

General Assembly

Raised Bill No. 6377

January Session, 2021

LCO No. 2856



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by: (LAB)

AN ACT CONCERNING LABOR PEACE AGREEMENTS AND A MODERN AND EQUITABLE CANNABIS WORKFORCE.

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

- 1 Section 1. (NEW) (*Effective from passage*) As used in this section and sections 2 to
- 2 33, inclusive, of this act, unless the context otherwise requires:
- 3 (1) "Cannabis" means cannabis type substances, as defined in section 21a-240 of
- 4 the general statutes;
- 5 (2) "Consumer" means an individual who is twenty-one years of age or older;
- 6 (3) "Cultivation" means cultivation, as defined in section 21a-408 of the general statutes;
- 8 (4) "Dispense" means dispense, as defined in section 21a-240 of the general statutes;
- y statutes,
- 10 (5) "Distribute" means distribute, as defined in section 21a-240 of the general
- 11 statutes;
- 12 (6) "Laboratory" means a laboratory located in the state that is licensed to

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- provide analysis of controlled substances pursuant to section 21a-246 or 21a-408
- of the general statutes as authorized by this act;
- 15 (7) "Cannabis concentrate" includes tinctures and extracts;
- 16 (8) "Cannabis cultivation facility" means a facility licensed to cultivate, prepare
- 17 and package cannabis and sell cannabis to cannabis product manufacturing
- 18 facilities, cannabis retailers and other cannabis cultivation facilities;
- 19 (9) "Cannabis establishment" or "cannabis business" means any cannabis
- 20 business licensed or seeking licensure by the Cannabis Control Commission under
- 21 this act;
- 22 (10) "Cannabis product" means a cannabis concentrate or a product that is
- 23 comprised of cannabis or cannabis concentrates and other ingredients and is
- 24 intended for use or consumption;
- 25 (11) "Cannabis product manufacturing facility" means a facility licensed to
- 26 purchase cannabis, manufacture, prepare and package cannabis products and sell
- 27 cannabis and cannabis products to cannabis product manufacturing facilities and
- 28 cannabis retailers;
- 29 (12) "Cannabis retailer" means a person registered (A) to purchase cannabis
- 30 from cannabis cultivation facilities, (B) to purchase cannabis and cannabis
- 31 products from cannabis product manufacturing facilities, and (C) to sell cannabis
- 32 and cannabis products to consumers;
- 33 (13) "Cannabis microbusiness" means a vertically integrated cannabis business
- 34 that does not exceed ten thousand total square feet dedicated to the cultivation of
- 35 cannabis plants or the manufacture of cannabis products and that is permitted to
- 36 cultivate, process and distribute cannabis and cannabis products to licensed
- 37 retailers and to deliver its own cannabis or cannabis products direct to consumers
- 38 pursuant to a single license;
- 39 (14) "Bona fide labor organization" means a labor union (A) that represents
- 40 employees in this state with regard to wages, hours and working conditions, (B)
- 41 whose officers have been elected by a secret ballot or otherwise in a manner
- 42 consistent with federal law, (C) that is free of domination or interference by any
- 43 employer, (D) that has received no improper assistance or support from any

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employer, and (E) that is actively seeking to represent cannabis workers in this state;

- (15) "Equity" and "equitable" mean or refer to efforts, regulations, policies, programs, standards, processes and any other functions of government or principles of law and governance intended to: (A) Identify and remedy past and present patterns of discrimination and disparities of race, ethnicity, gender and sexual orientation; (B) ensure that such patterns of discrimination and disparities, whether intentional or unintentional, are neither reinforced nor perpetuated; and (C) prevent the emergence and persistence of foreseeable future patterns of discrimination or disparities of race, ethnicity, gender, and sexual orientation; and
- (16) "Labor peace agreement" means an agreement between a cannabis establishment and a bona fide labor organization that protects the state's interests by, at minimum, prohibiting the labor organization from engaging in picketing, work stoppages or boycotts against the cannabis establishment.
- Sec. 2. (NEW) (*Effective from passage*) (a) The sum of XX dollars shall be appropriated, annually and at the start of each fiscal year, for five consecutive fiscal years, to the Department of Economic and Community Development, from the General Fund for the purposes specified in this section. The first year of funding under this section shall begin with the fiscal year ending June 30, 2022. The funding under this section shall go to the following purposes:
 - (1) To provide grants-in-aid to create, support and deliver workforce training, education and other programs that prepare individuals with an adverse criminal history related to cannabis and who reside in the state or on tribal lands within the state to participate in the lawful cannabis business sector and in secondary industries that directly support such sector. The grants-in-aid created pursuant to this section may be directed toward workforce training providers, educational institutions, economic development and human services agencies, labor unions, private employers, not-for-profit community organizations, not-for-profit economic development organizations, local governments and other public and private entities as identified by the Department of Economic and Community Development, in consultation with the Department of Labor, the Black and Puerto Rican Caucus of the General Assembly, the Governor's Workforce Council and the Cannabis Control Commission, established pursuant to section 8 of this act and

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77 the Office of Justice Reinvestment, established pursuant to section 18 of this act.

