



**House Bill No. 7003**

**September Special Session, Public Act No. 20-2**

**AN ACT REVISING THE STATE HEMP PROGRAM IN ACCORDANCE WITH FEDERAL REQUIREMENTS.**

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

Section 1. Section 22-61l of the 2020 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 31, 2020*):

(a) For the purpose of this section and section 22-61m, the following terms have the same meaning as provided in 7 CFR 990.1, as amended from time to time: "Acceptable hemp THC level", "Agricultural marketing service", "Cannabis", "Conviction", "Corrective action plan", "Culpable mental state greater than negligence", "Decarboxylated", "Decarboxylation", "Dry weight basis", "Gas chromatography", "Geospatial location", "Handle", "High-performance liquid chromatography", "Information sharing system", "Measurement of uncertainty", "Negligence", "Phytocannabinoid", "Postdecarboxylation" and "Reverse distributor". In addition, for the purpose of this section and section 22-61m:

(1) "Cannabidiol" or "CBD" means the nonpsychotropic compound by the same name; [and with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 per cent on a dry weight basis derived from hemp,

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as defined in the federal act;]

(2) "Certificate of analysis" means a certificate from a laboratory describing the results of the laboratory's testing of a sample;

[(3) "Certified seed" means hemp seed for which a certificate or any other instrument has been issued by an agency authorized under the laws of a state, territory or possession of the United States to officially certify hemp seed and that has standards and procedures approved by the United States Secretary of Agriculture to assure the genetic purity and identity of the hemp seed certified;]

[(4)] (3) "Commissioner" means the Commissioner of Agriculture, or the commissioner's designated agent;

[(5) "Consumable" means hemp products intended for human ingestion, inhalation, absorption or other internal consumption, that contains a THC concentration of not more than 0.3 per cent on a dry weight basis;]

[(6)] (4) "Cultivate" means [planting, growing and harvesting a plant or] to plant, grow, harvest, handle and store a plant or crop; [for commercial or research purposes;]

[(7)] (5) "Federal act" means the United States Agricultural Marketing Act of 1946, 7 USC [1621] 1639o et seq., as amended from time to time;

[(8)] (6) "Department" means the Department of Agriculture;

[(9) "Grower" means a person in the state licensed by the commissioner to cultivate, grow, harvest, handle, store and market hemp pursuant to the federal act, the provisions of this section and the regulations adopted pursuant to this section;

(10) "Handle" means possessing or storing hemp for any period of time on premises owned, operated or controlled by a person licensed to

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cultivate or process hemp, and includes possessing or transporting hemp;]

[(11)] (7) "Hemp" has the same meaning as provided in the federal act;

[(12)] (8) "Hemp products" means [products with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 per cent on a dry weight basis derived from, or made by, the processing of hemp plants or hemp plant parts] all manufacturer hemp products and producer hemp products;

[(13)] (9) "Independent testing laboratory" means a facility:

(A) For which no person who has any direct or indirect financial or managerial interest in the laboratory and also has any direct or indirect interest in a facility that:

(i) [Processes, cultivates] Produces, distributes, manufactures or sells hemp or hemp products, or marijuana in any state or territory of the United States; or

(ii) Cultivates, processes, distributes, dispenses or sells marijuana; and

(B) That is accredited as a laboratory in compliance with section 21a-408-59 of the regulations of Connecticut state agencies;

[(14)] (10) "Laboratory" means a laboratory [located in the state that is licensed by the Department of Consumer Protection to provide analysis of controlled substances pursuant to section 21a-246, The University of Connecticut, the Connecticut Agricultural Experiment Station, the Department of Public Health, the United States Food and Drug Administration, the United States Department of Agriculture or a facility] that meets the [following additional criteria] requirements of 7

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CFR 990.3 and that is accredited as a testing laboratory to International Organization for Standardization (ISO) 17025 by a third-party accrediting body such as the American Association for Laboratory Accreditation or the Assured Calibration and Laboratory Accreditation Select Services;

[(15)] (11) "Law enforcement agency" means the Connecticut State Police, the United States Drug Enforcement Administration, the Department of Agriculture, the Department of Consumer Protection Drug Control Division or any other federal, state or local law enforcement agency or drug suppression unit;

[(16)] (12) "Licensee" means [a person who] an individual or entity that possesses a license to [cultivate, process] produce or manufacture hemp or hemp products in this state;

[(17)] (13) "Manufacture" means the conversion of [hemp for the purpose of creating a consumable] the hemp plant into a by-product by means of adding heat, solvents or any method of extraction that modifies the original composition of the plant for the purpose of creating a manufacturer hemp product for commercial or research purposes;

