

PART VV

36 Section 1. This act shall be known and may be cited as the "Cannabis  
37 Regulation and Taxation Act".

38 § 2. A new chapter 7-A of the consolidated laws is added, to read as  
39 follows:

40 CHAPTER 7-A OF THE CONSOLIDATED LAWS  
41 CANNABIS LAW  
42 ARTICLE 1  
43 SHORT TITLE; POLICY OF STATE AND PURPOSE OF CHAPTER;  
44 DEFINITIONS

- 45 Section 1. Short title.
- 46 2. Policy of state and purpose of chapter.
- 47 3. Definitions.

48 § 1. Short Title. This chapter shall be known and may be cited and  
49 referred to as the "cannabis law".

50 § 2. Policy of state and purpose of chapter. It is hereby declared as  
51 policy of the state of New York that it is necessary to properly regu-

1 late and control the cultivation, processing, manufacture, wholesale,  
2 and retail production, distribution, transportation, and sale of canna-  
3 bis, cannabis products, medical cannabis, and hemp cannabis within the  
4 state of New York, for the purposes of fostering and promoting temper-  
5 ance in their consumption, to properly protect the public health, safe-  
6 ty, and welfare, and to promote social equality. It is hereby declared  
7 that such policy will best be carried out by empowering the state office  
8 of cannabis management and its executive director, to determine whether  
9 public convenience and advantage will be promoted by the issuance of  
10 registrations, licenses and/or permits granting the privilege to  
11 produce, distribute, transport, sell, or traffic in cannabis, medical  
12 cannabis, or hemp cannabis, to increase or decrease in the number there-  
13 of and the location of premises registered, licensed, or permitted  
14 thereby, subject only to the right of judicial review hereinafter  
15 provided for. It is the purpose of this chapter to carry out that policy  
16 in the public interest. The restrictions, regulations, and provisions  
17 contained in this chapter are enacted by the legislature for the  
18 protection of the health, safety, and welfare of the people of the  
19 state.

20 § 3. Definitions. Whenever used in this chapter, unless otherwise  
21 expressly stated or unless the context or subject matter requires a  
22 different meaning, the following terms shall have the representative  
23 meanings hereinafter set forth or indicated:

24 1. "Applicant" means a for-profit entity or not-for-profit corporation  
25 and includes: board members, officers, managers, owners, partners, prin-  
26 cipal stakeholders and members who submit an application to become a  
27 registered organization, licensee or permittee.

28 2. "Bona fide cannabis retailer association" shall mean an association  
29 of retailers holding licenses under this chapter, organized under the  
30 non-profit or not-for-profit laws of this state.

31 3. "Cannabis" means all parts of the plant of the genus cannabis,  
32 whether growing or not; the seeds thereof; the resin extracted from any  
33 part of the plant; and every compound, manufacture, salt, derivative,  
34 mixture, or preparation of the plant, its seeds or resin.

35 4. "Concentrated cannabis" means: (a) the separated resin, whether  
36 crude or purified, obtained from a plant of the genus cannabis; or (b) a  
37 material, preparation, mixture, compound or other substance which  
38 contains more than three percent by weight of delta-9 tetrahydrocannabi-  
39 nol, or its isomer, delta-8 dibenzopyran numbering system, or delta-1  
40 tetrahydrocannabinol or its isomer, delta 1 (6) monoterpene numbering  
41 system.

42 5. "Cannabis consumer" means a person, twenty-one years of age or  
43 older, who purchases cannabis or cannabis products for personal use by  
44 persons twenty-one years of age or older, but not for resale to others.

45 6. "Adult-use cannabis processor" means a person licensed by the  
46 office to purchase cannabis and concentrated cannabis from cannabis  
47 cultivators, to process cannabis, concentrated cannabis, and cannabis  
48 infused products, package and label cannabis, concentrated cannabis and  
49 cannabis infused products for sale in retail outlets, and sell cannabis,  
50 concentrated cannabis and cannabis infused products at wholesale to  
51 licensed adult-use cannabis distributors.

52 7. "Cannabis product" or "adult-use cannabis" means cannabis, concen-  
53 trated cannabis, and cannabis-infused products for use by a cannabis  
54 consumer.

55 8. "Adult-use cannabis retail dispenser" means a person licensed by  
56 the executive director to purchase cannabis, concentrated cannabis, and

1 cannabis-infused products from cannabis processors and cannabis distrib-  
2 utors, and sell cannabis, concentrated cannabis and cannabis-infused  
3 products in a retail outlet.

4 9. "Certified medical use" means the acquisition, possession, use, or  
5 transportation of medical cannabis by a certified patient, or the acqui-  
6 sition, possession, delivery, transportation or administration of  
7 medical cannabis by a designated caregiver or designated caregiver  
8 facility, for use as part of the treatment of the patient's serious  
9 condition, as authorized in a certification under this chapter including  
10 enabling the patient to tolerate treatment for the serious condition.

11 10. "Caring for" means treating a patient, in the course of which the  
12 practitioner has completed a full assessment of the patient's medical  
13 history and current medical condition.

14 11. "Certified patient" means a patient who is a resident of New York  
15 state or receiving care and treatment in New York state as determined by  
16 the executive director in regulation, and is certified under section  
17 thirty of this chapter.

18 12. "Certification" means a certification, made under this chapter.