- (2) To provide grants-in-aid or low-interest loans in support of equity among new small cannabis businesses operating in the state or on tribal lands within the state and that commit to engaging in substantial workforce development, apprenticeships, or on-the-job training and education, in ways generally consistent with subdivision (1) of this section for individuals with an adverse criminal history related to cannabis.
- (3) To provide grants-in-aid and loans to municipalities, community development corporations and other public or private entities for the purpose of rehabilitating disused or abandoned industrial and commercial facilities and remediating brownfields, provided that such facilities and remediated areas be reserved for the use of cannabis equity applicants and licensees, pursuant to this section, sections 3 to 33, inclusive, of this act and any regulations adopted pursuant to said sections, and to support environmental justice in communities of color and low-income communities.
- (4) To support the administration of such grants-in-aid, which may include the hiring of additional staff, contracting with vendors, engaging in public outreach and education and the funding of any other measures that the Commissioner of Economic and Community Development deems necessary to ensure that grants and loans issued pursuant to this section are distributed in an equitable manner and are spent in compliance with regulations adopted pursuant to this section and sections 3 to 33, inclusive, of this act.
- (b) The Commissioner of Economic and Community Development shall adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, and shall issue guidance and create such forms and procedures as he or she deems reasonable and necessary to ensure that grants-in-aid funded pursuant to this section are distributed in an equitable manner and are used in a cost-effective manner for their intended purpose.
- Sec. 3. (NEW) (Effective from passage) (a) On and after one year from the effective date of this section, in order for the state to relieve employees, job seekers, employers and businesses of the unjustified stigmatization of cannabis and to further support the establishment of a modernized and equitable cannabis business sector, the following nondiscrimination and antiretaliation protections

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shall apply to all employers:

- (1) No employer may implement a policy prohibiting the possession, use or other consumption of cannabis in the course of employment by an employee unless such policy is: (A) In writing, (B) equally applicable to each employee, (C) made available to each employee prior to the enactment of such policy, and (D) directly related to a clear business necessity. The employer shall provide any such written policy to each prospective employee at the time the employer makes an offer of employment to the prospective employee.
- (2) No employer or agent of any employer shall require, as a condition of employment, that any employee or prospective employee refrain from using cannabis outside the course of his or her employment, or otherwise discriminate against any employee with respect to compensation, terms, conditions or privileges of employment for using cannabis outside the course of his or her employment.
- (3) No employer or agent of any employer shall discriminate against any employee or prospective employee on the basis of his or her prior, current or future involvement in lawful cannabis commerce in this state, or in any other state, territory, district, tribe or other jurisdiction.
- (4) No employer or agent of any employer shall retaliate against any employee or prospective employee for alleging a violation of any part of this section or assisting in any investigation of an alleged violation of any part of this section, or for assisting another employee or prospective employee in seeking to redress an alleged violation of any part of this section.
- (b) The provisions of this section shall not apply to any position or condition of employment governed by federal law or regulation that clearly preempts any provision of this section with regard to an employee's possession, use or other consumption of cannabis or involvement in lawful cannabis commerce.
- (c) If an employer has violated any provision of this section and is not otherwise exempted by subsection (b) of this section or other superseding provision of state, federal or tribal law, an individual aggrieved by such violation may bring a civil action for compensatory damages and judicial enforcement of such provision in the superior court for the judicial district where the violation is alleged to have

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occurred or where the employer has its principal office. Any such individual who prevails in such civil action shall be awarded reasonable attorney's fees and costs.

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Sec. 4. (NEW) (*Effective from passage*) There is established a cannabis equity task force whose purpose shall be to study, make findings of fact for and issue recommendations to the General Assembly and the Governor regarding equity, as are relevant to the establishment and regulation of cannabis cultivation, manufacture and sale as a lawful and modern business sector in the state. The task force shall be composed of seven commissioners, four of whom shall be appointed by the Black and Puerto Rican Caucus of the General Assembly, one who shall be the Labor Commissioner, or his or her designee, one who shall be the Commissioner of Consumer Protection, or his or her designee, and one who shall be the Commissioner of Economic and Community Development, or his or her designee. The task force shall choose a chairperson from among its commissioners. Except for the Commissioners of Labor, Consumer Protection and Economic and Community Development, any task force commissioner may be removed by such commissioner's appointing authority at any time and a replacement shall be appointed not later than fourteen days after the date of such commissioner's removal. Commissioners shall be chosen from persons having no present or pending financial or managerial interest in any cannabis establishment or other cannabis business in this state or in any other place or who have entirely divested themselves of any financial or managerial interest in any cannabis establishment or other cannabis business in this state or in any other place not less than fourteen days prior to accepting appointment as a commissioner. The Equity Task Force shall establish such rules for its meetings and governance as it deems reasonable and necessary to carry out its purpose and described in this section, section 2 to 4, inclusive, of this act and sections 5 to 33, inclusive, of this act, provided, a quorum of not less than four commissioners shall be required to be present for any binding vote of the task force.

