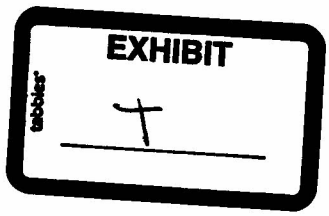

Public Comment for:

Proposed Regulation Concerning the Palliative Use of Marijuana

Before the Connecticut Department of Consumer Protection

Testimony of:

Erik A. Williams

President, Connecticut Cannabis Business Alliance

April 22, 2013

Good morning Commissioner Rubenstein, Members of the board and staff. My name is Erik Williams and I am here today speaking as a member on behalf of the Connecticut Medical Cannabis Business Alliance as its President.

The Connecticut Cannabis Business Alliance is a professional trade organization created to educate patients, providers, policy makers and the public about the palliative and curative health benefits of medical cannabis, to develop industry standards and best practices to ensure quality products and distribution channels, and to facilitate safe access to authorized and qualified cannabis-based remedies in Connecticut.

I am a member of the alliance representing our company Gaia Connecticut and I am also Executive Director of Connecticut NORML.

I felt it was important today to testify with my business alliance hat on because it is now time for those who want to participate in the industry to really step up to the plate and do everything they can to make this program succeed. We at the Alliance understand that the very heart of the success of this program is the patients and safe, reliable access to the highest quality medical marijuana with the services they need and the dignity they deserve.

First and foremost, I would like to thank you all and I'm sure many other staffers who had a hand in crafting these proposed regulations; they are well thought out and comprehensive and are already serving as a model across the nation.

Some issues of concern for the alliance are as follows:

First and foremost, the testing and laboratory requirements. I will speak generally about our concerns as I know others can much better speak to the raised technical issues. Overarching the details is the reliance on a testing facility to be approved and locate here that is willing to take on this kind of work. A contingency plan from the State in case no such businesses arise would cure this stoppage of any and all medical marijuana sales.

Further, the testing guidelines we believe may be unduly or prohibitively detailed, particularly in the ingredients for brand naming of marijuana strains. Considering the differences in CBD's, CBDA's, THC and THCA that can occur within a single plant's buds, the 97% to 103% range is too restrictive. We believe there must be a way to better keep the brand qualities as well as the testing qualities. An initial application as proposed here along with a written certification from the producer that the genetics are the same for each subsequent batch in addition to individual batch testing for the key ingredients is one solution.

Background checks. Throughout the proposed regulation there are references to backers and those with controlling or financial interests being subjected to background checks, security clearances, etc. We applaud the usage of background checks to keep unsavory elements out of the business, we feel that there should be a minimum threshold for such background checks. We would propose that anyone with either a 5% or greater financial interest or who has a direct role in operational management in addition to those direct employees be subject to these enhanced checks throughout the regulations. This would greatly reduce the amount of unnecessary paperwork for the DCP and the industry. Additionally, with background checks for every investor or person

with any financial interest, smaller investors or crowd sourced investors are going to be shut out or at the very least marginalized.

We feel strongly that this minor adjustment would provide a great benefit to the smooth and efficient function of the program and ensure the DCP does not get buried in a paper avalanche. Along the same lines, we want to applaud the addition of Sub. (b) to Section 21a-408-28, allowing for the adjustment of fees as necessary to ensure the functionality of the medical marijuana program. It is imperative that the Program have the funding necessary to carry out its charge.

Escrow Accounts in the amount of $2million. The alliance has technical concerns about the need for the funds to be held in a Connecticut financial institution, which we hope will be clarified. More importantly is the draw-down of the escrow amount once the producer has shown that they are fulfilling the terms of their producer's license and satisfying the spirit of the $2 million provision: ensuring that producers who are granted a license safely produce and deliver the high quality medical marijuana to patients that the State of Connecticut has determined it is their license to produce. We would strongly advocate a reduction in Sec. 21a-408-29 (a)(2) from 2 years to 1 year and Sub. (b) of that same section be reduced from 5 years to 3. At the very least, adding in more discretion of the commissioner to reduce the escrow amount would be more acceptable than these hard dates.

On the number of dispensaries or producers as to how they relate to the patient population, we understand and appreciate the reasoning, particularly on an ongoing basis, but we recommend a more free market approach. Thus far, there has been a reluctance on the part of many doctors to write recommendations due to the fact that there was not a safe place where medical marijuana could be obtained. Thus, we believe that basing the initial number of dispensary and producer licenses should take this into account. Another potential flaw in this population basing for granting of licensed locations, we believe rural populations will be underserved almost as a matter of course. Again, we argue that market forces should better dictate whether or not

someone wants to take the risk of opening up a location that might otherwise seem to not fit in with more obviously profitable metrics.

On packaging, we believe that with proper manifestations and security procedures as the department has proposed to put into place, individual packaging could and should be able to take place at the dispensary level. All the information necessary could more easily and efficiently be done at the point of dispensing and in a more understandable manner for the patient.

Continuing on the dispensary side, we believe that there should be made available for inspection by patients an amount of unpackaged or loose marijuana flowers at each store. These shall not be available for resale, but shall be used specifically so that patients can better inspect and choose the medicine they want to buy.

Along those same lines of a better educated patient, Sec. 21a-408-43 seems to limit a dispensary technician's ability to counsel patients on the qualities of the strains. A strong relationship and solid communication between dispensers and patients will not only serve to benefit the patient, but lead to more information gathering for the greater good of a well regulated system.

The last issue of concern is the processing of trim materials for ancillary or derivative products. We believe that a greater range of products and a more sustainable business model would result from allowing arrangements wherein producers may distribute marijuana for derivative processing to other producers so long as they are given back an equivalent amount of the manifested amount. Sec. 21a-408-52(b)(4) prohibits the selling, delivering, transport or distributing of marijuana except to a dispensary facility, so that would need to be addressed therein and simple regulations on this specific task may be beneficial.

I believe these are all relatively minor changes or issues within proposed rules. Though some have large impacts on the ability for this program to run as smoothly and

efficiently as possible, every suggested change is certainly well within the spirit and intention of the law.

I thank you for your time and I would be happy to answer any questions you may have.