19 13. "Cultivation" shall include, the planting, growing, cloning,  
20 harvesting, drying, curing, grading and trimming of cannabis, or such  
21 other cultivation related processes as determined by the executive  
22 director in regulation.

23 14. "Executive director" means the executive director of the office of  
24 cannabis management.

25 15. "Convicted" and "conviction" include and mean a finding of guilt  
26 resulting from a plea of guilty, the decision of a court or magistrate  
27 or the verdict of a jury, irrespective of the pronouncement of judgment  
28 or the suspension thereof.

29 16. "Designated caregiver" means an individual designated by a certi-  
30 fied patient in a registry application. A certified patient may desig-  
31 nate up to five designated caregivers.

32 17. "Designated caregiver facility" means a general hospital or resi-  
33 dential health care facility operating pursuant to article twenty-eight  
34 of the public health law; an adult care facility operating pursuant to  
35 title two of article seven of the social services law; a community  
36 mental health residence established pursuant to section 41.44 of the  
37 mental hygiene law; a hospital operating pursuant to section 7.17 of the  
38 mental hygiene law; a mental hygiene facility operating pursuant to  
39 article thirty-one of the mental hygiene law; an inpatient or residen-  
40 tial treatment program certified pursuant to article thirty-two of the  
41 mental hygiene law; a residential facility for the care and treatment of  
42 persons with developmental disabilities operating pursuant to article  
43 sixteen of the mental hygiene law; a residential treatment facility for  
44 children and youth operating pursuant to article thirty-one of the  
45 mental hygiene law; a private or public school; research institution  
46 with an internal review board; or any other facility as determined by  
47 the executive director in regulation; that registers with the office of  
48 cannabis management to assist one or more certified patients with the  
49 acquisition, possession, delivery, transportation or administration of  
50 medical cannabis.

51 18. "Felony" means any criminal offense classified as a felony under  
52 the laws of this state or any criminal offense committed in any other  
53 state, district, or territory of the United States and classified as a  
54 felony therein which if committed within this state, would constitute a  
55 felony in this state.

1 19. "Form of medical cannabis" means characteristics of the medical  
2 cannabis recommended or limited for a particular certified patient,  
3 including the method of consumption and any particular strain, variety,  
4 and quantity or percentage of cannabis or particular active ingredient.

5 20. "Government agency" means any office, division, board, bureau,  
6 commission, office, agency, authority or public corporation of the state  
7 or federal government or a county, city, town or village government  
8 within the state.

9 21. "Industrial hemp" means the plant *Cannabis sativa* L. and any part  
10 of such plant, including the seeds thereof and all derivatives,  
11 extracts, cannabinoids, isomers, acids, salts, and salts of isomers,  
12 whether growing or not, with a delta-9 tetrahydrocannabinol concen-  
13 tration of not more than three-tenths of one percent on a dry weight  
14 basis, used or intended for an industrial purpose or those food and/or  
15 food ingredients that are generally recognized as safe, as further  
16 defined and regulated in the agriculture and markets law.

17 22. "Hemp cannabis" means the plant *Cannabis sativa* L. and any part of  
18 such plant, including the seeds thereof and all derivatives, extracts,  
19 cannabinoids, isomers, acids, salts, and salts of isomers, whether grow-  
20 ing or not, with a delta-9 tetrahydrocannabinol concentration of not  
21 more than an amount determined by the office in regulation, used or  
22 intended for human or animal consumption or use for its cannabinoid  
23 content, as determined by the executive director in regulation. Hemp  
24 cannabis excludes industrial hemp used or intended exclusively for an  
25 industrial purpose and those food and/or food ingredients that are  
26 generally recognized as safe, as governed by the Agriculture and Markets  
27 Law, and shall not be regulated as "hemp" or "hemp cannabis" within the  
28 meaning of this section.

29 23. "Cannabinoid grower" means a person licensed by the office, and in  
30 compliance with article twenty-nine of the agriculture and markets law,  
31 to acquire, possess, cultivate, and sell hemp cannabis for its cannabi-  
32 noid content.

33 24. "Cannabinoid extractor" means a person licensed by the office to  
34 acquire, possess, extract and manufacture hemp cannabis from licensed  
35 cannabinoid growers for the manufacture and sale of hemp cannabis  
36 products marketed for cannabinoid content and used or intended for human  
37 or animal consumption or use.

38 25. "Individual dose" means a single measure of raw cannabis, medical  
39 cannabis or non-infused concentrate or medical concentrate.

40 26. "Labor peace agreement" means an agreement between an entity and a  
41 labor organization that, at a minimum, protects the state's proprietary  
42 interests by prohibiting labor organizations and members from engaging  
43 in picketing, work stoppages, boycotts, and any other economic interfer-  
44 ence with the registered organization or licensee's business.

45 27. "License" means a license issued pursuant to this chapter.

46 28. "Medical cannabis" means cannabis as defined in subdivision three  
47 of this section, intended for a certified medical use, as determined by  
48 the executive director in consultation with the commissioner of health.

49 30. "Office" or "office of cannabis management" means the New York  
50 state office of cannabis management.

51 31. "Permit" means a permit issued pursuant to this chapter.

52 32. "Permittee" means any person to whom a permit has been issued  
53 pursuant to this chapter.

54 33. "Person" means individual, institution, corporation, government or  
55 governmental subdivision or agency, business trust, estate, trust, part-  
56 nership or association, or any other legal entity.