Sec. 5. (NEW) (*Effective from passage*) Not later than one year after the appointment of the seventh commissioner to the cannabis equity task force pursuant to section 4 of this act, said task force shall issue a written report, in accordance with the provisions of section 11-4a of the general statutes, to the General Assembly and Governor, with detailed findings of fact regarding the following matters in the state:

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- 176 (1) Historical and present-day social, economic and familial consequences of 177 cannabis prohibition, the criminalization and stigmatization of cannabis use and 178 related public policies;
- (2) Historical and present-day structures, patterns, causes and consequences of intentional and unintentional racial discrimination and racial disparities in the development, application and enforcement of cannabis prohibition and related public policies;
- 183 (3) Foreseeable long-term social, economic and familial consequences of 184 unremedied past racial discrimination and disparities arising from past and 185 continued cannabis prohibition, stigmatization and criminalization;

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- (4) Existing patterns of racial discrimination and racial disparities in access to entrepreneurship, employment and other economic benefits arising in the lawful palliative use cannabis sector as established pursuant to chapter 420f of the general statutes; and
- (5) Any other matters that the task force deems relevant and feasible for study for the purpose of making reasonable and practical recommendations for the establishment of an equitable and lawful adult-use cannabis business sector in this state.
- Sec. 6. (NEW) (*Effective from passage*) (a) Simultaneous with the issuance of its detailed findings of fact pursuant to section 5 of this act, and based upon such findings, the cannabis equity task force shall issue specific recommendations for statutory enactments, amendments and repeals, the adoption or amendment of regulations, executive orders, programs, agencies, commissions, grants, financial instruments and any other tools of governance, public policy and public or private finance and investment that it deems:
- (1) Necessary and feasible for the General Assembly and the Governor to implement in order to create and regulate an equity-based and lawful adult-use cannabis business sector;
- 204 (2) Necessary and feasible to remedy and uproot past and present patterns of 205 racial and other forms of unlawful discrimination arising directly or indirectly 206 from cannabis prohibition, stigmatization, and criminalization; and

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- 207 (3) Necessary and feasible for the General Assembly and the Governor to 208 improve and achieve equity within the palliative-use cannabis sector established 209 pursuant to chapter 420f of the general statutes.
- 210 (b) The cannabis equity task force shall also issue recommendations regarding:
- 211 (1) The criteria and regulatory structure the Cannabis Control Commission, as 212 established pursuant to section 8 of this act, should use when defining "equity 213 applicant" and "equity applicant ownership of a cannabis business", for purposes 214 of licensure. Such recommendations shall include, but not be limited to:

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- (A) (i) Criteria an individual or business should meet in order to be classified as an equity applicant or business; (ii) benefits and responsibilities that should accompany such classification; and (iii) limitations and controls that the Commission should impose on the ownership, transfer and sale of businesses receiving the benefits of equity-related licensure;
- (B) The amount of capital and overall number of cannabis businesses needed to sustain an equitable cannabis business sector and workforce composition in the state; and
 - (C) The amendment of cannabis-related criminal statutes, penalties and related collateral civil consequences of convictions.
 - Sec. 7. (NEW) (Effective from passage) The cannabis equity task force shall have a budget of XX dollars allocated from the General Fund. From such budget, the task force shall contract with researchers and research organizations and may hire staff and otherwise purchase goods and services in order to carry out its duties and purposes pursuant to sections X to XX, inclusive, of this act, in a thorough and timely manner. In selecting researchers and research organizations to conduct such study the task force shall prioritize the hiring of researchers and research organizations with substantial experience in qualitative and quantitative research related to race and racial disparities, including, but not limited to, quantifying the economic and social impact of racism and racial discrimination. The task force shall also prioritize the hiring of research organizations that are certified minority-owned businesses operating in the state. No part of this section shall be interpreted to limit the number or areas of knowledge and expertise of researchers and research organizations that the task force may hire. The task force shall be

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responsible for supervising and managing all hires of any kind made pursuant to this section. Any moneys remaining unspent after the completion of duties of the task force pursuant to sections X to XX, inclusive, of this act shall be retained in trust and remitted to the Cannabis Control Commission to support the commission's first year of operations.

- Sec. 8. (NEW) (*Effective from passage*) (a) Not later than six months after the issuance of the findings of fact and recommendations of the cannabis equity task force pursuant to section X of this act, there shall be appointed and seated a Cannabis Control Commission, composed of five commissioners. Two of the commissioners of the commission shall be appointed by the Black and Puerto Rican Caucus of the General Assembly and the remaining commissioners shall be the Commissioners of Labor, Consumer Protection and Economic and Community Development, or a qualified designee of such commissioners. The commissioners appointed by the Black and Puerto Rican Caucus shall be appointed for a two-year term, renewable by such caucus at the end of each such term. Each commissioner appointed by the Black and Puerto Rican Caucus shall receive a base salary of not less than XX dollars annually. The appointing authority for each commissioner of the Cannabis Control Commission may remove its appointed commissioner at any time, for cause. No vacancy on the Cannabis Control Commission shall be permitted for longer than thirty consecutive days.
- (b) The Cannabis Control Commission shall employ an executive director and may establish, alter and remove subordinate offices within said commission. Said commission may hire staff, contract with personnel and vendors, establish an operational budget, expend moneys, communicate with the general public and carry out all other ordinary duties and activities of a regulatory agency.
- (c) The Cannabis Control Commission shall establish rules for its own operations and decision-making, provided no decisions of public policy are made without a properly convened quorum, which shall consist of a minimum of three commissioners.
- Sec. 9. (NEW) (*Effective from passage*) (a) The Cannabis Control Commission established pursuant to section X of this act shall be an independent regulatory agency and shall have exclusive regulatory authority and oversight over all aspects of the cultivation, production, distribution, transport, sale and other

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commerce in cannabis and cannabis products for nonpalliative and nonmedical use, except as expressly provided for in sections X to XX, inclusive, of this act. Nothing in said sections shall prevent the Cannabis Control Commission from cooperating with other departments, agencies or state or local authorities, provided the Cannabis Control Commission may not delegate final decision-making authority on any matter of regulation, public policy, licensure, funding, inspection, compliance or discipline under its jurisdiction to any authority or body outside of said commission and its subordinate offices.