[(18)] (14) "Manufacturer" means a person in the state licensed by the Commissioner of Consumer Protection to manufacture, handle, store and market manufacturer hemp products pursuant to [the federal act,] the provisions of section 22-61m and any regulation adopted pursuant to section 22-61m;

[(19)] (15) "Marijuana" has the same meaning as provided in section 21a-240;

[(20)] (16) "Market" or "marketing" means promoting, distributing or selling a hemp product within the state, in another state or outside of the United States and includes efforts to advertise and gather

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information about the needs or preferences of potential consumers or suppliers;

[(21)] (17) "On-site manager" means the individual designated by the [licensee] producer license applicant or producer responsible for on-site management and operations of a licensed [grower or licensed processor] producer;

[(22)] (18) "Pesticide" has the same meaning as "pesticide chemical" as provided in section 21a-92;

[(23) "Plot"] (19) "Lot" means a contiguous area in a field, greenhouse or indoor growing structure containing the same variety or strain of hemp throughout the area;

[(24)] (20) "Post-harvest sample" means a representative sample of the form of hemp taken from the harvested hemp from a particular [plot's] lot's harvest that is collected in accordance with the procedures established by the commissioner;

[(25)] (21) "Pre-harvest sample" means a composite, representative portion from plants in a hemp [plot] lot, that is collected in accordance with the procedures established by the commissioner;

[(26) "Process"] (22) "Produce" means [using or converting hemp for the purpose of creating a form of the commodity, that is not a consumable, for commercial or research purposes] to cultivate hemp or create any producer hemp product;

[(27) "Processor" means a person in the state licensed by the commissioner to process, handle, store and market hemp pursuant to the federal act, the provisions of this section and any regulation adopted pursuant to this section;]

[(28)] (23) "State plan" means a state plan, as described in the federal

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act and as authorized pursuant to this section;

[(29) "Signing authority" means an officer or agent of the applicant with written authorization of such applicant to commit the applicant to a binding agreement;]

[(30)] (24) "THC" means delta-9-tetrahydrocannabinol;

[(31) "Homogenize" means to blend hemp into a mixture that has a uniform quality and content throughout such mixture; and

(32) "Business entity" means any corporation, limited liability company, association or partnership.]

(25) "Controlled Substances Act" or "CSA" means the Controlled Substances Act as codified in 21 USC 801 et seq.;

(26) "Criminal history report" means the Federal Bureau of Investigation's Identity History Summary;

(27) "Drug Enforcement Administration" or "DEA" means the United States Drug Enforcement Administration;

(28) "Farm service agency" or "FSA" means an agency of the United States Department of Agriculture;

(29) "Key participant" means a sole proprietor, a partner in partnership or a person with executive managerial control in an entity, including persons such as a chief executive officer, chief operating officer and chief financial officer;

(30) "Manufacturer hemp product" means a commodity manufactured from the hemp plant, for commercial or research purposes, that is intended for human ingestion, inhalation, absorption or other internal consumption, that contains a THC concentration of not more than 0.3 per cent on a dry weight basis or per volume or weight of

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such manufacturer hemp product;

(31) "Producer" means an individual or entity licensed by the commissioner to produce and market producer hemp products pursuant to the federal act, the state plan, the provisions of this section and the regulations adopted pursuant to this section;

(32) "Producer hemp product" means any of the following produced in this state: Raw hemp product, fiber-based hemp product or animal hemp food product, and each of which contains a THC concentration of not more than 0.3 per cent on a dry weight basis or per volume or weight of such producer hemp product;

(33) "USDA" means the United States Department of Agriculture;

(34) "Entity" means a corporation, joint stock company, association, limited partnership, limited liability partnership, limited liability company, irrevocable trust, estate, charitable organization or other similar organization, including any such organization participating in the hemp production as a partner in a general partnership, a participant in a joint venture or a participant in a similar organization; and

(35) "Homogenize" means to blend hemp into a mixture that has a uniform quality and content throughout such mixture.

(b) The Commissioner of Agriculture shall establish and operate an agricultural pilot program, as defined in 7 USC 5940, as amended from time to time, for hemp research to enable the department, and its licensees, to study methods of [cultivating, processing] producing and marketing hemp. All [grower and processor] producer licensees licensed pursuant to this section shall be participants in the state agricultural pilot program for hemp research. Until such time as said commissioner adopts regulations, in accordance with the provisions of chapter 54, the Department of Agriculture shall utilize procedures and guidance policies that the commissioner deems to be consistent with the

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provisions of 7 USC 5940, as amended from time to time, provided such procedures and guidance policies shall, at a minimum, require: (1) The commissioner to certify and register any site used to grow hemp, (2) any person who [grows] produces hemp to produce plants that meet the definition of hemp and verify such, (3) the maintenance of records by any person who grows hemp and the availability of inspection of such records by the commissioner, and (4) verification of compliance with the definition of hemp by a laboratory, at the expense of any licensee. The provisions of this section shall take precedence over any such procedure or guidance policy. Participants in the state agricultural pilot program for hemp research shall be licensed in accordance with the provisions of this section. Such pilot program shall operate until the earlier of the date of a fully approved state plan under the federal act, as described in this section, or the date of repeal of the federal law permitting the state's agricultural pilot program for hemp research.