1 34. "Practitioner" means a practitioner who: (i) is authorized to  
2 prescribe controlled substances within the state, (ii) by training or  
3 experience is qualified to treat a serious condition as defined in  
4 subdivision forty-four of this section; and (iii) completes, at a mini-  
5 mum, a two-hour course as determined by the executive director in regu-  
6 lation; provided however, the executive director may revoke a practi-  
7 tioner's ability to certify patients for cause.

8 35. "Processing" includes, blending, extracting, infusing, packaging,  
9 labeling, branding and otherwise making or preparing cannabis products,  
10 or such other related processes as determined by the executive director  
11 in regulation. Processing shall not include the cultivation of cannabis.

12 36. "Public place" means a public place as defined in regulation by  
13 the executive director.

14 37. "Registered organization" means an organization registered under  
15 article three of this chapter.

16 38. "Registry application" means an application properly completed and  
17 filed with the office of cannabis management by a certified patient  
18 under article three of this chapter.

19 39. "Registry identification card" means a document that identifies a  
20 certified patient or designated caregiver, as provided under section  
21 thirty-two of this chapter.

22 40. "Retail sale" or "sale at retail" means a sale to a consumer or to  
23 any person for any purpose other than for resale.

24 41. "Retailer" means any person who sells at retail any cannabis prod-  
25 uct, the sale of which a license is required under the provisions of  
26 this chapter.

27 42. "Sale" means any transfer, exchange or barter in any manner or by  
28 any means whatsoever, and includes and means all sales made by any  
29 person, whether principal, proprietor, agent, servant or employee of any  
30 cannabis product.

31 43. "To sell" includes to solicit or receive an order for, to keep or  
32 expose for sale, and to keep with intent to sell and shall include the  
33 transportation or delivery of any cannabis product in the state.

34 44. "Serious condition" means having one of the following severe  
35 debilitating or life-threatening conditions: cancer, positive status for  
36 human immunodeficiency virus or acquired immune deficiency syndrome,  
37 amyotrophic lateral sclerosis, Parkinson's disease, multiple sclerosis,  
38 damage to the nervous tissue of the spinal cord with objective neurolog-  
39 ical indication of intractable spasticity, epilepsy, inflammatory bowel  
40 disease, neuropathies, Huntington's disease, post-traumatic stress  
41 disorder, pain that degrades health and functional capability where the  
42 use of medical cannabis is an alternative to opioid use, substance use  
43 disorder, Alzheimer's, muscular dystrophy, dystonia, rheumatoid arthri-  
44 tis, autism, any condition authorized as part of a cannabis research  
45 license, or any other condition as added by the executive director.

46 45. "Traffic in" includes to cultivate, process, manufacture, distrib-  
47 ute or sell any cannabis, cannabis product, medical cannabis or hemp at  
48 wholesale or retail.

49 46. "Terminally ill" means an individual has a medical prognosis that  
50 the individual's life expectancy is approximately one year or less if  
51 the illness runs its normal course.

52 47. "Wholesale sale" or "sale at wholesale" means a sale to any person  
53 for purposes of resale.

54 48. "Distributor" means any person who sells at wholesale any cannabis  
55 product, except medical cannabis, for the sale of which a license is  
56 required under the provisions of this chapter.

1 49. "Warehouse" means and includes a place in which cannabis products  
2 are housed or stored.

3 ARTICLE 2  
4 NEW YORK STATE OFFICE OF CANNABIS MANAGEMENT

5 Section 9. Establishment of an office of cannabis management.

6 10. Executive director.

7 11. Executive director's authority.

8 12. Rulemaking authority.

9 13. State cannabis advisory board.

10 14. Disposition of moneys received for license fees.

11 15. Legal presumptions.

12 16. Violations of cannabis laws or regulations; penalties and  
13 injunctions.

14 17. Formal hearings; notice and procedure.

15 18. Ethics, transparency and accountability.

16 19. Public health management campaign.

17 § 9. Establishment of an office of cannabis management. Pursuant to a  
18 chapter of the laws of two thousand nineteen which added this chapter,  
19 there is hereby established, within the division of alcoholic beverage  
20 control, an independent office of cannabis management, which shall have  
21 exclusive jurisdiction to exercise the powers and duties provided by  
22 this chapter. The office shall exercise its authority by and through an  
23 executive director.

24 § 10. Executive director. The executive director of the state office  
25 of cannabis management shall receive an annual salary not to exceed an  
26 amount appropriated therefor by the legislature and his or her expenses  
27 actually and necessarily incurred in the performance of his official  
28 duties, unless otherwise provided by the legislature.

29 § 11. Functions, powers and duties of the office and executive direc-  
30 tor. The office of cannabis management, by and through its executive  
31 director, shall have the following powers and duties:

32 1. To issue or refuse to issue any registration, license or permit  
33 provided for in this chapter.

34 2. To limit, or not to limit, in the executive director's discretion,  
35 the number of registrations, licenses and permits of each class to be  
36 issued within the state or any political subdivision thereof, and in  
37 connection therewith to prohibit the acceptance of applications for such  
38 classes which have been so limited.

39 3. To revoke, cancel or suspend for cause any registration, license,  
40 or permit issued under this chapter and/or to impose a civil penalty for  
41 cause against any holder of a registration, license, or permit issued  
42 pursuant to this chapter. Any civil penalty so imposed shall be in addi-  
43 tion to and separate and apart from the terms and provisions of the bond  
44 required pursuant to section thirty-six of this chapter.

