



PA 25-101—sHB 6855
General Law Committee

**AN ACT CONCERNING THE DEPARTMENT OF CONSUMER
PROTECTION'S RECOMMENDATIONS REGARDING DRUG
CONTROL AND CANNABIS AND HEMP REGULATION**

TABLE OF CONTENTS:

**[§§ 1, 20 & 21 — HEMP FLOWER, MODERATE-THC HEMP PRODUCT,
AND MANUFACTURER HEMP PRODUCT REQUIREMENTS](#)**

Creates conditions and restrictions on the sale of hemp flower by moderate-THC hemp product vendors, cannabis establishments, and others, including that sellers verify purchasers are at least age 21; allows moderate-THC hemp product vendors to count hemp flower sales towards their required minimum sales threshold; extends existing law's prohibition on manufacturer hemp products claiming health benefits in advertising to moderate-THC hemp products and hemp flower

[§§ 2 & 3 — NON-RESIDENT PHARMACY INSPECTION REPORTS](#)

Requires non-resident pharmacies that offer sterile compounded products to submit to DCP inspection reports from certain entities showing they comply with the most recent U.S. Pharmacopeia standards

[§ 4 — CONTROLLED SUBSTANCES](#)

Requires DCP to (1) redesignate marijuana's controlled substance classification if there is a change in its federal classification and (2) designate additional items as controlled substances

[§ 5 — MEDICAL MARIJUANA USE CERTIFICATIONS](#)

Allows a (1) written certification for medical marijuana use to have durations of 6 months, 18 months, or 2 years and (2) caregiver and a person with medical decision-making authority to hear the risks and benefits of medical marijuana use on behalf of a qualifying patient

**[§ 5 — MEDICAL MARIJUANA USE TEMPORARY EXTENSIONS AND
TEMPORARY WRITTEN CERTIFICATIONS](#)**

Allows a licensed dispensary to (1) grant a 90-day extension for an expired written certification for medical marijuana use previously issued by a provider and (2) issue a 90-day temporary written certification without a provider's involvement subject to specific conditions

**[§§ 6, 8 & 18 — TEMPORARY CANNABIS OPERATOR LICENSE AND
AUTHORIZED REPRESENTATIVES](#)**

Establishes a temporary cannabis operator license for a court appointee to operate a cannabis establishment up to 60 days or more upon DCP approval; requires certain individuals appointed as an authorized representative to be licensed as a key employee

[§§ 6 & 9 — CANNABIS ESTABLISHMENT SIGNAGE](#)

OLR PUBLIC ACT SUMMARY

Requires DCP to develop standardized signage to allow anyone to determine if a cannabis establishment is licensed; requires establishments to display this signage; prohibits certain actions related to the signs and makes violations a CUTPA violation

§§ 6 & 10 — CANNABIS ESTABLISHMENT NONRENEWAL NOTICES AND REINSTATEMENTS

Requires cannabis establishments to submit a nonrenewal notice to DCP at least 30 days before the license expires; allows DCP to reinstate licenses for 90 days after the license expires, upon payment of the renewal and late fees

§§ 6, 22 & 27 — CANNABIS REPORTS

Modifies RERACA-related reporting DCP must give the governor and the General Law Committee quarterly until October 1, 2026

§ 7 — BANK EXCLUSION

Excludes certain financial institutions that provide non-equity financing and do not directly control or manage a cannabis establishment from being considered a backer

§ 11 — CANNABIS ESTABLISHMENT LICENSE APPLICATIONS AND CERTIFICATES OF OCCUPANCY AND PREMISES SECURITY

Specifies that some of the evidence required for a final cannabis establishment license (1) must be evidenced by certain local building official approvals and (2) only applies to security requirements related to the establishment's premises

§§ 12-14 — SELLING, TRANSPORTING, OR TRANSFERRING CANNABIS

Allows certain cannabis establishments to sell, transport, or transfer cannabis or cannabis products to every type of cannabis establishment rather than just certain specified ones

§§ 15-17 — ELIMINATION OF MINIMUM DISTANCE PROHIBITION

Allows certain equity joint ventures to be located within 20 miles of each other even if they share certain backers or owners

§§ 19 & 23-26 — TECHNICAL CHANGES

Makes technical changes

BACKGROUND

SUMMARY: This act makes various changes to laws on adult-use cannabis, medical marijuana, other controlled substances, hemp, and sterile compounding pharmacies.