(c) (1) The commissioner shall prepare a state plan in accordance with the federal act and 7 CFR 990.3, for approval by the Governor, [and Attorney General,] in consultation with the office of the Chief State's Attorney and the Attorney General. The state plan, once approved by the Governor and the Attorney General, shall be submitted by the commissioner to the United States Secretary of Agriculture for his or her approval. The commissioner shall have the authority to amend the state plan, in consultation with the Governor, [and] the Attorney General [in consultation with] and the office of the Chief State's Attorney, as necessary to comply with the federal act.

(2) The commissioner shall operate the state plan, which shall include, at a minimum, the following requirements:

(A) The sampling of hemp shall comply, at a minimum, with 7 CFR 990.3(a)(2) and be performed by the commissioner, the commissioner's designated agents, or an authorized sampling agent;



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(B) The testing of hemp shall comply, at a minimum, with 7 CFR 990.3(a)(3);

(C) The control and disposal of noncompliant cannabis plants shall comply with 7 CFR 990.27;

(D) The department shall comply with all recordkeeping and reporting requirements in the federal act, and 7 CFR 990.1 to 7 CFR 990.71, inclusive;

(E) The department shall comply with enforcement procedures in 7 CFR 990.6;

(F) The department shall conduct annual inspections of, at a minimum, a random sample of producers to verify that hemp is not produced in violation of the federal act, the state plan and the provisions of this section, and shall enforce any violation as provided for in the federal act and as defined in 7 CFR 990.6;

(G) Producers shall report their required license, lot and hemp crop acreage information to FSA, in accordance with the requirements in 7 CFR 990.7; and

(H) Producers shall report to the commissioner the total acreage of hemp planted, harvested and, if applicable, disposed of, and such other information as the commissioner may require.

(3) All sampling and testing of hemp shall be done using protocols that are at least as statistically valid as the USDA's published protocols for sampling and testing of hemp, which protocols shall be posted on the department's Internet web site. During a scheduled sample collection, the producer, or an authorized representative of the producer, shall be present at the lot. A producer shall not harvest the cannabis crop prior to the taking of samples. Samples of hemp plant material from one lot shall not be commingled with hemp plant material

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from other lots. Lots tested and not certified by a laboratory at or below the acceptable hemp THC level shall be handled and disposed of in accordance with the federal act, the provisions of this section and the state plan, as applicable.

(4) The commissioner shall collect, maintain and provide to the USDA, on a timely basis, and not less than once per month, license status of each hemp producer, contact information for each hemp producer licensed in the state, including lot legal descriptions and locations, and any changes to such information. The commissioner shall also report to the USDA, on a timely basis, and not less than once per month, all required hemp test results and disposal information for all nonconforming hemp plants and plant material. Such information shall not include state and federal fingerprint-based records pursuant to section 29-17a.

(d) The commissioner shall have the authority to enforce the federal act, as amended from time to time, the state plan, this section and any regulations adopted in accordance with the federal act and chapter 54 for hemp [cultivation] production in the state. The commissioner shall have the authority to enforce the applicable [processing standard] standards for producer hemp products. [that are not consumables.] The commissioner may consult, collaborate and enter into cooperative agreements with any federal or state agency, municipality or political subdivision of the state concerning application of the provisions of the federal act and the regulations adopted pursuant to the federal act, as may be necessary to carry out the provisions of this section.

(e) Any person who [cultivates or processes] produces hemp shall: (1) Be licensed by the commissioner; (2) [only acquire certified seeds] comply with the federal act, the state plan, the provisions of this section and any regulation adopted pursuant to this section; and (3) transport hemp and hemp samples in a manner and with such documentation as required by the commissioner.

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(f) Any person who sells hemp products shall not be required to be licensed provided such person only engages in: (1) The retail or wholesale sale of hemp or hemp products in which no further [processing] producing or manufacturing of the hemp products occurs and the hemp products are acquired from a person authorized under the laws of this state or another state, territory or possession of the United States or another sovereign entity to possess and sell such hemp products; (2) the acquisition of hemp or hemp products for the sole purpose of product distribution for resale; or (3) the retail sale of hemp products that are otherwise authorized under federal or state law.