45 4. To fix by rule the standards of cultivation and processing of  
46 medical cannabis, adult use cannabis and hemp cannabis, including but  
47 not limited to, the ability to regulate potency and the types of  
48 products which may be manufactured and/or processed, in order to ensure  
49 the health and safety of the public and the use of proper ingredients  
50 and methods in the manufacture of all cannabis and hemp cannabis to be  
51 sold or consumed in the state.

52 5. To hold hearings, subpoena witnesses, compel their attendance,  
53 administer oaths, to examine any person under oath and in connection  
54 therewith to require the production of any books or records relative to

1 the inquiry. A subpoena issued under this section shall be regulated by  
2 the civil practice law and rules.

3 6. To limit or prohibit, at any time of public emergency and without  
4 previous notice or advertisement, the cultivation, processing, distrib-  
5 ution or sale of any or all cannabis products, medical cannabis or hemp  
6 cannabis, for and during the period of such emergency.

7 7. To appoint any necessary directors, deputies, counsels, assistants,  
8 investigators, and other employees within the limits provided by appro-  
9 priation. Investigators so employed by the office shall be deemed to be  
10 peace officers for the purpose of enforcing the provisions of the canna-  
11 bis control law or judgements or orders obtained for violation thereof,  
12 with all the powers set forth in section 2.20 of the criminal procedure  
13 law.

14 8. To remove any employee of the office for cause, after giving such  
15 employee a copy of the charges against him or her in writing, and an  
16 opportunity to be heard thereon. Any action taken under this subdivision  
17 shall be subject to and in accordance with the civil service law.

18 9. To inspect or provide for the inspection at any time of any prem-  
19 ises where cannabis or hemp cannabis is cultivated, processed, stored,  
20 distributed or sold.

21 10. To prescribe forms of applications for registrations, licenses and  
22 permits under this chapter and of all reports deemed necessary by the  
23 office.

24 11. To delegate the powers provided in this section to such other  
25 officers or employees or other state agencies as may be deemed appropri-  
26 ate by the executive director.

27 12. To appoint such advisory groups and committees as the executive  
28 director deems necessary to provide assistance to the office to carry  
29 out the purposes and objectives of this chapter.

30 13. To exercise the powers and perform the duties in relation to the  
31 administration of the office as are necessary but not specifically vest-  
32 ed by this chapter, including but not limited to budgetary and fiscal  
33 matters.

34 14. To develop and establish minimum criteria for certifying employees  
35 to work in the cannabis industry, including the establishment of a  
36 cannabis workers certification program.

37 15. To enter into contracts, memoranda of understanding, and agree-  
38 ments as deemed appropriate by the executive director to effectuate the  
39 policy and purpose of this chapter.

40 16. To issue and administer low interest or zero-interest loans to  
41 qualified social equity applicants provided the office has sufficient  
42 funds available for such purposes.

43 17. If the executive director finds that public health, safety, or  
44 welfare imperatively requires emergency action, and incorporates a find-  
45 ing to that effect in an order, summary suspension of a license may be  
46 ordered, effective on the date specified in such order or upon service  
47 of a certified copy of such order on the licensee, whichever shall be  
48 later, pending proceedings for revocation or other action. These  
49 proceedings shall be promptly instituted and determined. In addition,  
50 the executive director may order the administrative seizure of product,  
51 issue a stop order, or take any other action necessary to effectuate and  
52 enforce the policy and purpose of this chapter.

53 18. To issue regulations, declaratory rulings, guidance and industry  
54 advisories.

55 § 12. Rulemaking authority. 1. The office shall perform such acts,  
56 prescribe such forms and propose such rules, regulations and orders as

1 it may deem necessary or proper to fully effectuate the provisions of  
2 this chapter.

3 2. The office shall have the power to promulgate any and all necessary  
4 rules and regulations governing the production, processing, transporta-  
5 tion, distribution, and sale of medical cannabis, recreational cannabis,  
6 and hemp cannabis, including but not limited to the registration of  
7 organizations authorized to traffic in medical cannabis, the licensing  
8 and/or permitting of adult-use cannabis cultivators, processors, cooper-  
9 atives, distributors, and retail dispensaries, and the licensing of  
10 cannabinoid growers and extractors, including, but not limited to:

11 (a) prescribing forms and establishing application, reinstatement, and  
12 renewal fees;

13 (b) the qualifications and selection criteria for registration,  
14 licensing, or permitting;

15 (c) the books and records to be created and maintained by registered  
16 organizations, licensees, and permittees, including the reports to be  
17 made thereon to the office, and inspection of any and all books and  
18 records maintained by any registered organization, licensee, or permittee  
19 and on the premise of any registered organization, licensee, or permit-  
20 tee;

21 (d) methods of producing, processing, and packaging cannabis, medical  
22 cannabis, cannabis-infused products, concentrated cannabis, and hemp  
23 cannabis; conditions of sanitation, and standards of ingredients, quality,  
24 and identity of cannabis products cultivated, processed, packaged,  
25 or sold by registered organizations and licensees;

26 (e) security requirements for adult-use cannabis retail dispensaries  
27 and premises where cannabis products, medical cannabis, and hemp canna-  
28 bis, are cultivated, produced, processed, or stored, and safety proto-  
29 cols for registered organizations, licensees and their employees; and

30 (f) hearing procedures and additional causes for cancellation, revoca-  
31 tion, and/or civil penalties against any person registered, licensed, or  
32 permitted by the authority.