EFFECTIVE DATES: Various, see below.

§§ 1, 20 & 21 — HEMP FLOWER, MODERATE-THC HEMP PRODUCT, AND MANUFACTURER HEMP PRODUCT REQUIREMENTS

Creates conditions and restrictions on the sale of hemp flower by moderate-THC hemp product vendors, cannabis establishments, and others, including that sellers verify purchasers are at least age 21; allows moderate-THC hemp product vendors to count hemp flower sales towards their required minimum sales threshold; extends existing law's prohibition on manufacturer hemp

OLR PUBLIC ACT SUMMARY

products claiming health benefits in advertising to moderate-THC hemp products and hemp flower

The act places various conditions and restrictions on licensed cannabis establishments, moderate-THC hemp product vendors, and others selling hemp flowers, and makes other related changes. It also further regulates moderate-THC hemp products.

Under the act, “hemp flower” is the flower, including any abnormal or immature flower, of hemp. It does not include the hemp leaves or stem.

By law and under the act, a “cannabis establishment” is a cannabis producer, dispensary facility, cultivator, micro-cultivator, retailer, hybrid retailer (i.e. one licensed to sell both recreational cannabis and medical marijuana), food and beverage manufacturer, product manufacturer or packager, delivery service, or transporter. A “moderate-THC hemp product vendor” is a person with a Department of Consumer Protection (DCP) registration to sell moderate-THC hemp products at retail (and who is not a licensed cannabis establishment).

“Moderate-THC hemp products” are manufacturer hemp products (i.e. generally those intended for human ingestion, inhalation, absorption, or other internal consumption) with a total THC of between .5 mg and 5 mgs, on a per-container basis, but not infused beverages. The act specifies that these thresholds refer to the total THC concentration.

EFFECTIVE DATE: October 1, 2025

Hemp Flower and Moderate-THC Hemp Product Sale Conditions and Restrictions (§§ 1 & 20)

The act regulates hemp flower sales by licensed cannabis establishments and moderate-THC hemp product vendors. It does so by (1) expanding what a moderate-THC hemp product vendor certificate of registration allows to explicitly include sales and offers to sell hemp flowers to consumers at their retail location and (2) prohibiting licensed cannabis establishments, moderate-THC hemp product vendors, and their agents and employees, from selling hemp flower to anyone younger than age 21. As under existing law for moderate-THC hemp products, before selling hemp flower to an individual, a cannabis establishment, moderate-THC vendor, or their agents or employees, must first verify the buyer’s age with a valid government-issued driver’s license or identity card. Relatedly and for both moderate-THC hemp product and hemp flower sales, the act explicitly requires moderate-THC hemp product vendors to ensure the receiver’s age is verified at purchase and verified upon delivery, using the same identification as above, when they sell either in a way other than in an in-person transaction at their registered retail locations (e.g., Internet or mail order).

Additionally, the act imposes hemp flower sale restrictions on any person (e.g., individual or entity) who is not a moderate-THC hemp product vendor or licensed cannabis establishment. Specifically, it only allows them to sell hemp flower if they exclusively do so through (1) a direct, in-person exchange on commercial premises or (2) delivery, including through online or mail order sales. Under the act, these in-person sales must:

OLR PUBLIC ACT SUMMARY

1. require the seller's assistance, or his or her agent's or employee's assistance, to access hemp flower and
2. maintain all hemp flower behind a sales counter that is either inaccessible to consumers or in a locked container.

The act requires these sellers to ensure that the individual purchasing and receiving the hemp flower is at least age 21 before the purchase and upon delivery. Verification must be done with a valid government-issued driver's license or identity card.

Moderate-THC Hemp Product Vendors and Minimum Sales Threshold (§ 20)

Prior law generally required a person seeking a certificate of registration as a moderate-THC hemp product vendor to submit to DCP an application showing, among other things, (1) for an existing retail location, at least 85% of the location's average monthly gross revenue in the prior year was from retail sales of moderate-THC hemp products to consumers or (2) for a proposed retail location, it was reasonably likely that at least 85% of the average monthly gross revenue would be from these sales. It also had the same sales threshold requirement for renewals. The act allows these percentages to include hemp flower sales.

As under existing law, the DCP commissioner generally cannot issue the certificate unless he has determined that the applicant satisfies, or is reasonably likely to satisfy, the minimum sales threshold.