(g) Any applicant for a license pursuant to this section shall meet each of the following requirements, as applicable:

(1) Each applicant, whether an individual or an entity, shall submit an application for a license that consists, at a minimum, of the following: (A) The name, telephone number, electronic mail address, business address and address of any individual who is the applicant, the full name of any entity that is the applicant, including any applicable principal business location and the full name, title and electronic mail address of each key participant; (B) the name and address of [the plot] each lot for the hemp cultivation or [processing] producing location; (C) the geospatial location of each lot by means of global positioning system coordinates and legal description of [the plot] each lot used for the hemp cultivation; (D) the acreage size of [the plot] each lot where the hemp will be cultivated; (E) written consent allowing the commissioner to conduct both scheduled and random inspections of and around the premises on which the hemp is to be cultivated, harvested, stored and [processed] produced; and (F) any other information as may be required by the commissioner;

(2) [The] Each individual who is an applicant [, on-site manager and signing authority] and each key participant of any entity applying for a [grower] producer license, or renewal thereof, shall submit to state and

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national fingerprint-based criminal history records checks conducted in accordance with section 29-17a, at his or her own expense. [, and provide the results to the commissioner for review] For the period commencing on the effective date of this section and ending on December 31, 2021, the results of any such criminal history records checks shall be provided by such applicants and key participants to the commissioner for review;

(3) No [person] individual, including any key participant of any entity, who has been convicted of any felony, as prescribed in the federal act, shall be eligible to obtain or hold a [grower] producer license, provided such restriction shall not apply to any individual who lawfully grew hemp with a license, registration or authorization under any state pilot program authorized by section 7606 of the Agricultural Act of 2014 before December 20, 2018. Any individual or entity that materially falsifies any information in an application pursuant to this section shall be ineligible to obtain a producer license; and

(4) Each [applicant] individual or entity who [obtains a grower or processor] is required by this section to obtain a producer license shall pay for all costs of sampling, testing, retesting and resampling any [hemp] samples at a laboratory for the purpose of determining the THC concentration level of any cannabis under their control, or in their possession. Each individual or entity who is required by this section to obtain a producer license shall pay for all costs of disposal of all noncompliant cannabis plants under their control, or in their possession.

(h) Any [grower or processor] producer license issued by the commissioner shall expire on the [second] third following December thirty-first and may be renewed during the preceding month of October. Such licenses shall not be transferable.

(i) The following fees shall apply for each [grower and processor] producer license and inspection:

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(1) A nonrefundable license application fee of fifty dollars, provided any constituent unit of higher education, state agency or department shall be exempt from such application fee if such [cultivation or processing] production is for research purposes;

(2) A nonrefundable [biennial grower] triennial producer license fee of four hundred fifty dollars [per acre of planned hemp plantings] for up to one acre of planned hemp plantings and thirty dollars per each additional acre of planned hemp plantings rounded to the nearest acre, except no license fee charged shall exceed three thousand dollars, provided any constituent unit of higher education, state agency or department shall be exempt from such license fee if such [cultivation] production is for research purposes; and

[(3) A nonrefundable processor licensing fee of two hundred fifty dollars for a license to process hemp provided any constituent unit of higher education, state agency or department shall be exempt from such license fee if such processing is for research purposes; and]

[(4)] (3) In the event that resampling by the commissioner is required due to a test result that shows a violation of any provision of this section or any regulation adopted pursuant to this section, the licensee shall pay an inspection fee of fifty dollars. Such fee shall be paid prior to the inspection and collection of the sample to be used for resampling.

(j) After receipt and review of an application for [grower or processor] producer licensure, the commissioner may grant a [biennial] triennial license upon a finding that the applicant meets the applicable requirements. Each producer licensee shall notify the commissioner of any changes to their application information, not later than fifteen days after such change. While the pilot program is in effect, the commissioner may grant a conditional approval of a [grower] producer license, pending receipt of the criminal history records check required by this section. The commissioner shall assign each producer with a license or

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authorization identifier in a format consistent with 7 CFR 990.3(a)(9).