33 3. The office shall promulgate rules and regulations that are calcu-  
34 lated to:

35 (a) prevent the distribution of adult-use cannabis to persons under  
36 twenty-one years of age;

37 (b) prevent the revenue from the sale of cannabis from going to crimi-  
38 nal enterprises, gangs, and cartels;

39 (c) prevent the diversion of cannabis from this state to other states;

40 (d) prevent cannabis activity that is legal under state law from being  
41 used as a cover or pretext for the trafficking of other illegal drugs or  
42 other illegal activity;

43 (e) prevent violence and the use of firearms in the cultivation and  
44 distribution of cannabis;

45 (f) prevent drugged driving and the exacerbation of other adverse  
46 public health consequences associated with the use of cannabis;

47 (g) prevent the growing of cannabis on public lands and the attendant  
48 public safety and environmental dangers posed by cannabis production on  
49 public lands; and

50 (h) prevent the possession and use of cannabis on federal property.

51 4. The office, in consultation with the department of agriculture and  
52 markets and the department of environmental conservation, shall promul-  
53 gate necessary rules and regulations governing the safe production of  
54 cannabis, including environmental and energy standards and restrictions  
55 on the use of pesticides.



1 § 13. State cannabis advisory board. 1. The executive director shall  
2 have the authority to establish within the office a state cannabis advi-  
3 sory board, which may advise the office on cannabis cultivation, proc-  
4 essing, distribution, transport, testing and sale and consider all  
5 matters submitted to it by the executive director.

6 2. The executive director of the office shall serve as the chairperson  
7 of the board. The vice chairperson shall be elected from among the  
8 members of the board by the members of such board, and shall represent  
9 the board in the absence of the chairperson at all official board func-  
10 tions.

11 3. The members of the board shall receive no compensation for their  
12 services but shall be allowed their actual and necessary expenses  
13 incurred in the performance of their duties as board members.

14 4. The executive director shall be authorized to promulgate regu-  
15 lations establishing the number of members on the board, the term of the  
16 board members and any other terms or conditions regarding the state  
17 cannabis advisory board.

18 § 14. Disposition of moneys received for license fees. The office  
19 shall establish a scale of application, licensing, and renewal fees,  
20 based upon the cost of enforcing this chapter and the size of the canna-  
21 bis business being licensed, as follows:

22 1. The office shall charge each registered organization, licensee and  
23 permittee a registration, licensure or permit fee, and renewal fee, as  
24 applicable. The fees may vary depending upon the nature and scope of  
25 the different registration, licensure and permit activities.

26 2. The total fees assessed pursuant to this chapter shall be set at an  
27 amount that will generate sufficient total revenue to, at a minimum,  
28 fully cover the total costs of administering this chapter.

29 3. All registration and licensure fees shall be set on a scaled basis  
30 by the office, dependent on the size of the business.

31 4. The office shall deposit all fees collected in the New York state  
32 cannabis revenue fund established pursuant to section ninety-nine-ff of  
33 the state finance law.

34 § 15. Legal presumptions. The action, proceedings, authority, and  
35 orders of the office in enforcing the provisions of the cannabis law and  
36 applying them to specific cases shall at all times be regarded as in  
37 their nature judicial, and shall be treated as prima facie just and  
38 legal.

39 § 16. Violations of cannabis laws or regulations; penalties and  
40 injunctions. 1. A person who willfully violates any provision of this  
41 chapter, or any regulation lawfully made or established by any public  
42 officer under authority of this chapter, the punishment for violating  
43 which is not otherwise prescribed by this chapter or any other law, is  
44 punishable by imprisonment not exceeding one year, or by a fine not  
45 exceeding five thousand dollars or by both.

46 2. Any person who violates, disobeys or disregards any term or  
47 provision of this chapter or of any lawful notice, order or regulation  
48 pursuant thereto for which a civil penalty is not otherwise expressly  
49 prescribed by law, shall be liable to the people of the state for a  
50 civil penalty of not to exceed five thousand dollars for every such  
51 violation.

52 3. The penalty provided for in subdivision one of this section may be  
53 recovered by an action brought by the executive director in any court of  
54 competent jurisdiction.

1 4. Nothing in this section shall be construed to alter or repeal any  
2 existing provision of law declaring such violations to be misdemeanors  
3 or felonies or prescribing the penalty therefor.

4 5. Such civil penalty may be released or compromised by the executive  
5 director before the matter has been referred to the attorney general,  
6 and where such matter has been referred to the attorney general, any  
7 such penalty may be released or compromised and any action commenced to  
8 recover the same may be settled and discontinued by the attorney general  
9 with the consent of the executive director.

10 6. It shall be the duty of the attorney general upon the request of  
11 the executive director to bring an action for an injunction against any  
12 person who violates, disobeys or disregards any term or provision of  
13 this chapter or of any lawful notice, order or regulation pursuant ther-  
14 eto; provided, however, that the executive director shall furnish the  
15 attorney general with such material, evidentiary matter or proof as may  
16 be requested by the attorney general for the prosecution of such an  
17 action.

18 7. It is the purpose of this section to provide additional and cumula-  
19 tive remedies, and nothing herein contained shall abridge or alter  
20 rights of action or remedies now or hereafter existing, nor shall any  
21 provision of this section, nor any action done by virtue of this  
22 section, be construed as estopping the state, persons or municipalities  
23 in the exercising of their respective rights.

