car accident. And if something were to happen to me and I needed medical attention and I couldn't afford to pay the medical bills, and I'm sitting here looking at millions of dollars in medical bills that I can't afford, and I'm sitting on a company that perhaps is worth a lot of money, but I can't sell it for seven years, that puts me into a bad situation. And so, you maybe it is case by case basis, and the Social Equity Council is involved with the decision-making process to ensure that people are not taken advantage of. But I think that the option,

definitely needs to be made available to the individuals and not the other way around.

REP. LEMAR (96TH): Yeah. Well, you've slowly you and others have slowly won me over on this. So I think I'm getting close.

DERRICK GIBBS: Okay. Well, thank you for your time.

REP. LEMAR (96TH): Any questions for Derrick? No? Seeing none, thank you.

DERRICK GIBBS: Thank you.

REP. LEMAR (96TH): Kirk Wesley followed by Sheila Kimball, and that will conclude our public hearing testimony for the evening. Is Kirk here? Not seeing Kirk. We have Sheila Kimball.

SHEILA KIMBALL: I'm here.

REP. LEMAR (96TH): Sheila. All right.

SHEILA KIMBALL: Am I on?

REP. LEMAR (96TH): You're on. It's you. I'm getting complaints that I kept them here way too late. I owe them dinner. I owe them cocktails. I owe them breakfast tomorrow morning. I don't know.

SENATOR MARONEY (14TH): This better be good. (laughs)

SHEILA KIMBALL: All right. You saved the best for last. I want to thank everyone for their time and also for listening all these hours. It's just amazing to me. My name is Sheila Kimball. I'm from

Killingworth, and I am writing to ask for your support for HB 5428. For me personally, passing this bill would make a significant and impactful difference in my life for the better. I've submitted this already in writing, it's very short.

My home is in a Sun Beach Corporation Beechwood community and I have the largest footprint of home, as my husband and I, chose the largest model that Jensen's had, and we increased it by a foot wider, it's a double wide, and two feet longer. Okay. So, and I do have those measurements if you need it. But anyway, this is significant because Sun Corporation right now does not allow people to custom-build their homes.

We had been married, so my husband just passed away, last October, but we'd been married 35 years, so of 26 years we were renting because we couldn't afford the homes anywhere around. So we thought, you know what, let's put our name on the list, which we did for several years. And when the new lot became available, what they do is some of the older trailers that are falling apart, they get rid of them, and then it's new construction. So we were able then to afford a custom-build at that time, home, that we made even larger, thanks to Jensen's.

So, because of that, as Sun Corporation continues to increase their rates, doubling the increase every year, it's way above the CPI, and being that I'm in the largest footprint of home, I have the most to lose, should it go near the $800 mark. Because I won't be able to get what it's worth. So, with that in mind, I just can't afford to take a loss in my home, which would happen if the rates continue to increase. And now that my husband has passed, it's

even more significant that I don't lose the value. I hope that's helpful. Is there any questions?

REP. LEMAR (96TH): I don't think I have any questions. I think we've covered a lot of this ground today. I appreciate the education that I've received over the course of these hours. You highlight an arrangement that I think, somewhat seems problematic to me. The company owns the land, sells you the unit, then charges you rent on the unit that they sold you on the land that they already owned, and then charges you fees associated with each one of those additional things you may have that don't impact either, the unit that they no longer own, or the land that they are controlling. So, this is a lot of work we have in front of us.

SHEILA KIMBALL: And now I do want to say that my lot is 75 by 150 or something, or maybe it's 100. But anyway, I have the same rent as somebody who has a trailer. In other words, I have a double-wide manufactured home and someone has a single-wide trailer. They're paying the same rent as I do because it's the land.

REP. RUTIGLIANO (123RD): Right. Who did you buy the trailer from when you bought it?

SHEILA KIMBALL: You mean the manufacturing company?

REP. RUTIGLIANO (123RD): Yeah.

SHEILA KIMBALL: It's in Pennsylvania.

REP. RUTIGLIANO (123RD): So it wasn't the people that own the land too?

SHEILA KIMBALL: No, but they work with them as a contractor.

REP. RUTIGLIANO (123RD): Were they the finance company also?

SHEILA KIMBALL: I did finance it, but I'm trying to think. I financed it and then I refinanced it because the interest was so high. I could get that for you if you needed.

REP. RUTIGLIANO (123RD): I was just curious to see how many streams of revenue they actually had.

SHEILA KIMBALL: No, that's fine. No, Jensen's used a mortgage company. We used part of my husband's life insurance to put the down payment on. And then we mortgaged the rest. Is there anything else you have?

REP. LEMAR (96TH): I don't think so.

SHEILA KIMBALL: Well, then happy night.

MEMBERS: Happy night.

REP. LEMAR (96TH): Thank you so much. Thank you everyone for coming out today. I think we broke the record on our last public hearing of our cycle. We'll be back before everyone on Friday. Jeff, deadline is on Monday. We're going to try to get everything done on Friday afternoon, and have everyone have a good weekend. But as I've said, multiple times today, we'll be working with a lot of you all throughout April and May, to get good product in front of us. I made a lot of commitments, and I'm sure you guys will all take me up on it

starting in April. Give me two weeks after Friday. Any closing comments? Seeing none, have a great night. Have a very safe home.