Relatedly, prior law exempted vendors seeking a certificate from having to satisfy the minimum sales threshold if, among other things, they were actively licensed as a hemp products manufacturer and sold or proposed to sell moderate-THC hemp products they manufactured to consumers at retail. Beyond licensure, the act also requires these vendors to be actively operating as a hemp products manufacturer.

Hemp Flower and Moderate-THC Hemp Product Health Claims (§ 21)

Existing law prohibits manufacturer hemp products (wherever made) from claiming health impacts, medical effects, or physical or mental benefits on any advertising, labeling, or marketing. The act extends this prohibition to moderate-THC hemp products and hemp flower, regardless of where they were manufactured or cultivated.

By law, a violation of this prohibition is a Connecticut Unfair Trade Practices Act (CUTPA, see BACKGROUND) violation.

§§ 2 & 3 — NON-RESIDENT PHARMACY INSPECTION REPORTS

Requires non-resident pharmacies that offer sterile compounded products to submit to DCP inspection reports from certain entities showing they comply with the most recent U.S. Pharmacopeia standards

The act adds and changes reporting requirements for certain non-resident pharmacies and sterile compounding pharmacies that are also non-resident

pharmacies.

By law, and for the act's purposes, a "nonresident pharmacy" is any pharmacy located outside Connecticut that ships, mails, or delivers, in any manner, legend devices or legend drugs (i.e. prescription) into Connecticut according to a prescription order (CGS §§ 20-571 & 20-627). A "sterile compounding pharmacy" is a pharmacy or nonresident pharmacy that dispenses or compounds sterile pharmaceuticals (CGS § 20-633b).

EFFECTIVE DATE: January 1, 2026

Reporting Requirements

The act requires each DCP-registered non-resident pharmacy that sells, delivers, or offers sterile compounded products in Connecticut to submit to DCP inspection reports from a government agency or third-party entity with expertise in sterile compounding showing that the pharmacy's program, processes, and facilities comply with the most recent U.S. Pharmacopeia standards in Chapter 797.

The act imposes a similar requirement on sterile compounding pharmacies that are also non-resident pharmacies. Under prior law, each of these pharmacies had to provide DCP with proof that it had passed an inspection in its home state based on U.S. Pharmacopeia standards in Chapters 797, 800, and 825. The act instead requires that each submit to DCP an inspection report from a government agency with regulatory oversight over it, or from a third-party entity with expertise in sterile compounding, showing that it complies with the most recent U.S. Pharmacopeia standards in Chapter 797.

Submission Requirements

Under existing law and the act, the two sets of non-resident pharmacies subject to the above reporting requirements must submit to DCP a copy of their most recent inspection report with their initial applications for a non-resident pharmacy registration with the department. The act specifies that the report must be dated by the inspector with evidence that the inspection was done within six months of the initial application's submission.

The act also sets uniform deadlines for when subsequent inspection reports must be submitted. Under prior law, a copy of the pharmacy's most recent inspection report had to be submitted every two years after the initial application. The act instead requires these pharmacies to submit a new inspection report by June 30 of each even-numbered calendar year after the initial application. Each new inspection report must indicate the inspection occurred during that calendar year and show that the pharmacy remains compliant with the most recent U.S. Pharmacopeia standards in Chapter 797. The act specifies that sterile compounding pharmacies that are also a non-resident pharmacy do not have to submit more than one inspection report during the calendar year after they are issued an initial registration.

Lastly, the act eliminates an alternative under prior law to providing inspections based on U.S. Pharmacopeia standards. It does so by eliminating a provision that allowed sterile compounding pharmacies that were also non-resident pharmacies in

a state that did not do inspections based on these standards to give satisfactory proof to DCP that the pharmacy complied with the standards.

§ 4 — CONTROLLED SUBSTANCES

Requires DCP to (1) redesignate marijuana's controlled substance classification if there is a change in its federal classification and (2) designate additional items as controlled substances

Marijuana

Federal law classifies marijuana (cannabis) as a schedule I controlled substance; Connecticut regulations classify it in schedule II. Under the act, if marijuana is federally reclassified as a schedule III, IV, or V controlled substance under the Controlled Substances Act, or if it is unscheduled by the Drug Enforcement Administration or a successor agency, then the DCP commissioner must adopt the federal schedule (see BACKGROUND).