24 § 17. Formal hearings; notice and procedure. 1. The executive direc-  
25 tor, or any person designated by him or her for this purpose, may issue  
26 subpoenas and administer oaths in connection with any hearing or inves-  
27 tigation under or pursuant to this chapter, and it shall be the duty of  
28 the executive director and any persons designated by him or her for such  
29 purpose to issue subpoenas at the request of and upon behalf of the  
30 respondent.

31 2. The executive director and those designated by him or her shall not  
32 be bound by the laws of evidence in the conduct of hearing proceedings,  
33 but the determination shall be founded upon sufficient evidence to  
34 sustain it.

35 3. Notice of hearing shall be served at least fifteen days prior to  
36 the date of the hearing, provided that, whenever because of danger to  
37 the public health, safety or welfare it appears prejudicial to the  
38 interests of the people of the state to delay action for fifteen days,  
39 the executive director may serve the respondent with an order requiring  
40 certain action or the cessation of certain activities immediately or  
41 within a specified period of less than fifteen days.

42 4. Service of notice of hearing or order shall be made by personal  
43 service or by registered or certified mail. Where service, whether by  
44 personal service or by registered or certified mail, is made upon an  
45 incompetent, partnership, or corporation, it shall be made upon the  
46 person or persons designated to receive personal service by article  
47 three of the civil practice law and rules.

48 5. At a hearing, the respondent may appear personally, shall have the  
49 right of counsel, and may cross-examine witnesses against him or her and  
50 produce evidence and witnesses in his or her behalf.

51 6. Following a hearing, the executive director may make appropriate  
52 determinations and issue a final order in accordance therewith.

53 7. The executive director may adopt, amend and repeal administrative  
54 rules and regulations governing the procedures to be followed with  
55 respect to hearings, such rules to be consistent with the policy and

1 purpose of this chapter and the effective and fair enforcement of its  
2 provisions.

3 8. The provisions of this section shall be applicable to all hearings  
4 held pursuant to this chapter, except where other provisions of this  
5 chapter applicable thereto are inconsistent therewith, in which event  
6 such other provisions shall apply.

7 § 18. Ethics, transparency and accountability. No member of the  
8 office or any officer, deputy, assistant, inspector or employee thereof  
9 shall have any interest, direct or indirect, either proprietary or by  
10 means of any loan, mortgage or lien, or in any other manner, in or on  
11 any premises where cannabis, medical cannabis or hemp is cultivated,  
12 processed, distributed or sold; nor shall he or she have any interest,  
13 direct or indirect, in any business wholly or partially devoted to the  
14 cultivation, processing, distribution, sale, transportation or storage  
15 of cannabis, medical cannabis or hemp, or own any stock in any corpo-  
16 ration which has any interest, proprietary or otherwise, direct or indi-  
17 rect, in any premises where cannabis, medical cannabis or hemp is culti-  
18 vated, processed, distributed or sold, or in any business wholly or  
19 partially devoted to the cultivation, processing, distribution, sale,  
20 transportation or storage of cannabis, medical cannabis or hemp, or  
21 receive any commission or profit whatsoever, direct or indirect, from  
22 any person applying for or receiving any license or permit provided for  
23 in this chapter, or hold any other elected or appointed public office in  
24 the state or in any political subdivision. Anyone who violates any of  
25 the provisions of this section shall be removed or shall divulge him or  
26 herself of such direct or indirect interests.

27 § 19. Public health campaign. The office, in consultation with the  
28 commissioners of the department of health, office of alcoholism and  
29 substance abuse services and office of mental health, shall develop and  
30 implement a comprehensive public health campaign regarding adult-use  
31 cannabis.

32 ARTICLE 3  
33 MEDICAL CANNABIS

34 Section 30. Certification of patients.

- 35 31. Lawful medical use.
- 36 32. Registry identification cards.
- 37 33. Registration as a designated caregiver facility.
- 38 34. Registered organizations.
- 39 35. Registering of registered organizations.
- 40 36. Expedited registration of registered organizations.
- 41 37. Reports of registered organizations.
- 42 38. Evaluation; research programs; report by office.
- 43 39. Cannabis research license.
- 44 40. Registered organizations and adult-use cannabis.
- 45 41. Home cultivation of medical cannabis.
- 46 42. Relation to other laws.
- 47 43. Protections for the medical use of cannabis.
- 48 44. Regulations.
- 49 45. Suspend; terminate.
- 50 46. Pricing.
- 51 47. Severability.

52 § 30. Certification of patients. 1. A patient certification may only  
53 be issued if:

1 (a) the patient has a serious condition, which shall be specified in  
2 the patient's health care record;

3 (b) the practitioner by training or experience is qualified to treat  
4 the serious condition;

5 (c) the patient is under the practitioner's continuing care for the  
6 serious condition; and

7 (d) in the practitioner's professional opinion and review of past  
8 treatments, the patient is likely to receive therapeutic or palliative  
9 benefit from the primary or adjunctive treatment with medical use of  
10 cannabis for the serious condition.