- (b) The Cannabis Control Commission may, consistent with sections X to XX, inclusive, of this act and chapter 54 of the general statutes, adopt regulations to establish a system of licenses for commerce in cannabis, investigate applicants, licensees and other relevant persons, set standards, set and waive fees, hold administrative hearings, impose discipline and otherwise take such measures and exercise such regulatory powers as necessary to establish a modern well-regulated cannabis business sector, to ensure equity in all aspects of the sector and to protect public safety and public health related to the use of cannabis.
- (c) In carrying out its duties and exercising its authority pursuant to sections X to XX, inclusive, of this act, the Cannabis Control Commission shall adopt the findings of fact and seek to implement the recommendations issued by the cannabis equity task force. The Cannabis Control Commission and its Office of Justice Reinvestment, shall report publicly every six months to the Governor and General Assembly on the Cannabis Control Commission's progress toward implementation of the recommendations of the cannabis equity task force, until such time as all such recommendations are fulfilled.
- Sec. 10. (NEW) (*Effective from passage*) If any provision of sections X to XX, inclusive, of this act or any provision of any regulation adopted pursuant to said sections conflicts with any provision of chapter 420f of the general statutes, the provisions of sections X to XX, inclusive, of this act shall prevail.
- Sec. 11. (NEW) (*Effective from passage*) No person or entity licensed by the Cannabis Control Commission may hold itself out as providing for the palliative use of marijuana or cannabis, as defined in chapter 420f of the general statutes, or otherwise provide for the medical use of cannabis, unless licensed by the Department of Consumer Protection pursuant to said chapter and regulations

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adopted pursuant to said chapter. Nothing in this section shall be interpreted as prohibiting a holder of a license under sections X to XX, inclusive, of this act from concurrently holding a license issued pursuant to chapter 420f of the general statutes.

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- Sec. 12. (NEW) (*Effective from passage*) The Cannabis Control Commission shall not adopt or implement any regulation, standard, policy, application, process or other requirement that prohibits individuals from participating in or obtaining licensure in the lawful cannabis business sector on the basis of either an arrest or conviction for: (1) Any cannabis-related offense in any jurisdiction, or (2) an arrest or conviction for a misdemeanor drug offense of any type in any jurisdiction.
- Sec. 13. (NEW) (*Effective from passage*) (a) Not later than one year after its establishment pursuant to section X of this act, the Cannabis Control Commission shall establish, set standards for, issue and regulate to following six types of licenses:
- 319 (1) Licenses authorizing the cultivation and production of cannabis (cannabis cultivation license);
- (2) Licenses authorizing the manufacture of cannabis products intended for sale
 (cannabis product manufacturing facility license);
- 323 (3) Licenses authorizing the retail sale of cannabis and cannabis products to consumers (cannabis retailer license);
- 325 (4) Licenses authorizing laboratories for the testing of cannabis, pursuant to 326 standards and requirements established by the Cannabis Control Commission 327 (cannabis laboratory license);
- (5) Licenses authorizing businesses that deliver cannabis and cannabis products
 directly to consumers at a residential address from one or more licensed cannabis
 retailers (cannabis delivery license); and
- 331 (6) Licenses authorizing microbusinesses, (cannabis microbusiness license).
- (b) The Cannabis Control Commission shall deliberate and hold public hearings
 regarding the establishment of other types of licenses, including, but not limited
 to, single-use event licenses and use-on-premises licenses. The Cannabis Control

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Commission may, subsequent to one or more public hearings and upon its own discretion and judgment, establish, issue and regulate such additional license types that the commission deems likely to support equity within the cannabis business sector, fiscally prudent and consistent with public safety and health.

- (c) For all license types established pursuant to sections X to XX, of this act, the Cannabis Control Commission shall adopt regulations in accordance with the provisions of chapter 54 of the general statutes, set such standards and establish such mechanisms as it deems necessary to enforce the provisions of sections X to XX, inclusive, of this act and to ensure equity, fiscal prudence, public safety and public health.
- (d) The Cannabis Control Commission may revoke any license type authorized pursuant to sections X to XX, inclusive, of this act upon a finding by said commission that such license type fails to improve equity within the cannabis business sector, fails to be fiscally prudent or endangers public safety or health, provided that holders of such licenses are accorded reasonable notice and an opportunity to appeal such decision pursuant to the provisions of chapter 54 of the general statutes.
- (e) For all license types, the Cannabis Control Commission shall solicit applications, issue licenses and permit the start of operations in two phases, as follows:
 - (1) Equity applicants, who shall consist of those categories of persons and entities identified by the cannabis equity task force or by the Cannabis Control Commission's Office of Justice Reinvestment, as disproportionately and unjustly burdened by cannabis prohibition and its collateral consequences, and
 - (2) Regular applicants, who shall consist of all other persons and entities. No regular applicant shall be accepted for review until one year after the first equity applicant licensee of the same type of license commences operations.
- 362 (f) For purposes of this section "operations" means the first date that a cannabis 363 business transaction authorized by a license takes place in the cannabis 364 establishment.
- 365 (g) For all license types and for both equity applicants and regular applicants,

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the Cannabis Control Commission shall consult with the Office of Justice Reinvestment and solicit its recommendations regarding regulations, requirements, qualifications, standards and the review of applications.