Additional Substances

The act requires the DCP commissioner to amend department regulations to designate the following substances as controlled substances and classify each in the appropriate schedule. The act specifies that the designation may be by whatever official, common, usual, chemical, or trade name applies to the substances. The substances are:

1. 7-hydroxymitragynine;
2. bromazolam;
3. flubromazolam;
4. mitragyna speciosa (kratom), including its leaves, stem, and any extracts;
5. nitazenes, including isotonitazene;
6. tianeptine; and
7. phenibut.

EFFECTIVE DATE: Upon passage

§ 5 — MEDICAL MARIJUANA USE CERTIFICATIONS

Allows a (1) written certification for medical marijuana use to have durations of 6 months, 18 months, or 2 years and (2) caregiver and a person with medical decision-making authority to hear the risks and benefits of medical marijuana use on behalf of a qualifying patient

The act allows a written certification for medical marijuana use to have durations of 6 months, 1 year, 18 months, or 2 years, as determined by the physician, physician assistant (PA), or advanced practice registered nurse (APRN) issuing the certification. Prior law only allowed certifications to last one year.

Relatedly, the act modifies a condition for physicians, PAs, and APRNs to qualify for protection from certain penalties as a result of providing a written certification for medical marijuana use. Specifically, this condition requires them to explain the potential risks and benefits of medical marijuana to the qualifying

patient or certain individuals on behalf of a patient who lacks legal capacity. The act expands the list of these individuals to include the qualifying patient's caregiver and a person with medical decision-making authority for the qualifying patient.

EFFECTIVE DATE: January 1, 2026

§ 5 — MEDICAL MARIJUANA USE TEMPORARY EXTENSIONS AND TEMPORARY WRITTEN CERTIFICATIONS

Allows a licensed dispensary to (1) grant a 90-day extension for an expired written certification for medical marijuana use previously issued by a provider and (2) issue a 90-day temporary written certification without a provider's involvement subject to specific conditions

The act expands the authority of "licensed dispensaries," which, by law, are licensed pharmacists employed by a marijuana dispensary facility or hybrid retailer (CGS § 21a-408). Under prior law, only a physician, PA, or APRN could issue a written certification for a patient's medical marijuana use. The act allows a licensed dispensary to grant a temporary extension, of up to 90 days, for an expired certification issued by one of these providers. The dispensary may do so as part of his or her employment on the dispensary facility or hybrid retailer's premises.

Subject to certain requirements, the act also allows a licensed dispensary to issue his or her own temporary written certification for up to 90 days. As under existing law for PA- or APRN-issued certifications, the act prohibits a licensed dispensary from issuing a temporary written certification to a person for glaucoma.

EFFECTIVE DATE: January 1, 2026

Dispensary-Issued Temporary Certifications

Criteria. The dispensary, as part of his or her employment on the dispensary facility's or hybrid retailer's premises, may issue a temporary written certification for a patient's medical marijuana use if the dispensary has:

1. reasonably determined, after reviewing the patient's medical history, that the patient is at least age 18 and has a debilitating medical condition (other than glaucoma);
2. done an in-person assessment at his or her employer's premises; and
3. reviewed DCP's electronic prescription drug monitoring program and verified that no other licensed dispensary had prescribed or dispensed marijuana to the patient during the prior year.

Form. Under the act, each temporary written certification must be in a DCP-prescribed form and include a statement, signed and dated by the licensed dispensary, saying that it is his or her professional opinion that the:

1. patient produced sufficient proof that he or she has a debilitating medical condition and
2. potential benefits the patient would derive from medical marijuana likely outweigh the health risks.

Fee. The act allows a licensed dispensary (or the dispensary facility or hybrid retailer that employs him or her) to impose a fee of up to \$25 for a temporary written certification. It prohibits them from imposing any other fee connected to these

certifications.

Documentation. A licensed dispensary that issues a temporary written certification must keep all related patient assessment and eligibility documentation for at least three years after issuing the certification. The documentation must be organized and maintained in (1) hard copy at the premises where the in-person assessment was done or (2) an electronic system the licensed dispensary can readily access.

The act requires these dispensaries to ensure that all patient assessment and eligibility documentation is made readily available to DCP and to submit any documentation to the department, in a DCP-set form and manner, within 48 hours after the department requests it.