11 2. The certification shall include: (a) the name, date of birth and  
12 address of the patient; (b) a statement that the patient has a serious  
13 condition and the patient is under the practitioner's care for the seri-  
14 ous condition; (c) a statement attesting that all requirements of subdi-  
15 vision one of this section have been satisfied; (d) the date; and (e)  
16 the name, address, telephone number, and the signature of the certifying  
17 practitioner. The executive director may require by regulation that the  
18 certification shall be on a form provided by the office. The practition-  
19 er may state in the certification that, in the practitioner's profes-  
20 sional opinion, the patient would benefit from medical cannabis only  
21 until a specified date. The practitioner may state in the certification  
22 that, in the practitioner's professional opinion, the patient is termi-  
23 nally ill and that the certification shall not expire until the patient  
24 dies.

25 3. In making a certification, the practitioner may consider the form  
26 of medical cannabis the patient should consume, including the method of  
27 consumption and any particular strain, variety, and quantity or percent-  
28 age of cannabis or particular active ingredient, and appropriate dosage.  
29 The practitioner may state in the certification any recommendation or  
30 limitation the practitioner makes, in his or her professional opinion,  
31 concerning the appropriate form or forms of medical cannabis and dosage.

32 4. Every practitioner shall consult the prescription monitoring  
33 program registry prior to making or issuing a certification, for the  
34 purpose of reviewing a patient's controlled substance history. For  
35 purposes of this section, a practitioner may authorize a designee to  
36 consult the prescription monitoring program registry on his or her  
37 behalf, provided that such designation is in accordance with section  
38 thirty-three hundred forty-three-a of the public health law.

39 5. The practitioner shall give the certification to the certified  
40 patient, and place a copy in the patient's health care record.

41 6. No practitioner shall issue a certification under this section for  
42 himself or herself.

43 7. A registry identification card based on a certification shall  
44 expire one year after the date the certification is signed by the prac-  
45 titioner.

46 8. (a) If the practitioner states in the certification that, in the  
47 practitioner's professional opinion, the patient would benefit from  
48 medical cannabis only until a specified earlier date, then the registry  
49 identification card shall expire on that date; (b) if the practitioner  
50 states in the certification that in the practitioner's professional  
51 opinion the patient is terminally ill and that the certification shall  
52 not expire until the patient dies, then the registry identification card  
53 shall state that the patient is terminally ill and that the registration  
54 card shall not expire until the patient dies; (c) if the practitioner  
55 re-issues the certification to terminate the certification on an earlier  
56 date, then the registry identification card shall expire on that date

1 and shall be promptly destroyed by the certified patient; (d) if the  
2 certification so provides, the registry identification card shall state  
3 any recommendation or limitation by the practitioner as to the form or  
4 forms of medical cannabis or dosage for the certified patient; and (e)  
5 the executive director shall make regulations to implement this subdivi-  
6 sion.

7 § 31. Lawful medical use. The possession, acquisition, use, delivery,  
8 transfer, transportation, or administration of medical cannabis by a  
9 certified patient, designated caregiver or designated caregiver facili-  
10 ty, for certified medical use, shall be lawful under this article  
11 provided that:

12 (a) the cannabis that may be possessed by a certified patient shall  
13 not exceed a sixty-day supply of the dosage as determined by the practi-  
14 tioner, consistent with any guidance and regulations issued by the exec-  
15 utive director, provided that during the last seven days of any sixty-  
16 day period, the certified patient may also possess up to such amount for  
17 the next sixty-day period;

18 (b) the cannabis that may be possessed by designated caregivers does  
19 not exceed the quantities referred to in paragraph (a) of this subdivi-  
20 sion for each certified patient for whom the caregiver possesses a valid  
21 registry identification card, up to five certified patients;

22 (c) the cannabis that may be possessed by designated caregiver facili-  
23 ties does not exceed the quantities referred to in paragraph (a) of this  
24 subdivision for each certified patient under the care or treatment of  
25 the facility;

26 (d) the form or forms of medical cannabis that may be possessed by the  
27 certified patient, designated caregiver or designated caregiver facility  
28 pursuant to a certification shall be in compliance with any recommenda-  
29 tion or limitation by the practitioner as to the form or forms of  
30 medical cannabis or dosage for the certified patient in the certifi-  
31 cation; and

32 (e) the medical cannabis shall be kept in the original package in  
33 which it was dispensed under this article, except for the portion  
34 removed for immediate consumption for certified medical use by the  
35 certified patient.

36 § 32. Registry identification cards. 1. Upon approval of the certifi-  
37 cation, the office shall issue registry identification cards for certi-  
38 fied patients and designated caregivers. A registry identification card  
39 shall expire as provided in this article or as otherwise provided in  
40 this section. The office shall begin issuing registry identification  
41 cards as soon as practicable after the certifications required by this  
42 chapter are granted. The office may specify a form for a registry appli-  
43 cation, in which case the office shall provide the form on request,  
44 reproductions of the form may be used, and the form shall be available  
45 for downloading from the office's website.