(k) Whenever an inspection or investigation conducted by the commissioner pursuant to this title reveals any violation of the state plan, this section or any regulation adopted thereunder, the [grower, processor,] producer license applicant or respondent, as applicable, shall be notified, in writing, of such violation and any corrective action to be taken and the time period within which such corrective action shall be taken. Any such [grower, processor,] producer license applicant or respondent may request a hearing, conducted in accordance with chapter 54, on any such notification. Any notification issued pursuant to this section shall be made by certified mail, return receipt requested to the producer license applicant or respondent's last known address, by in-hand service by the commissioner or designated agent of the commissioner, electronic mail service with the consent of the recipient, or by service in accordance with chapter 896. The commissioner shall report all producer violations made with a culpable mental state greater than negligence to the United States Attorney General and the State's Attorney for the judicial district in which the producer violation occurred.

(l) Nothing in this section shall be construed to limit the commissioner's authority to issue a cease and desist order pursuant to section 22-4d, or an emergency order, in order to respond to a condition that may present a public health hazard, or issue orders necessary to effectuate the purposes of this section, including, but not limited to, orders for the embargo, partial destruction, destruction and release of hemp or hemp products. Any cease and desist order or an emergency order shall become effective upon service of such order by the commissioner. Following service of any such order, subsequent proceedings shall proceed in accordance with the provisions of section 22-4d and the rules of practice for such agency. Any embargo, partial destruction, destruction or release order issued pursuant to this section

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shall be served by certified mail, return receipt requested to the respondent's last known address, by in-hand service by the commissioner or designated agent of the commissioner, or by service in accordance with chapter 896.

(m) Following a hearing conducted in accordance with chapter 54, the commissioner may impose an administrative civil penalty, not to exceed two thousand five hundred dollars per violation, and suspend, revoke or place conditions upon any [grower or processor] producer licensee who violates the provisions of this section or any regulation adopted pursuant to this section.

(n) (1) Any individual who [cultivates or processes] produces hemp in this state without obtaining a license pursuant to this section, or who [cultivates or processes] produces hemp in this state after having a license suspended or revoked [may be fined two hundred fifty dollars in accordance with the provisions of section 51-164n] shall have committed an infraction.

(2) Any [business] entity that [cultivates or processes] produces hemp in this state without obtaining a license pursuant to this section, produces hemp in violation of this section or [cultivates or processes] produces hemp in this state after having a license suspended or revoked [shall] may be fined not more than two thousand five hundred dollars per violation, after a hearing conducted in accordance with chapter 54.

(o) (1) Any negligent violation, as described in the federal act, of this section or the state plan shall be subject to enforcement in accordance with the federal act, and the state plan for negligent violations.

(2) For any negligent violation, a producer shall be required to correct such negligent violation, by means of a corrective action plan approved by the commissioner. Each corrective action plan shall include, at a minimum, a reasonable completion deadline for correction of the

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negligent violation, periodic reporting to the commissioner for at least two years and compliance with the state plan.

(3) Any producer that negligently violates the state plan shall not, as a result of such negligent violation, be referred by the commissioner for any criminal enforcement action by the federal, state or local government.

(4) Any producer that negligently violates the state plan three times during any five-year period shall be ineligible to produce hemp for a period of five years beginning on the date of the third violation.

(5) The commissioner shall conduct an inspection to determine if the corrective action plan for a producer who commits any such negligent violation was properly implemented.

(p) Any person aggrieved by an order issued pursuant to this section may appeal to the commissioner in accordance with the provisions of chapter 54. Such appeal shall be made in writing to the commissioner and received not later than fifteen days after the date of the order. If no appeal is made pursuant to this subsection the order shall be final.

(q) (1) All documents [included in an application for a grower or processor license] submitted under this section shall be subject to disclosure in accordance with chapter 14, except: [any document describing, depicting or otherwise outlining a licensee's security schematics and the results of any criminal history records check] (A) Information depicting or describing (i) the test results of any producer, (ii) the location of any hemp growing, harvesting, processing or storage location, or (iii) hemp producer location security schematics; and (B) the results of any criminal history records check.

(2) Notwithstanding the provisions of subdivision (1) of this subsection, all documents and records submitted or maintained pursuant to this section shall be disclosed to any law enforcement



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agency upon request of such law enforcement agency.

(r) The commissioner may inspect and shall have access to the buildings, equipment, supplies, vehicles, records, real property and other information that the commissioner deems necessary to carry out the commissioner's duties pursuant to this section from any person participating in [~~the planting, cultivating, harvesting, processing,~~ producing, handling, storing marketing or researching [~~of~~] hemp.