(h) The Cannabis Control Commission shall adopt regulations in accordance with the provisions of chapter 54 that limit changes or transfers of ownership of businesses holding equity applicant licensure and strictly limit the use of subsidiaries, holding and shell companies and other similar corporate vehicles in the equity application process so as to preserve the equitable purposes of sections X to XX, inclusive, of this act and to prevent the misuse of the equity application process. Such regulations shall include, but not be limited to: (1) A ten-year prohibition on the transfer or sale of a business licensed by an equity applicant to a person or business that does not qualify as an equity applicant or licensee, and (2) the repayment of the previous ten years of all equity-based license fee waivers, subsidies, grants, low-interest loans and other financial supports provided through or regulated by the Cannabis Control Commission, the Department of Economic and Community Development or the Department of Labor, prior to the date of transfer or sale of the business.

Sec. 14. (NEW) (*Effective from passage*) On and after one year from the effective date of this section and notwithstanding any provision of sections X to XX, inclusive, of this act or any provision of the general statutes or the Regulations of Connecticut State Agencies or of any local ordinance, a person twenty-one years of age or older shall not be required to hold a license and shall not be arrested, prosecuted, penalized, sanctioned or disqualified under in any manner, or denied any right or privilege and shall not be subject to seizure or forfeiture of assets for: (1) Any cannabis produced by cannabis plants cultivated on the premises of the person's primary residence; (2) possessing, cultivating or processing not more than six cannabis plants at any one time for personal use on the premises of his or her primary residence, as the sole adult resident; or (3) possessing, cultivating, or processing not more than twelve cannabis plants at any one time if the premises are shared by two or more adults twenty-one years of age or older as their primary residence.

Sec. 15. (NEW) (*Effective from passage*) Notwithstanding any requirements, standards or restrictions imposed by the Cannabis Control Commission pursuant to its authority under sections X to XX, inclusive, of this act a cannabis

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microbusiness license shall, for all holders, permit the cultivation, processing, manufacture and distribution of cannabis and cannabis products to licensed retailers and permit the delivery of the microbusinesses' cannabis and cannabis products directly to consumers, under a single microbusiness license.

Sec. 16. (NEW) (*Effective from passage*) Notwithstanding any other provision of sections X to XX, inclusive, of this act or any regulation adopted pursuant to said sections, the Cannabis Control Commission shall not accept an application for any manner of license from a person or entity who owns or operates a business or other establishment licensed pursuant to chapter 420f of the general statutes, until such time as the Office of Justice Reinvestment makes a determination that equity in ownership in the cannabis business sector has been sustainably achieved.

Sec. 17. (NEW) (Effective from passage) In addition to any other licensure requirements and standards established by the Cannabis Control Commission, the commission shall require each applicant for a cannabis establishment license to enter into, maintain and abide by the terms of a labor peace agreement. All labor peace agreements shall contain a clause that the parties agree that final and binding arbitration will be the exclusive remedy for any violation of such agreement. Each applicant, whether for an initial license or renewal of a license, shall submit an attestation signed by both the applicant and the bona fide labor organization stating that the applicant meets the requirements of this section. A labor peace agreement shall be an ongoing material condition of a cannabis establishment license and a violation of such agreement, established exclusively through arbitration, may result in suspension, revocation or denial of the renewal of such license.

Sec. 18. (NEW) (*Effective from passage*) The Cannabis Control Commission shall establish an Office of Justice Reinvestment not later than six months after the establishment of said commission. The Cannabis Control Commission shall hire staff and authorize the Office of Justice Reinvestment to hire staff, and shall provide funding and other resources so that said office may perform the following duties in a thorough and efficient manner:

(1) Advise the Cannabis Control Commission, the General Assembly and the Governor on all equity matters under the Cannabis Control Commission's jurisdiction;

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(2) Meet on a quarterly basis with the Black and Puerto Rican Caucus of the General Assembly to provide updates on the implementation of the cannabis equity task force recommendations, the condition of the cannabis business sector and any other equity-related matters of importance to said caucus and to request legislative remedies from said caucus, as the Office of Justice Reinvestment deems reasonable;

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- (3) Oversee cannabis workforce grants, loans and other financial supports, distributed pursuant to sections X to XX, inclusive, of this act or pursuant to any other cannabis-related programs under the Cannabis Control Commission's jurisdiction, which includes, but is not limited to, assessing their equitable distribution, the effectiveness of their use by recipients, compliance with their terms, conditions and goals by recipients and any other matters regarding the effective and proper use of funds in the interest of equity in the cannabis business sector. The Office of Justice Reinvestment may exercise any authority and powers delegated to it by the Cannabis Control Commission, the Departments of Labor, Consumer Protection and Economic and Community Development, and any other state, local or tribal authority to carry out its oversight duties pursuant to this subdivision. Said office shall have the authority and power to request and compel the production of documents, data, witnesses and other investigatory materials from other public entities in the state and any private entity receiving any manner of benefit or license pursuant to this act, provided that no part of such production by either a public or private entity shall be considered a public record or be open to public inspection.
- (4) Oversee, approve or disapprove, and host community agreements between cannabis businesses and municipal governments.
- (5) Conduct research, engage in public outreach and education, and carry out all other duties assigned to it by the Cannabis Control Commission with such powers and budget as allocated to it by the Cannabis Control Commission for the purposes of supporting and improving equity within the cannabis business sector and supporting and improving equity within the operations and administration of the commission.
- Sec. 19. (NEW) (*Effective from passage*) Not later than one hundred eighty days after the establishment of the Office of Justice Reinvestment, the Cannabis Control

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Commission and the Departments of Labor, Consumer Protection and Economic and Community Development shall expressly delegate such powers to the Office of Justice Reinvestment as necessary for said Office to carry out its duties and as may be subsequently assigned to it by the Cannabis Control Commission, in a timely and efficient manner. The Cannabis Control Commission and the Departments of Labor, Consumer Protection and Economic and Community Development may delegate additional powers to or enter into cooperative agreements with the Office of Justice Reinvestment so that said Office may carry out its duties in a timely and efficient manner.

