

Cannabis Fact Sheet (February 2025)

Revenues:

Cannabis revenues include a [cannabis excise tax](#), the 6.35% state sales tax, a 3% [municipal sales tax](#), and [associated licensing and fees](#). The first table below provides cannabis revenues by type, FY 24 actual collections and FY 25 – 28 projections (as of January 2025). The second table provides the revenues by fund.

Cannabis Revenues (in millions of dollars)

By Revenue Type	Fund Recipient	FY 24 Actual	FY 25	FY 26	FY 27	FY 28
State Cannabis Tax	SEIF; PRSF; GF	21.3	22.4	23.5	24.7	25.9
State Sales Tax (6.35%)	GF; STF; MRSF	11.7	13.8	14.5	15.2	16.0
Municipal Sales Tax (3%)	Municipal	5.5	6.5	6.9	7.2	7.6
Licensing/Conversion Fees	GF; SEIF	10.9	6.0	3.1	3.2	3.2
Total		49.4	48.7	48.0	50.3	52.7

By Fund	Revenue Source	FY 24 Actual	FY 25	FY 26	FY 27	FY 28
Social Equity and Innovation Fund (SEIF)	Cannabis excise tax; conversion fees	20.8	16.4	14.1	16.1	16.8
Prevention and Recovery Services Fund (PRSF)	Cannabis excise tax	5.3	5.6	5.9	6.2	6.5
General Fund (GF)	Cannabis excise tax; state sales tax; licensing fees	16.0	18.0	18.8	18.4	19.3
Special Transportation Fund (STF)	State sales tax	0.9	1.1	1.1	1.2	1.3
Municipal Revenue Sharing Fund (MRSF)	State sales tax	0.9	1.1	1.1	1.2	1.3
Total State Impact		43.9	42.2	41.1	43.1	45.1
Municipal Sales Tax	Municipal Sales Tax	5.5	6.5	6.9	7.2	7.6
Total - State and Municipal Impact		49.4	48.7	48.0	50.3	52.7

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The cannabis excise tax is distributed across three funds and in FY 22 and FY 23 to the former Cannabis Regulatory and Investment Account. The table below provides the distribution breakout.

Cannabis Tax Distribution

Fund/Account	FY 22	FY 23	FY 24-26	FY 27-28	FY 29+
Cannabis Regulatory and Investment Account	100%	100%	-	-	-
General Fund	-	-	15%	10%	-
Social Equity and Innovation Fund	-	-	60%	65%	75%
Prevention and Recovery Services Fund	-	-	25%	25%	25%

Expenditures:

Cannabis related expenditures occur in three separate funds: the Cannabis Regulatory Fund, the Social Equity and Innovation Fund, and the Prevention and Recovery Services Fund.

Cannabis Regulatory Fund:

The Cannabis Regulatory Fund (CRF) provides funding to ten agencies (DCP, DPS, DOT, DMV, DRS, DPH, OAG, AES, UHC, DECD) to cover the costs of implementing the authorized activities under the Responsible and Equitable Regulation of Adult-Use Cannabis Act (RERACA). The fund is supported by a transfer from the General Fund in FY 24 and FY 25.¹

Below is a table showing the expenditures by agency for FY 24, as reported by CORE-CT, and the appropriation by agency for FY 25 for the Cannabis Regulatory Fund.

Cannabis Regulatory Fund (in millions)

Agency	Description	FY 24 \$ Expend.	FY 25 \$ Approp.
DCP	Licensing, enforcement, product safety, health reporting, outreach, and administration	4.6	6.0

¹Section 384 of PA 23-204 (the budget bill) requires a \$10.1 million in FY 24 and \$10.3 million in FY 25 transfer from the General Fund to the Cannabis Regulatory Fund.

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Agency	Description	FY 24 \$ Expend.	FY 25 \$ Approp.
DESPP	Drug Recognition Experts (DRE) and Advanced Roadside Impaired Driving Enforcement (ARIDE) training	0.2	1.2
DOT	Drugged driving outreach and classes to increase the number of ARIDE and DRE certified officers	0.6	0.6
DMV	Behavior-based administrative license suspensions for drug-impaired drivers	0.5	0.5
DRS	Revenue examination and enforcement	0.05	0.5
DPH	Public health surveillance	0.3	0.5
OAG	Regulation review, and support enforcement, including violations of the Connecticut Unfair Trade Practices Act	0.3	0.4
AES	Regulatory lab testing to ensure safe consumption	0.3	0.3
UCHC	Increased poison control call volumes and reporting requirements	0.2	0.2
DECD	Workforce development coordinator for cannabis industry	0.05	0.1
Total Cannabis Regulatory Fund		7.1	10.3
Total Positions		91	91

Social Equity and Innovation Fund:

This fund supports the administrative costs of the Social Equity Council (SEC). Established under PA 21-1 JSS, the SEC's stated mission is to ensure that the adult-use cannabis program is grown equitably and that funds from the adult-use cannabis program are brought back to the communities most negatively impacted by the prohibition, criminalization and stigmatization of cannabis and cannabis-related public policies.

