



General Assembly

February Session, 2020

Raised Bill No. 5174

LCO No. 1452



Referred to Committee on GENERAL LAW

Introduced by:
(GL)

AN ACT CONCERNING ANTI-TRUST ISSUES AND THE PALLIATIVE USE OF MARIJUANA.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2020*) (a) For purposes of this
2 section:

3 (1) "Material change" means: (A) The addition of a dispensary facility
4 backer or producer backer, (B) a change in the ownership interest of an
5 existing dispensary facility backer or producer backer, (C) the merger,
6 consolidation or other affiliation of a medical marijuana business with
7 another person, (D) the acquisition of all or part of a medical marijuana
8 business by another person, and (E) the transfer of assets or security
9 interests from a medical marijuana business to another person;

10 (2) "Medical marijuana business" means a medical marijuana
11 dispensary facility or production facility, licensed pursuant to chapter
12 420f of the general statutes and the regulations promulgated
13 thereunder;

14 (3) "Person" means an individual, firm, partnership, corporation,

15 company, association, trust or other business or tribal entity; and

16 (4) "Transfer" means to sell, transfer, lease, exchange, option, convey,
17 give or otherwise dispose of or transfer control over, including, but not
18 limited to, transfer by way of merger or joint venture not in the ordinary
19 course of business.

20 (b) No person shall, directly or indirectly, enter into a transaction that
21 results in a material change to a medical marijuana business, unless all
22 persons involved in the transaction file a written notification with the
23 Attorney General pursuant to subsection (c) of this section and the
24 waiting period described in subsection (d) of this section has expired.

25 (c) The written notice required under subsection (b) of this section
26 shall be in such form and contain such documentary material and
27 information relevant to the proposed transaction as the Attorney
28 General deems necessary and appropriate to enable the Attorney
29 General to determine whether such transaction, if consummated, would
30 violate antitrust laws.

31 (d) The waiting period required under subsection (b) of this section
32 shall begin on the date of the receipt by the Attorney General's office of
33 the completed notification required under subsection (c) of this section
34 from all parties to the transaction and shall end on the thirtieth day after
35 the date of such receipt, unless such time is extended pursuant to
36 subsection (f) of this section.

37 (e) The Attorney General may, in individual cases, terminate the
38 waiting period specified in subsection (d) of this section and allow any
39 person to proceed with any transaction.

40 (f) The Attorney General may, prior to the expiration of the thirty-day
41 waiting period, require the submission of additional information or
42 documentary material relevant to the proposed acquisition from a
43 person required to file notification with respect to such acquisition
44 under subsection (b) of this section. Upon request for additional
45 information under this subsection, the waiting period shall be extended

46 until thirty days after the parties have substantially complied, as
47 determined solely by the Attorney General, with such request for
48 additional information.

49 (g) Any information or documentary material filed with the Attorney
50 General pursuant to this section shall be exempt from disclosure
51 under section 1-200, et seq. of the general statutes, and no such
52 information or documentary material may be made public, except as
53 may be relevant to any administrative or judicial action or proceeding.
54 Such information or documentary material shall be returned to the
55 person furnishing such information or documentary material upon the
56 termination of the Attorney General's review or final determination of
57 any action or proceeding commenced thereunder.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2020</i>	New section

Statement of Purpose:

To require review by the office of the Attorney General of proposed changes of ownership of medical marijuana businesses licensed by the Department of Consumer Protection.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]