Protection From Punishment. The act prohibits a licensed dispensary from being arrested, prosecuted, or otherwise penalized, including being subject to civil penalties, or denied any right or privilege, such as being disciplined by the pharmacy commission or another professional licensing board, for issuing a temporary written certification. The dispensary is immunized if he or she has:

1. reasonably determined, after reviewing the patient's medical history, that the patient is at least age 18 and has a debilitating medical condition (other than glaucoma) and
2. explained the potential risks and benefits of medical marijuana to the patient and, if the patient lacks legal capacity, to a parent, guardian, or person having legal custody of, or legally authorized to make medical decisions for, the patient.

§§ 6, 8 & 18 — TEMPORARY CANNABIS OPERATOR LICENSE AND AUTHORIZED REPRESENTATIVES

Establishes a temporary cannabis operator license for a court appointee to operate a cannabis establishment up to 60 days or more upon DCP approval; requires certain individuals appointed as an authorized representative to be licensed as a key employee

The act sets additional procedures in the Responsible and Equitable Regulation of Adult-Use Cannabis Act (RERACA) for instances when an unlicensed third party, such as a receiver, takes over management of a cannabis establishment. It also establishes a temporary cannabis operator license and requires certain other individuals appointed as an authorized representative to be licensed as a key employee.

EFFECTIVE DATE: July 1, 2025

Temporary Cannabis Operator License (§ 8)

The act allows DCP, upon receiving a complete application and fee payment, to issue a temporary cannabis operator license to a court appointee to operate a cannabis establishment for up to 60 days. The DCP commissioner may allow a longer period if he deems it reasonably necessary to allow the orderly disposition of (1) the establishment in a court supervised proceeding or (2) any delinquencies or deficiencies the court identifies.

OLR PUBLIC ACT SUMMARY

Under the act, a “court appointee” is a person appointed or designated as part of a court supervised proceeding to exercise court oversight of a cannabis establishment’s property, assets, management, or operations, and includes, a receiver, custodian, guardian or trustee, or the executor or administrator of an estate.

DCP Recommendation. Under the act, DCP may recommend a person to any state court to be appointed or designated as the court appointee for any court supervised proceeding. Each court appointee licensed as a temporary cannabis operator must comply with all applicable provisions in state statutes, regulations, policies, and procedures.

Application. The act requires a court appointee to apply to DCP, in a commissioner-prescribed form and manner, for a temporary cannabis operator license. The application must include:

1. the court appointee’s contact information;
2. proof that the appointee has been appointed or designated to exercise court oversight of the relevant cannabis establishment’s property, assets, management, or operations;
3. the requested duration of the temporary license; and
4. a summary of the circumstances that led to the application.

Regardless of any other state law, the act specifies that a court appointee who applies for a temporary cannabis operator license is not required to submit to or pass a criminal history records check or financial history check.

The act requires each application submitted to DCP to be accompanied by a nonrefundable \$500 fee, which must be paid to the state treasurer and credited to the General Fund.

Extension. The act allows a court appointee to submit an extension request to DCP, in a commissioner-prescribed form and manner. The department may grant an extension if the commissioner determines, in his discretion, that the extension is reasonably necessary to allow for resolution of the court supervised proceeding.

Reasons for Not Issuing or Extending, or Revoking, License. Under the act, the commissioner may refuse to issue or extend, or revoke, a temporary cannabis operator license:

1. if the court appointee does not begin operating the cannabis establishment immediately after the license is issued (or does not propose to do so), unless the commissioner, in his discretion and in writing, waives the requirement and extends the period for the appointee to begin operating it;
2. for sufficient cause, as set by the laws governing adult-use cannabis (e.g., furnishing false or fraudulent information in an application);
3. if the court appointee operates the establishment in violation of any applicable state statute, regulation, policy, or procedure; or
4. if the temporary license’s term has expired.

Authorized Representatives (§ 18)

The act requires certain authorized representatives who temporarily engage in the control, management, or operation of a cannabis establishment to get a key

employee license from DCP. This applies when a bank or certain other entities that provided nonequity financing to the establishment but are not “backers” of it (see § 7 below) appoint this representative due to a failure to comply with the terms of a security instrument created by a security interest.

The authorized representative must apply for a key employee license according to existing procedures, except that he or she is not required to submit to a state and national criminal history records check.