[(s) The commissioner shall establish an inspection and testing program to determine THC levels and ensure compliance with the limits on THC concentration in all hemp grown in the state by a grower licensee. The grower shall collect a pre-harvest sample no more than fifteen days before the intended harvest date, in accordance with the commissioner's pre-harvest hemp sampling protocol adopted in accordance with chapter 54 and published on the Internet web site of the Department of Agriculture. The grower and processor licensees shall be responsible for all costs of disposal of hemp samples and any hemp produced by a licensee that violates the provisions of this section or any regulation adopted pursuant to this section. A hemp sample fails THC testing if the test report indicates that the sample contains an average THC concentration greater than 0.3 per cent on a dry weight basis. The commissioner may order and conduct post-harvest sample THC testing of a plot if the results of an initial THC test on the pre-harvest sample provided and collected by the licensee indicate a THC concentration in the pre-harvest sample in excess of such permitted levels, unless the licensee elects to destroy the crop prior to post-harvest sample THC testing.]

[(t)] ~~(s)~~ Nothing in this section shall be construed to apply to any licensee of palliative marijuana authorized pursuant to chapter 420f.

[(u)] ~~(t)~~ All licensees pursuant to this section shall maintain records required by the federal act, the state plan, this section and any regulation

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adopted pursuant to this section. Each licensee shall make such records available to the department immediately upon request of the commissioner and in electronic format, if available.

[(v)] (u) The commissioner [shall] may adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section including, but not limited to, [establishing sampling and testing procedures to ensure compliance with the federal act and to prescribe disposal procedures for plants grown in violation of the federal act] the labeling of producer hemp products.

[(w)] (v) Notwithstanding any provision of the general statutes: (1) Marijuana does not include hemp or hemp products; (2) THC that does not exceed 0.3 per cent by dry weight and that is found in hemp shall not be considered to be THC that constitutes a controlled substance; (3) hemp-derived cannabidiols, including CBD, shall not constitute controlled substances or adulterants solely on the basis of containing CBD; and (4) hemp products that contain one or more hemp-derived cannabidiols, such as CBD, intended for ingestion shall be considered foods, not controlled substances or adulterated products solely on the basis of the containing hemp-derived cannabidiols.

[(x)] (w) Whenever the commissioner believes or has reasonable cause to believe that the actions of a licensee or any employee of a [grower or processor] producer licensee [will violate] are in violation of the federal act, the state plan, or any state law concerning the growing, cultivation, handling, transporting or possession of marijuana, the commissioner shall notify the Department of Emergency Services and Public Protection and the State Police.

[(y)] The Commissioner of Agriculture may enter an agreement with any state or federally recognized Indian tribe to assist such tribe in the development of a pilot program under the federal act or to have applicants from such tribe participate in the pilot program established

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pursuant to subsection (b) of this section.]

Sec. 2. Section 22-61m of the 2020 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 31, 2020*):

(a) No person shall manufacture in the state without a license to manufacture issued by the Commissioner of Consumer Protection.

(b) Each applicant for a manufacturer license shall submit an application on a form and in a manner prescribed by the Commissioner of Consumer Protection.

(c) The following fees shall apply for a license to manufacture:

(1) A nonrefundable license application fee of [fifty] seventy-five dollars; and

(2) A nonrefundable licensing fee of [two hundred fifty] three hundred seventy-five dollars for a license to manufacture hemp.

(d) A license to manufacture [hemp or hemp products] issued by the Commissioner of Consumer Protection pursuant to this section shall expire [biennially] triennially on June thirtieth. Such licenses shall not be transferable.

(e) In accordance with a hearing held pursuant to chapter 54, the Commissioner of Consumer Protection may deny, suspend or revoke a manufacturer license, issue fines of not more than two thousand five hundred dollars per violation and place conditions upon a manufacturer licensee who violates the provisions of this section and any regulation adopted pursuant to this section.

(f) (1) Any individual who manufactures in this state without obtaining a license pursuant to this section or who manufactures in this state after such entity's license is suspended or revoked shall be fined

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two hundred fifty dollars in accordance with the provisions of section 51-164n.

(2) Any [business] entity who manufactures in this state without obtaining a license pursuant to this section, or who manufactures in this state after having a license suspended, shall be fined not more than two thousand five hundred dollars per violation after a hearing conducted in accordance with the provisions of chapter 54.

(g) Nothing in this section shall be construed to apply to any licensee of palliative marijuana authorized pursuant to chapter 420f.

(h) The Commissioner of Consumer Protection may inspect and shall have access to the buildings, equipment, supplies, vehicles, records, real property and other information of any manufacturer applicant or licensee that the commissioner deems necessary to carry out the commissioner's duties pursuant to this section.