- Sec. 20. (NEW) (Effective from passage) (a) There shall be a Cannabis Control Commission Operational Trust Fund held and administered by the Cannabis Control Commission and that shall receive one hundred per cent of all licensing and other regulatory fees and one hundred per cent of all cannabis sales tax surcharges. The Cannabis Control Commission Operational Trust Fund shall be expended to support the regulatory operations of the Cannabis Control Commission and to supplement any funds allocated from the General Fund and shall allocate not less than seventy per cent of the fund to the support and duties of the Office of Justice Reinvestment.
- (b) The Cannabis Control Commission shall expend not less than ten per cent of revenue into the Cannabis Control Commission Operational Trust Fund to support workforce development programs aimed at increasing the number of qualified cannabis sector workers from disproportionately impacted backgrounds, which may include such programs as established or funded pursuant to sections X to XX, inclusive, of this act. Such allocation shall not reduce the amount allocated to the Department of Economic and Community Development pursuant to sections X to XX, inclusive, of this act in any manner, but shall be used to supplement and increase such allocation.
- Sec. 21. (NEW) (*Effective from passage*) (a) There shall be a state-wide ten per cent sales tax surcharge, in addition to the general sales tax, on all cannabis and cannabis product sales. Any municipality may impose not more than a three per cent municipal cannabis tax, which shall be in addition to the general sales tax and the sales tax surcharge.
 - (b) There shall be an additional ten per cent restorative justice tax on all gross

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revenue over one million dollars of cannabis businesses, including pass-through entities, in addition to any other corporate taxation or taxation on pass-through income.

- (c) The Department of Revenue Services shall adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, issue guidance and issue or amend such forms, and otherwise institute such measures as necessary and reasonable to enact and enforce the provisions of this section on a timetable consistent with the needs and requirements of the Cannabis Control Commission.
- Sec. 22. (NEW) (Effective from passage) No municipality may unconditionally prohibit the operation of a cannabis establishment or cannabis business within the limits of such municipality. The provisions of this section shall not prevent municipalities from regulating the zoning, licensing, hours of operation, outward appearance or other matters subject to municipal jurisdiction of business establishments generally, provided that no ordinance, regulation, license, permit, fee or tax imposes a burden on cannabis establishments or cannabis businesses substantially greater than the burden imposed by the municipality on a similarly sized business involved in the manufacture, distribution, or sale of alcoholic liquor.
- Sec. 23. (NEW) (*Effective from passage*) Not later than six months after the establishment of the Cannabis Control Commission, the Governor shall invite, in consultation with the Cannabis Control Commission and the Office of Justice Reinvestment, those other states, territories, tribes and the District of Columbia where commerce in cannabis is lawful to enter into an interstate or interjurisdictional compact with the state that shall provide for a well-regulated interstate and interjurisdictional commerce in cannabis. The Governor shall take such steps as needed to secure agreement from such federal agencies that regulate commerce to withhold interference or interdiction of a well-regulated commerce in cannabis established through such compacts. No compact shall be proposed or entered into pursuant to this section unless the terms of such compact are consistent with the equity-related goals established by the Cannabis Control Commission and the Office of Justice Reinvestment pursuant to sections X to XX, inclusive, of this act.
- Sec. 24. (NEW) (Effective from passage) (a) No commissioner of the Cannabis

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Control Commission during the term of his or her office and for one year after, and no executive or managerial employee of state or municipal government, no judge of any court, no prosecutor and no employee of a police department or other law enforcement agency with jurisdiction over the investigation and enforcement of cannabis-related crimes or crimes regarding controlled substances shall be permitted to have, directly or indirectly, individually or as a member of a partnership or as a shareholder of a corporation, any financial or managerial interest in any cannabis establishment licensed by the Cannabis Control Commission or licensed under chapter 420f of the general statutes or any business whose principal source of revenue or market entails providing goods or services specifically and directly to cannabis establishments licensed by the Cannabis Control Commission or licensed under chapter 420f of the general statutes.

(b) No commissioner of the Cannabis Control Commission during the term of his or her office and for one year after such term and no executive or managerial employee of state, county or municipal government, no judge of any court, no prosecutor, and no employee of a police department or other law enforcement agency with jurisdiction over the investigation and enforcement of cannabis-related crimes or crimes regarding controlled substances shall be permitted to receive any commission, profit, gratuities, offer of future employment, partnership, ownership or other financially beneficial association, or gifts of any kind from any person or cannabis establishment or cannabis business licensed under sections X to XX, inclusive, of this act or under chapter 420f of the general statutes, for the duration of their public employment.

