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By **Stephen Singer**
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Tiana Hercules faces stiff competition as she seeks to launch a retail cannabis business in Hartford or New London.

The mother of three who is looking to “change the economic trajectory of their future” has submitted one of nearly 3,300 retail applications, as of Thursday, and is seeking a state license to be a cannabis food and beverage manufacturer.

Hercules, a lawyer and Hartford city councilwoman, also is applying for a cultivation license in a disproportionately impacted area, a program established to compensate for treatment of underrepresented communities during the government’s war on drugs.

“It’s a true opportunity to enter on the business side and great potential to the community and how revenue from an industry can be reinvested in the community,” she said of the enterprise she named Lady Jane.

Hercules refers to “conscious cannabis consumption” she says can help users alleviate pain, anxiety, depression, stress and increase sexual satisfaction.

“It’s the reason why people are using cannabis or plants,” she said.

Deadlines are approaching for applications

The outlines of Connecticut’s newest industry are taking shape less than a year after Gov. Ned Lamont [signed legislation](#) authorizing the sale of recreational marijuana for adults.

Advocates and their allies in the General Assembly struggled for years to legalize marijuana. They stumbled in their first steps when then-Gov. M. Jodi Rell vetoed legislation in 2007 that would have allowed medical marijuana.

It wasn't until 2012 that medical marijuana became legal in the state, and Connecticut became the 19th state last year to legalize adult-use cannabis. Since July 1, 2021, adults 21 or older could purchase and possess up to 1.5 ounces of marijuana, or up to 5 ounces locked at home or in a vehicle's glove box or trunk.

The opportunity to open a cannabis retail business is the most popular among the various operations involved in growing, distributing and selling marijuana. The prospect of opening a store has drawn [nearly 2,000 applications](#) to the Social Equity Council that seeks to promote cannabis business in Black and other underrepresented communities. More than 1,200 applications in the general lottery for retail have been submitted.

Another 1,542 applications have been received for lotteries that will decide who will operate seven other types of cannabis businesses: delivery service, food and beverage manufacturer, micro-cultivator, cannabis product manufacturer, packager, transporter and medical hybrid retailer.

Just 56 licenses are available. Split evenly between general licenses and those for Social Equity businesses, 12 will be available for retailers; four each for micro-cultivators and hybrid (adult and medical use) retailers, 10 each for delivery service and food and beverage businesses, six each for packagers and manufacturers and four for transporters.

A 'very small chance' for applicants

Not all applications are submitted by one individual; several may be submitted by one company. The state will run other lotteries this year, but because few licenses are now available and thousands of applications have been submitted, with more on the way, the odds are slim that an entrepreneur will get a license in the first round.

"Each applicant has a very small chance. But it's the same chance as anyone else being selected," said Sarah Westby, co-chair of the Cannabis Industry Team at the law firm Shipman & Goodwin.

With large, well-funded operations submitting numerous applications, the process appears unfair, she said. But another view is that there's less opportunity for corruption or for politicians and state employees to influence the application process, Westby said.

Kaitlyn Krasselt, spokeswoman for the state Department of Consumer Protection, said applicants who are selected in the lottery will get a provisional license. The business owner will then have 14 months to get the business operating and then receive a final license, she said.

Some businesses will be up and running this year, Krasselt said.

DeVaughn Ward, senior legislative counsel at Marijuana Policy Project, an advocacy group, questioned the fairness of Connecticut's program. Just six retail licenses are available for social equity businesses.

"Is that necessarily fair? Is that equitable?" he asked.

Ward said an absence of marketing and "a lot of red tape" have thrown obstacles in the path of applicants, particularly for the social equity lottery.

"No state has gotten it right," he said.

Elizabeth Marks, a partner in the assurance services department at Marcum Accountants and Advisors, said access to capital is a challenge for social equity cannabis businesses. She's also heard complaints about "significant fees."

"It's one of the biggest hurdles," she said.

Applicants for retail cannabis business social equity licenses must pay [\\$250 to participate](#) in the lottery. If they're selected, they can expect to pay \$2,500 for a provisional license and \$12,500 for a business license at the end of the process.

For the general lottery, the fees are twice that amount.

It's complicated

Marc Shepard, founder and president of [NECANN](#), which organizes cannabis conventions, said standing up a new industry is complicated.

"It's not like you press a button and there are 800 liquor stores like there will be 800 cannabis businesses," he said. "People are in government 20, 30, 40 years and can't believe it's legal. They go so slowly and so cautiously."

Cannabis businesses in Maine and Massachusetts began selling three years after being established, Shepard said.

Other businesses will be drawn to Connecticut's emerging cannabis industry. Green Check Verified, a web-based app, connects the cannabis industry with banking and other financial services. Cannabis is the fastest growing consumer package goods segment, with sales expected to outstrip alcohol in two years, said Kevin Hart, founder and chief executive officer of Green Check Verified.

Green Check Verified does business at the state level where cannabis is legal. It's working with medical marijuana dispensaries in Connecticut that are connected to financial institutions, and nationally it processed \$685 million in the first quarter, Hart said.

“There are billions upon billions of dollars in cardboard boxes, suitcases under the bed, third-party storage facilities, etc.,” he said. “This money has to be brought in safely and with compliance into the U.S. banking system.”

Connecticut continues to tinker with cannabis businesses. The House of Representatives has approved two measures: banning cannabis gifts with the purchase of a novelty item such as a T-shirt and preventing advertising in the state by anyone without a Connecticut cannabis-related license.

The bills must clear the Senate before heading to the governor.

“It’s a new business. People think the demand is there,” said Rep. Holly Cheeseman, an East Lyme Republican and opponent of legal marijuana. “I continue to have my doubts about this.”

Hercules is invested in Connecticut’s drive to establish a cannabis industry and is taking her chances.

“I think everybody has a lot of uncertainty about the lottery and what the Social Equity Council will approve,” she said. “Your name may not be selected. We’re putting up our best efforts.”

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