(i) (1) Each manufacturer shall follow the protocol in this subsection for disposing of [hemp or hemp products] cannabis in the event that any hemp or hemp product is deemed to [contain a] exceed the prescribed THC concentration, [of more than 0.3 per cent on a dry weight basis,] as determined by the Commissioner of Consumer Protection, or a manufacturer licensee in possession of hemp or hemp products who desires to dispose of obsolete, misbranded, excess or otherwise undesired product. Each manufacturer licensee shall be responsible for all costs of disposal of hemp samples and any hemp produced by such licensee that violates the provisions of this section or any regulation adopted pursuant to this section. Any [hemp or hemp product containing a] cannabis that exceeds the prescribed THC concentration [of more than 0.3 per cent on a dry weight basis] allowable in hemp or hemp products shall be immediately embargoed by such manufacturer and clearly labeled as adulterated by such licensee and such licensee shall immediately notify both the Department of Consumer Protection

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and the Department of Agriculture, in writing, of such adulterated product. Such adulterated product shall be destroyed and disposed of by the following method, as determined by the Commissioner of Consumer Protection:

(A) Surrender, without compensation, of such hemp or hemp product to the Commissioner of Consumer Protection who shall be responsible for the destruction and disposal of such adulterated product; or

(B) By disposal in [the presence of an authorized representative of] a manner prescribed by the Commissioner of Consumer Protection. [in such a manner as to render the hemp or hemp product nonrecoverable.]

(2) Notwithstanding the provisions of subdivision (1) of this subsection, upon written request of a manufacturer, the Commissioner of Consumer Protection may permit such manufacturer to combine different batches of raw hemp plant material to achieve a THC concentration of 0.3 per cent on a dry weight basis, in lieu of embargo or destruction.

(j) The [person] manufacturer or manufacturer's authorized designee disposing of the hemp or hemp products shall maintain and make available to the Commissioner of Consumer Protection a record of each such disposal or destruction of product indicating:

(1) The date, time and location of disposal or destruction;

(2) The manner of disposal or destruction;

(3) The batch or lot information and quantity of hemp or hemp product disposed of or destroyed; and

(4) The signatures of the persons disposing of the hemp or hemp products, the authorized representative of the Commissioner of Consumer Protection and any other persons present during the

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disposal.

(k) Any hemp intended to be manufactured [as a consumable] into a manufacturer hemp product shall be tested by an independent testing laboratory. [or any other such laboratory that is accredited as a testing laboratory to International Organization for Standardization (ISO) 17025 by a third-party accrediting body.] A manufacturer licensee shall make available samples, in an amount and type determined by the Commissioner of Consumer Protection, of hemp [or hemp product] for an independent testing laboratory employee to select random samples. The independent testing laboratory [or other such laboratory] shall test each sample for microbiological contaminants, mycotoxins, heavy metals and pesticide chemical residue, and for purposes of conducting an active ingredient analysis, if applicable, as determined by the Commissioner of Consumer Protection.

(l) Once a batch of hemp, [or hemp product,] intended to be sold as a [consumable] manufacturer hemp product, has been homogenized for sample testing and eventual packaging and sale, until the independent testing laboratory [or other such laboratory] provides the results from its tests and analysis, the manufacturer licensee shall segregate and withhold from use the entire batch of hemp that is intended for [consumable] use as a manufacturer hemp product, except the samples that have been removed by the independent testing laboratory for testing. During this period of segregation, the manufacturer licensee shall maintain the hemp [or hemp product] batch in a secure, cool and dry location, as prescribed by the Commissioner of Consumer Protection, so as to prevent the hemp [or hemp product] from becoming adulterated. Such manufacturer shall not manufacture or sell a [consumable] manufacturer hemp product prior to the time that the independent testing laboratory [or other such laboratory] completes testing and analysis and provides such results, in writing, to the manufacturer licensee who initiated such testing.

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(m) An independent testing laboratory [or other such laboratory] shall immediately return or dispose of any hemp or manufacturer hemp product upon the completion of any testing, use or research. If an independent testing laboratory [or other such laboratory] disposes of hemp or manufacturer hemp products, the laboratory shall dispose of such hemp in the following manner, as determined by the Commissioner of Consumer Protection:

(1) By surrender, without compensation, of such hemp or manufacturer hemp product to the Commissioner of Consumer Protection who shall be responsible for the destruction and disposal of such hemp or hemp product; or

(2) By disposal in [the presence of an authorized representative of] a manner prescribed by the Commissioner of Consumer Protection. [in such a manner as to render the hemp or hemp product nonrecoverable.]

(n) If a sample does not pass the microbiological, mycotoxin, heavy metal or pesticide chemical residue test, based on the standards prescribed by the Commissioner of Consumer Protection and published on the Internet web site of the Department of Consumer Protection, the manufacturer licensee who sent such batch for testing shall dispose of the entire batch from which the sample was taken in accordance with procedures established by the Commissioner of Consumer Protection pursuant to subdivision (1) of subsection (i) of this section.