Sec. 25. (NEW) (Effective from passage) Except as authorized under sections X to XX, inclusive, of this act, no municipality or local official shall condition any official action, nor accept any donation in moneys or in kind, from any cannabis establishment or from an individual or corporation that has applied for a license to open or operate a cannabis establishment in such municipality or neighboring municipality. No municipality may negotiate or enter into a local host agreement with a cannabis establishment or an individual or corporation that has applied for a license to open or operate a cannabis establishment in such municipality or neighboring municipality without the express written approval of the Office of Justice Reinvestment.

Sec. 26. (NEW) (Effective from passage) Municipalities shall be eligible for

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cannabis workforce and economic development grants and loans or other funds under the jurisdiction of the Cannabis Control Commission, the Office of Justice Reinvestment or the Departments of Labor, Consumer Protection and Economic and Community Development, but no municipality shall be eligible for any such cannabis workforce or economic development grant or loan or other funds unless such municipality has passed a resolution or ordinance adopting the findings of fact of the cannabis equity task force and committing the municipality to the implementation of its recommendations, as applied to municipalities.

Sec. 27. (NEW) (Effective from passage) The Cannabis Control Commission shall, not later than sixty days after its establishment, consult with The University of Connecticut regarding entering into an ongoing research partnership to provide studies, research, training, education and any other manner of engagement in support of equity in the cannabis business sector, of equity applicants and licensees and of equity in the cannabis workforce. The Control Commission shall seek to enter into formal and informal partnerships with The University of Connecticut for not more than one hundred eighty days and as needed thereafter.

Sec. 28. (NEW) (Effective from passage) Neither the presence of cannabinoid components or metabolites in a person's bodily fluids, nor conduct related to the use of cannabis or the participation in cannabis-related business or other activities made lawful under sections X to XX, inclusive, of this act or by any section of the general statutes or the regulations of state agencies, or by local ordinance, by a custodial or noncustodial parent, grandparent, pregnant woman, legal guardian or other person charged with the well-being of a child, shall form the sole or primary basis for: (1) Any action or proceeding by a child welfare agency or in a family or juvenile court, or (2) any adverse finding, adverse evidence or restriction of any right of privilege in a proceeding related to adoption, fostering or a person's fitness to adopt or foster a child.

Sec. 29. (NEW) (*Effective from passage*) (a) On and after one hundred eighty days after the effective date of this section: (1) Any educational institution receiving public funds or subject to the regulations of state agencies shall revise and implement student disciplinary policies to conform to the criteria in this section.

(b) The Department of Education and the Office of Higher Education, in consultation with the Cannabis Control Commission and the Office of Justice

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Reinvestment, shall adopt regulations in accordance with the provisions of chapter 54 for the implementation of the provisions of this section. Such regulations shall include, but not be limited to, regulations for collecting information regarding student disciplinary actions related to cannabis and to undertake remedial measures to correct discriminatory conduct, disparate impacts and improper implementation of the provisions of this section.

- (c) Each educational institution subject to the provisions of subsection (a) of this section shall file a detailed report, consistent with regulations adopted pursuant to subsection (b) of this section, with the relevant regulatory agency for each disciplinary action related to cannabis.
- (d) Any student found unlawfully in possession of cannabis on the premises of his or her school or while engaged in school activities, such as field trips, athletic competitions or science fairs off-premises, may receive or be subject to counseling, drug-related education or community service related to the school, or any combination of such actions programs, as may be appropriate for the individual student's educational and social needs. Such disciplinary action shall not be more severe than equivalent school penalties for the underage use of alcohol.
- (e) Any educational institution subject to the provisions of subsection (a) of this section may elect to establish a restorative justice program for addressing matters related to cannabis, other controlled substances, alcohol or tobacco. Any such restorative justice program shall include, but not be limited to, an education curriculum that is tailored to the needs and circumstances of individual students.
- (f) Any educational institution subject to the provisions of subsection (a) of this section may elect to establish a cannabis diversion program, or other substance abuse diversion program, as part of a school drug policy. Any such diversion program shall include, but not be limited to, counseling, support and education regarding cannabis abuse and other substance abuse.
- (g) No student found unlawfully in possession of cannabis on school premises or while engaged in school activities, such as field trips, athletic competitions or science fairs off school premises, may be subject to out of school suspension of more than ten days.
- (h) No school disciplinary policy shall be construed to prohibit the involvement

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of a student or school in a criminal investigation reasonably related to the unlawful possession or distribution of cannabis on school premises or in the course of school activities. In any investigation or other proceeding where a student subject to school discipline for possession of cannabis may reasonably be expected to be a witness or to be subject to arrest, the student shall have a right to independent counsel free of charge. Any student entitled to counsel under this section or any other provision of state, federal or tribal law shall be promptly informed of his or her right to counsel and be granted the means to request counsel by the school.

