



## **The 2025 Council Market Outlook Working Group – Municipal Relations Subcommittee**

### **Relevant Statutes:**

[Sec. 21a-422f. Municipal authority re establishing cannabis establishments. Restrictions. Zoning. Special permits.](#)

[Sec. 21a-422g. Vote re recreational sale of marijuana in a municipality. Prohibition on restricting delivery or transport of cannabis. Donations from cannabis establishments prohibited. Municipal costs re opening.](#)

[Public Act 24-166 Sec.43. – Referring to resources available to track municipal cannabis tax revenues and municipal moratoriums on cannabis establishments or any other matter the working group deems relevant for the purposes of this section.](#)

### **Common Themes Addressed by Subcommittee Members:**

- 1. Alignment Between Municipal and State Cannabis Policy**
  - a. Members emphasized the importance of coordinating local efforts with state aligned goals particularly around legalization frameworks, enforcement, and community reinvestment.
  
- 2. Use and Transparency of the 3% Municipal Sales Tax**
  - a. Multiple mayors raised concerns about communication with DRS and the need for clearer tracking and transparency of the 3% Municipal Cannabis Sales Tax distribution.
  - b. Ensuring that funds are used effectively and visibly was a shared priority.
  
- 3. Community Reinvestment and Equity-Focused Spending**
  - a. There was broad agreement on using cannabis revenue to support reentry programs, youth services, equity initiatives, and economic development.
  - b. Members discussed aligning local reinvestment strategies with the Council's mission driven investments.
  
- 4. Reducing Black-Market Activity and Ensuring Public Safety**
  - a. Mayors consistently highlighted the need to curb illegal cannabis sales and ensure product safety.

- b. Expanding legal sales, improving enforcement, and educating communities were identified as essential strategies.
- 5. Local Impacts and Public Perception of Cannabis Businesses**
- a. Municipal leaders shared observations from their own communities, ranging from concerns about public opposition (Wallingford) to data showing minimal negative impacts (Newington).
  - b. Members noted that public opinion can shift when residents see tax benefits or stable community conditions.
- 6. Economic Pressures and Potential Fiscal Benefits**
- a. Rising local costs, including property taxes, were discussed as potential reasons to reconsider cannabis policy.
  - b. Several leaders suggested that cannabis tax revenue could ease financial strain on municipalities.
- 7. Need for Continued Communication, Collaboration, and Support**
- a. Members supported ongoing dialogue among municipalities with different policy positions.
  - b. Members approved of The Council offer to provide informational sessions, highlighting opportunities for shared learning and partnership.
- 8. Importance of Youth Protection and Public Health**
- a. Safeguarding young people and mitigating risks from unregulated products were recurring concerns.
  - b. Leaders stressed robust enforcement and community education as key components of a responsible Adult-Use Cannabis framework.

**Recommendations based on Common Themes and Relevant Statute:**

- 1. Strengthen State–Municipal Policy Alignment**
- a. Develop model municipal ordinances that comply with Sec. 21a-422f zoning regulations while promoting consistency across towns.
  - b. Provide technical assistance sessions helping towns interpret Sec. 21a-422g, including the scope of municipal referendums.
- 2. Improve Transparency and Accessibility of the 3% Municipal Sales Tax Revenue**
- a. Create a centralized public tracking system of cannabis revenue by municipality.
  - b. Publish quarterly municipal revenue statements explaining how much each town has received, when, and why.
- 3. Promote Community Reinvestment and Equity-Focused Use of Revenues**

- a. Provide municipalities with recommended spending categories (youth programs, workforce development, reentry, equity initiatives) that align with the Council’s mission and statutory regulations.
  - b. Develop a best practices toolkit showing how municipalities can structure reinvestment plans tied to cannabis revenues.
  - c. Create an optional municipal reporting template so towns can voluntarily share how funds were allocated, improving statewide transparency and consistency.
  - d. Encourage equity driven investment of the 3% sales tax revenue by providing preference for grants by the Council to qualified programs using the tax revenue.
- 4. Support Efforts to Reduce Black-Market Activity and Protect Public Health**
- a. Coordinate enforcement guidance for municipalities on identifying illegal operations and collaborating with state authorities.
  - b. Support education campaigns on the risks of unregulated cannabis products, designed for youth, parents, and local businesses.
  - c. Promote legal-market expansion strategies to compete with illicit markets, including zoning templates and data on community level impacts.
- 5. Provide Resources to Address Local Impacts and Public Perception**
- a. Release fact sheets available to the public summarizing data on traffic, crime, economic benefits, and health impacts from towns with active establishments.
  - b. Host regional forums that allow municipalities with opposition or concerns to learn from those with established operations.
- 6. Equip Municipalities to Manage Economic Pressures with Cannabis Revenue**
- a. Provide fiscal guidance on how to responsibly integrate cannabis revenue into municipal budgets.
  - b. Share case studies illustrating how towns have used funds for infrastructure, public safety, or tax relief.
  - c. Evaluate and publish the economic impacts of cannabis establishments to help towns make informed decisions.
- 7. Foster Continued Collaboration and Capacity-Building**
- a. Establish a standing municipal cannabis policy working group to provide continuous dialogue and policy coordination.

- b. Host annual or semiannual training sessions for municipal staff on zoning, referendums, tax tracking, and enforcement.

**8. Support Youth Protection and Public Health Strategies**

- a. Create youth-focused prevention toolkits for local health departments and schools.
- b. Fund community programs using a portion of 3% Municipal Sales tax, especially in disproportionately impacted areas.