These requirements do not apply to court appointees under the act.

§§ 6 & 9 — CANNABIS ESTABLISHMENT SIGNAGE

Requires DCP to develop standardized signage to allow anyone to determine if a cannabis establishment is licensed; requires establishments to display this signage; prohibits certain actions related to the signs and makes violations a CUTPA violation

The act requires DCP, as part of RERACA, to develop standardized signage with a quick response code or comparable electronic identifier that allows any person to determine whether the cannabis establishment displaying the sign has an active DCP-issued license.

Under the act, each cannabis establishment must display this standardized signage in a department-prescribed form and manner.

The act prohibits (1) establishments from displaying the sign in any other way and (2) any other person or establishment from displaying the standardized sign or substantially similar signs that incorrectly indicate the person or establishment holds an active DCP cannabis establishment license.

The act deems violations a violation of CUTPA (see BACKGROUND). Additionally, a cannabis establishment that violates the signage requirement is subject to additional license penalties (e.g., suspension or revocation).

EFFECTIVE DATE: July 1, 2025

§§ 6 & 10 — CANNABIS ESTABLISHMENT NONRENEWAL NOTICES AND REINSTATEMENTS

Requires cannabis establishments to submit a nonrenewal notice to DCP at least 30 days before the license expires; allows DCP to reinstate licenses for 90 days after the license expires, upon payment of the renewal and late fees

The act makes two changes to RERACA concerning cannabis establishment licensing. Under the act, if a cannabis establishment decides not to renew its license, it must submit a nonrenewal notice to DCP, in a commissioner-prescribed form and manner, to coordinate efforts to dispose of any cannabis it may possess when the license expires. The establishment must submit this notice at least 30 days before the license expires.

The act prohibits a lapsed cannabis establishment license holder from (1) engaging in any activity that requires a license or (2) possessing any cannabis on the lapsed cannabis establishment premises.

Additionally, under the act, if DCP does not receive a complete license renewal

OLR PUBLIC ACT SUMMARY

application from a cannabis establishment before its license expires, DCP may accept a license reinstatement application from the establishment for 90 days after the expiration date. If DCP accepts a reinstatement application, the applicant must:

1. pay to the department the current year's license renewal fee and a 10% late fee and
2. submit a signed statement, in a commissioner-prescribed form and manner, attesting that the applicant did not engage in any activity in Connecticut that required an active cannabis establishment license while the license was lapsed.

DCP may, in its discretion, reinstate the lapsed license for an applicant that has satisfied the act's reinstatement requirements. If the reinstated license was issued to a social equity applicant, the period the license was lapsed does not count toward the time the applicant was licensed for the purposes of ownership and control requirements. (Existing law prohibits certain ownership changes in an equity joint venture's first seven years.)

EFFECTIVE DATE: July 1, 2025

§§ 6, 22 & 27 — CANNABIS REPORTS

Modifies RERACA-related reporting DCP must give the governor and the General Law Committee quarterly until October 1, 2026

The act modifies RERACA-related reporting DCP must give to the governor and the General Law Committee quarterly until October 1, 2026. It does so by repealing an existing law and replacing it with a similar one. By comparison to the repealed law, the act does the following:

1. extends by one month the due date for each report (for example, requiring the first report in 2026 by February 1 instead of January 1);
2. eliminates the requirement that the number of final licenses by DCP under RERACA be broken down by county, but still requires it to be broken down by town;
3. limits the prior requirement to report the mechanism DCP used to issue each license to only final licenses;
4. eliminates the requirement that DCP include a good faith estimate on anticipated increases in the number of cannabis establishments during the next calendar year; and
5. adds a requirement that DCP include a chart for the previous four fiscal quarters showing the change in the number of cannabis establishment licenses issued for each license type per fiscal quarter.

Like prior law, the act requires DCP to submit the report to the governor and the General Law Committee and include the number of applicants that were selected from the lottery and provisional licenses, broken down by license type.

EFFECTIVE DATE: July 1, 2025, except the repealer is effective June 30, 2025.

§ 7 — BANK EXCLUSION

OLR PUBLIC ACT SUMMARY

Excludes certain financial institutions that provide non-equity financing and do not directly control or manage a cannabis establishment from being considered a backer

By law, a cannabis establishment “backer” is generally any individual with a direct or indirect financial interest in a cannabis establishment. RERACA regulates backers by, among other things, generally requiring them to be licensed by DCP (CGS § 21a-421). The act excludes certain financial institutions that provide non-equity financing to a cannabis establishment and do not directly participate in the establishment’s control, management, or operation from being considered a “backer.”