- (i) No beneficiary of financial aid or student loans shall have his or her eligibility, rights, privileges or options revoked, restricted or otherwise adversely changed on the basis of cannabis-related activity that is lawful under sections X to XX, inclusive, of this act. Any contractual provision or policy contrary to the provisions of this section shall be deemed void and against public policy.
- (j) No person lawfully dwelling in student housing shall be subject to discipline, termination of residency, eviction, or any other housing-related sanction for cannabis-related activity lawful under sections X to XX, inclusive, of this act or shall be subject to school discipline for cannabis-related activity, where permitted under sections X to XX, inclusive, of this act, that does not substantially involve housing-related misconduct. Any contractual provision or policy contrary to this section shall be deemed void and against public policy.
- (k) Violation of any part of this section shall give rise to a private right of action by any student subject to school discipline under this section or any legal parent or guardian of such a student. Such private right of action may be filed in the superior court for the district in which the school is located.
- Sec. 30. (NEW) (*Effective from passage*) (a) On and after one hundred eighty days after the effective date of this section, it shall be unlawful to:
 - (1) Refuse to rent, lease, license, sell or otherwise make unavailable any unit of housing on the basis of a person's prior charge or conviction for a cannabis-related offense or past, current or future involvement or participation in the lawful cannabis business sector;
- 661 (2) Make any inquiry into a prospective tenant, licensee or purchaser's criminal 662 history related to cannabis; or

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(3) Discriminate in the terms, conditions or privileges of the sale or rental of any dwelling on the basis of a person's prior charge or conviction for a cannabis-related offense or past, current or future involvement or participation in the lawful cannabis business sector.

- (b) Homeless shelters, respite homes, nursing homes and other long-term care facilities shall not be exempt from the provisions of subsection (a) of this section.
- (c) The provisions of subsection (a) of this section shall not apply to sober living houses or other housing intended to provide a therapeutic or rehabilitative environment related to drug or alcohol use or to temporary lodgings, including hotels, motels, camps and private homes rented for brief stays.
- Sec. 31. (NEW) (*Effective from passage*) (a) On and after one hundred eighty days after the effective date of this section, the provisions of this section shall apply to any housing governed by the federal Quality Housing and Work and Responsibility Act of 1998 or any housing governed by any other provisions of federal law that grants persons or entities that own or manage federally assisted housing the discretion to deny persons housing to or evict persons from housing on the basis of drug-related offenses.
- (b) It shall be unlawful to refuse to rent, lease, license or otherwise make unavailable any unit of housing subject to the provisions of this section on the basis of a person's charge or arrest for a cannabis-related offense, without conviction or other substantial independent and relevant evidence based on actual conduct.
- (c) All persons or entities that own, manage or otherwise regulate housing subject to the provisions of this section shall provide written notification of any denial of housing or any eviction on the basis of the lawful cultivation, possession or use of cannabis or other cannabis-related offense to the Cannabis Control Commission and the Office of Justice Reinvestment. Such written notice shall provide, with specificity, the name and address of the affected person, the race and ethnicity of the affected person, the gender of the affected person, the persons with knowledge and decision-making authority regarding the denial or eviction, the specific circumstances of the denial or eviction and the specific reasons, facts and evidence for the denial or eviction. Notice shall be issued to the Office of the Attorney General not more than seven days after the denial or issuance of a notice of eviction.

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(d) The Office of Attorney General shall conduct periodic disparate racial impact reviews of denials and evictions for cannabis-related reasons under Title VI of the federal Civil Rights Act of 1964, at its discretion, but not less than once every two years. Should any such review identify any pattern of disparate racial impact or intentional discrimination in the provision or retention of federally assisted housing on the basis of lawful cannabis activity, the Office of the Attorney General shall promptly undertake, upon the recommendation of the Cannabis Control Commission, or on its own initiative, such remedial and corrective measures as it deems reasonable, including seeking equitable and injunctive relief and imposing civil penalties not to exceed one hundred thousand dollars for each instance of a policy or practice that creates a disparate racial impact in the provision or retention of housing covered by this section.

Sec. 32. (NEW) (*Effective from passage*) No part of sections X to XX of this act shall be interpreted to infringe on tribal sovereignty to establish laws, regulations or ordinances or govern and regulate matters of public policy within the boundaries of tribal jurisdiction. Lawful cannabis operations certified by the tribes shall be considered licensed entities for the purpose of commerce between tribal cannabis businesses and licensed cannabis businesses in this state.

Sec. 33. (NEW) (*Effective from passage*) If any part of sections X to XX, inclusive, of this act or any regulations adopted pursuant to said sections, or the application of said sections or regulations to any person or circumstance is held invalid, such invalidity shall not affect any other parts of said sections or regulations, or applications of said sections or regulations, which can be given effect without the invalid part or application.

This act shall take effect as follows and shall amend the following sections:			
Section 1	from passage	New section	
Sec. 2	from passage	New section	
Sec. 3	from passage	New section	
Sec. 4	from passage	New section	
Sec. 5	from passage	New section	
Sec. 6	from passage	New section	
Sec. 7	from passage	New section	
Sec. 8	from passage	New section	

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Sec. 9	from passage	New section
Sec. 10	from passage	New section
Sec. 10	from passage	New section
Sec. 12	from passage	New section
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Sec. 13	from passage	New section
Sec. 14	from passage	New section
Sec. 15	from passage	New section
Sec. 16	from passage	New section
Sec. 17	from passage	New section
Sec. 18	from passage	New section
Sec. 19	from passage	New section
Sec. 20	from passage	New section
Sec. 21	from passage	New section
Sec. 22	from passage	New section
Sec. 23	from passage	New section
Sec. 24	from passage	New section
Sec. 25	from passage	New section
Sec. 26	from passage	New section
Sec. 27	from passage	New section
Sec. 28	from passage	New section
Sec. 29	from passage	New section
Sec. 30	from passage	New section
Sec. 31	from passage	New section
Sec. 32	from passage	New section
Sec. 33	from passage	New section

Statement of Purpose:

To require labor peace agreements for the cannabis industry and to ensure a modern and equitable cannabis workforce.

[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.]

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