This fund is supported by 60% of revenue collected from the cannabis excise tax in FY 24 through FY 26 and 65% in FY 27 through FY 28 and conversion fees.

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Below is a table showing the expenditures by agency for FY 24, as reported by CORE-CT, and the appropriation by agency for FY 25 for the Social Equity and Innovation Fund.

Social Equity and Innovation Fund (in millions)

Agency	Description	FY 24 \$ Expend.	FY 25 \$ Approp
DECD	Administrative costs of the Social Equity Council (SEC).	2.2	10.2
Total Positions		13	13

Prevention and Recovery Services Fund:

Through the Department of Mental Health and Addiction Services, this fund supports (1) substance abuse prevention, treatment, and recovery services and (2) substance abuse data collection and analysis.

This fund is supported by 25% of revenue collected from the cannabis excise tax.

Below is a table showing the expenditures by agency for FY 24, as reported by CORE-CT, and the appropriation by agency for FY 25 for the Prevention and Recovery Services Fund.

Prevention and Recovery Services Fund (in millions)

Agency	Description	FY 24 \$ Expend.	FY 25 \$ Approp
DMHAS	Substance abuse prevention, treatment, and recovery services	2.3	3.4
Total Positions		3	3

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Significant Cannabis Legislation:

[PA 21-1](#), *An Act Concerning Responsible and Equitable Regulation of Adult-Use Cannabis*

[PA 22-146](#) (sections 4 and 5), *An Act Concerning Additional Adjustments to the State Budget for the Biennium Ending June 30, 2023, A Community Ombudsman Program, Certain Municipal-Related Provisions, School Building Project Grants and High-Deductible Health Plans*

[PA 22-118](#) (section 129), *An Act Adjusting the State Budget for the Biennium Ending June 30, 2023, Concerning Provisions Related to Revenue, School Construction and Other Items to Implement the State Budget and Authorizing and Adjusting Bonds of the State*

[PA 23-166](#), *An Act Concerning Hemp, The Adult-Use Cannabis Market and Weather Disaster Relief*

[PA 23-79](#), *An Act Concerning Cannabis Regulation*

[PA 24-115](#), *An Act Concerning the Department of Consumer Protection's Recommendations Regarding Cannabis Regulation*

[PA 24-76](#), *An Act Concerning Cannabis and Hemp Regulation*

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Licensed Cannabis Retail and Dispensary Locations

Map [here](#)

Municipality	Adult-Use Only	Hybrid	Medical Only	Total
BRANFORD	-	1	-	1
Bridgeport	1	2	-	3
Bristol	-	2	-	2
Canton	1	-	-	1
Colchester	1	-	-	1
Cromwell	1	-	-	1
DANBURY	1	1	-	2
Derby	1	-	-	1
East Hartford	1	-	-	1
Enfield	1	-	-	1
GROTON	-	1	-	1
Hamden	3	-	-	3
HARTFORD	2	1	-	3
KILLINGLY	1	-	-	1
Manchester	1	2	-	3
Meriden	-	2	-	2
Middletown	1	-	-	1
Naugatuck	-	1	-	1
New Britain	1	1	-	2
NEW HAVEN	1	1	-	2
New London	1	-	-	1
Newington	-	3	-	3
North Windham	1	-	-	1
Norwalk	3	-	-	3
Norwich	-	1	-	1
Old Saybrook	1	-	-	1
ORANGE	-	1	-	1
PLAINVILLE	1	-	-	1
Putnam	1	-	-	1
SEYMOUR	1	-	-	1
Stamford	-	3	-	3
Stratford	-	1	-	1
Tolland	1	-	-	1

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Municipality	Adult-Use Only	Hybrid	Medical Only	Total
TORRINGTON	1	1	-	2
UNCASVILLE	-	1	-	1
VERNON ROCKVILLE	-	1	-	1
WATERBURY	2	1	-	3
West Hartford	1	1	-	2
WESTPORT	-	-	1	1
WILLIMANTIC	-	1	-	1
Willington	1	-	-	1
Grand Total	33	30	1	64