(o) If a sample passes the microbiological, mycotoxin, heavy metal and pesticide chemical residue test, the independent testing laboratory [or other such laboratory] shall release the entire batch for manufacturing, processing or sale.

(p) The independent testing laboratory [or other such laboratory] shall file with the Department of Consumer Protection an electronic copy of each laboratory test result for any batch that does not pass the

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microbiological, mycotoxin, heavy metal or pesticide chemical residue test, at the same time that it transmits such results to the manufacturer licensee who requested such testing. Each independent testing laboratory [or other such laboratory] shall maintain the test results of each tested batch for a period of three years and shall make such results available to the Department of Consumer Protection upon request.

(q) Manufacturer licensees shall maintain records required by the federal act, this section and any regulation adopted pursuant to this section. Each manufacturer licensee shall make such records available to the Department of Consumer Protection immediately upon request and in electronic format, if available.

(r) The Commissioner of Consumer Protection may adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section including, but not limited to, establishing sampling and testing procedures to ensure compliance with [the federal act, to prescribe] this section, prescribing storage and disposal procedures for [plants grown in violation of the federal act] hemp, marijuana and manufacturer hemp products that fail to pass Department of Consumer Protection prescribed independent testing laboratory testing standards and [to establish] establishing advertising and labeling requirements for [consumables] manufacturer hemp products.

(s) Any claim of health impacts, medical effects or physical or mental benefits shall be prohibited on any advertising for, labeling of or marketing of [consumables] manufacturer hemp products. Any violation of this subsection shall be deemed an unfair or deceptive trade practice under chapter 735a.

(t) Not later than February 1, 2020, the Commissioners of Agriculture and Consumer Protection shall submit a report, in accordance with section 11-4a, to the joint standing committee of the general assembly



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having cognizance of matters relating to the environment on the status of the pilot program, the development of the state plan and any regulations for such pilot program or state plan. Additionally such report shall include any legislative recommendations, including, but not limited to, any recommendations for requiring the registration of any [consumable] manufacturer hemp product offered for sale in this state.

(u) Any person who sells manufacturer hemp products shall not be required to be licensed, provided such person only engages in: (1) The retail or wholesale sale of manufacturer hemp products in which no further manufacturing of hemp occurs, provided such manufacturer hemp products are acquired from a person authorized to manufacture the manufacturer hemp products under the laws of this state or another state, territory or possession of the United States or another sovereign entity; (2) the acquisition of manufacturer hemp products for the sole purpose of product distribution for resale; or (3) the retail sale of manufacturer hemp products that is otherwise authorized under federal or state law.

(v) Notwithstanding any provision of the general statutes: (1) Marijuana does not include manufacturer hemp products; (2) CBD that is found in manufacturer hemp products shall not be considered a controlled substance, as defined in section 21a-240, or legend drug, as defined in section 20-571; and (3) cannabinoids derived from hemp and contained in manufacturer hemp products shall not be considered controlled substances or adulterants.

Sec. 3. Subdivision (7) of section 21a-240 of the 2020 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(7) "Cannabis-type substances" include all parts of any plant, or species of the genus cannabis or any infra specific taxon thereof whether growing or not; the seeds thereof; the resin extracted from any part of

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such a plant; and every compound, manufacture, salt, derivative, mixture or preparation of such plant, its seeds or resin; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture or preparation of such mature stalks, except the resin extracted therefrom, fiber, oil or cake, the sterilized seed of such plant which is incapable of germination, or hemp, as defined in 7 USC 1639o, as amended from time to time. Included are cannabimon, cannabimol, cannabidiol and chemical compounds which are similar to cannabimon, cannabimol or cannabidiol in chemical structure or which are similar thereto in physiological effect, and which show a like potential for abuse, which are controlled substances under this chapter unless [modified] derived from hemp, as defined in section 22-61l;

Sec. 4. Subdivision (29) of section 21a-240 of the 2020 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(29) "Marijuana" means all parts of any plant, or species of the genus *cannabis* or any infra specific taxon thereof, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds or resin. Marijuana does not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture or preparation of such mature stalks, except the resin extracted therefrom, fiber, oil, or cake, the sterilized seed of such plant which is incapable of germination, or hemp, as defined in 7 USC 1639o, as amended from time to time. Included are cannabimon, cannabimol or cannabidiol and chemical compounds which are similar to cannabimon, cannabimol or cannabidiol in chemical structure or which are similar thereto in physiological effect, and which show a like

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potential for abuse, which are controlled substances under this chapter unless [modified] derived from hemp, as defined in section 22-61l;

Approved October 2, 2020