Specifically, the act excludes any bank, bank and trust company, bank holding company, Connecticut bank, Connecticut credit union, federal bank, federal branch, federal credit union, financial institution, foreign bank, holding company, out-of-state bank, out-of-state credit union, out-of-state trust company, savings and loan association, savings bank, or savings and loan holding company, as defined under the state’s banking laws, and their wholly-owned subsidiaries.

Under existing law, “control” is the power to direct, or cause the direction of, a cannabis establishment’s management and policies, regardless of whether this power is possessed directly or indirectly (CGS § 21a-420).

EFFECTIVE DATE: Upon passage

§ 11 — CANNABIS ESTABLISHMENT LICENSE APPLICATIONS AND CERTIFICATES OF OCCUPANCY AND PREMISES SECURITY

Specifies that some of the evidence required for a final cannabis establishment license (1) must be evidenced by certain local building official approvals and (2) only applies to security requirements related to the establishment’s premises

Existing law requires applications for final cannabis establishment licenses to include evidence of a right to occupy the location where the establishment operations will be located. The act specifies that this must be evidenced by a certificate of occupancy, temporary certificate of occupancy, or a substantively similar written approval from the local building official showing that the premises to be occupied are substantially complete.

Another existing requirement is providing evidence of all other DCP-set security requirements based on license type. The act specifies that the security requirements are only for those related to the premises.

EFFECTIVE DATE: July 1, 2025

§§ 12-14 — SELLING, TRANSPORTING, OR TRANSFERRING CANNABIS

Allows certain cannabis establishments to sell, transport, or transfer cannabis or cannabis products to every type of cannabis establishment rather than just certain specified ones

The act expands the entities to whom certain cannabis establishments may sell, transport, or transfer their cannabis or cannabis products. Under prior law, only the following licensees could sell, transport, or transfer cannabis or cannabis products to these specified entities:

OLR PUBLIC ACT SUMMARY

1. micro-cultivators to a dispensary facility, hybrid retailer, retailer, delivery service, food and beverage manufacturer, product manufacturer, or product packager (§ 12) and
2. retailers and hybrid retailers to a delivery service (§§ 13 & 14).

The act instead allows these licensees to sell, transport, or transfer to every type of entity considered to be a “cannabis establishment” (see definition in §§ 1, 20 & 21 above). As under existing law, these licensees may also sell, transport, or transfer cannabis or cannabis products to a cannabis testing laboratory or research program.
EFFECTIVE DATE: Upon passage

§§ 15-17 — ELIMINATION OF MINIMUM DISTANCE PROHIBITION

Allows certain equity joint ventures to be located within 20 miles of each other even if they share certain backers or owners

The act allows certain equity joint ventures to be located within 20 miles of each other even if they share certain backers or owners. It does so by eliminating prior law’s prohibition against this.

Prior law prohibited equity joint ventures that are retailers or hybrid retailers from being located within 20 miles of each other if (depending on the license type) they share a common (1) cultivator backer or owner, (2) producer backer or owner, (3) dispensary facility backer or owner, or (4) hybrid retailer backer or owner.

EFFECTIVE DATE: January 1, 2026 (PA 25-175, § 2, moves up the effective date for the provision on shared cultivator backers or owners to July 1, 2025.)

§§ 19 & 23-26 — TECHNICAL CHANGES

Makes technical changes

The act makes technical changes to (1) correct certain statutory citations (§ 19) and (2) the definition of opioid drug in various statutes (§§ 23-26). (PA 25-168, §§ 117-120, make the same opioid drug definition changes.)

EFFECTIVE DATE: Upon passage

BACKGROUND

CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the DCP commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$10,000, impose civil penalties of up to \$5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney’s fees; and impose civil penalties of up to \$5,000 for willful violations and up to \$25,000 for a

restraining order violation.

Schedule of Controlled Substances

Controlled substances are grouped in Schedules I through V, according to their decreasing tendency to promote abuse or dependency. Schedule I substances, most of which do not have any approved medical use, are the most strictly controlled because of their high potential for abuse. State and federal laws authorize prescribing drugs on Schedules II through V.