46 2. To obtain, amend or renew a registry identification card, a certi-  
47 fied patient or designated caregiver shall file a registry application  
48 with the office, unless otherwise exempted by the executive director in  
49 regulation. The registry application or renewal application shall  
50 include:

51 (a) in the case of a certified patient:

52 (i) the patient's certification, a new written certification shall be  
53 provided with a renewal application;

54 (ii) the name, address, and date of birth of the patient;

55 (iii) the date of the certification;

- 1 (iv) if the patient has a registry identification card based on a  
2 current valid certification, the registry identification number and  
3 expiration date of that registry identification card;
- 4 (v) the specified date until which the patient would benefit from  
5 medical cannabis, if the certification states such a date;
- 6 (vi) the name, address, and telephone number of the certifying practi-  
7 tioner;
- 8 (vii) any recommendation or limitation by the practitioner as to the  
9 form or forms of medical cannabis or dosage for the certified patient;
- 10 (viii) if the certified patient designates a designated caregiver, the  
11 name, address, and date of birth of the designated caregiver, and other  
12 individual identifying information required by the office; and
- 13 (ix) other individual identifying information required by the office;
- 14 (b) in the case of a designated caregiver:
- 15 (i) the name, address, and date of birth of the designated caregiver;
- 16 (ii) if the designated caregiver has a registry identification card,  
17 the registry identification number and expiration date of that registry  
18 identification card; and
- 19 (iii) other individual identifying information required by the office;
- 20 (c) a statement that a false statement made in the application is  
21 punishable under section 210.45 of the penal law;
- 22 (d) the date of the application and the signature of the certified  
23 patient or designated caregiver, as the case may be;
- 24 (e) any other requirements determined by the executive director.
- 25 3. Where a certified patient is under the age of eighteen or otherwise  
26 incapable of consent:
- 27 (a) The application for a registry identification card shall be made  
28 by an appropriate person over eighteen years of age. The application  
29 shall state facts demonstrating that the person is appropriate.
- 30 (b) The designated caregiver shall be: (i) a parent or legal guardian  
31 of the certified patient; (ii) a person designated by a parent or legal  
32 guardian; (iii) a designated caregiver facility; or (iv) an appropriate  
33 person approved by the office upon a sufficient showing that no parent  
34 or legal guardian is appropriate or available.
- 35 4. No person may be a designated caregiver if the person is under  
36 twenty-one years of age unless a sufficient showing is made to the  
37 office that the person should be permitted to serve as a designated  
38 caregiver. The requirements for such a showing shall be determined by  
39 the executive director.
- 40 5. No person may be a designated caregiver for more than five certi-  
41 fied patients at one time.
- 42 6. If a certified patient wishes to change or terminate his or her  
43 designated caregiver, for whatever reason, the certified patient shall  
44 notify the office as soon as practicable. The office shall issue a  
45 notification to the designated caregiver that their registration card is  
46 invalid and must be promptly destroyed. The newly designated caregiver  
47 must comply with all requirements set forth in this section.
- 48 7. If the certification so provides, the registry identification card  
49 shall contain any recommendation or limitation by the practitioner as to  
50 the form or forms of medical cannabis or dosage for the certified  
51 patient.
- 52 8. The office shall issue separate registry identification cards for  
53 certified patients and designated caregivers as soon as reasonably prac-  
54 ticable after receiving a complete application under this section,  
55 unless it determines that the application is incomplete or factually  
56 inaccurate, in which case it shall promptly notify the applicant.

1 9. If the application of a certified patient designates an individual  
2 as a designated caregiver who is not authorized to be a designated care-  
3 giver, that portion of the application shall be denied by the office but  
4 that shall not affect the approval of the balance of the application.

5 10. A registry identification card shall:

6 (a) contain the name of the certified patient or the designated care-  
7 giver as the case may be;

8 (b) contain the date of issuance and expiration date of the registry  
9 identification card;

10 (c) contain a registry identification number for the certified patient  
11 or designated caregiver, as the case may be and a registry identifica-  
12 tion number;

13 (d) contain a photograph of the individual to whom the registry iden-  
14 tification card is being issued, which shall be obtained by the office  
15 in a manner specified by the executive director in regulations;  
16 provided, however, that if the office requires certified patients to  
17 submit photographs for this purpose, there shall be a reasonable accom-  
18 modation of certified patients who are confined to their homes due to  
19 their medical conditions and may therefore have difficulty procuring  
20 photographs;

21 (e) be a secure document as determined by the office;

22 (f) plainly state any recommendation or limitation by the practitioner  
23 as to the form or forms of medical cannabis or dosage for the certified  
24 patient; and

25 (g) any other requirements determined by the executive director.

26 11. A certified patient or designated caregiver who has been issued a  
27 registry identification card shall notify the office of any change in  
28 his or her name or address or, with respect to the patient, if he or she  
29 ceases to have the serious condition noted on the certification within  
30 ten days of such change. The certified patient's or designated  
31 caregiver's registry identification card shall be deemed invalid and  
32 shall be promptly destroyed.

33 12. If a certified patient or designated caregiver loses his or her  
34 registry identification card, he or she shall notify the office within  
35 ten days of losing the card. The office shall issue a new registry iden-  
36 tification card as soon as practicable, which may contain a new registry  
37 identification number, to the certified patient or designated caregiver,  
38 as the case may be.

39 13. The office shall maintain a confidential list of the persons to  
40 whom it has issued registry identification cards. Individual identifying  
41 information obtained by the office under this article shall be confiden-  
42 tial and exempt from disclosure under article six of the public officers  
43 law. Notwithstanding this subdivision, the office may notify any appro-  
44 priate law enforcement agency of information relating to any violation  
45 or suspected violation of this article.

46 14. The office shall verify to law enforcement personnel in an appro-  
47 priate case whether a registry identification card is valid.

48 15. If a certified patient or designated caregiver willfully violates  
49 any provision of this article as determined by the executive director,  
50 his or her certification and registry identification card may be  
51 suspended or revoked. This is in addition to any other penalty that may  
52 apply.

53 § 33. Registration as a designated caregiver facility. 1. To obtain,  
54 amend or renew a registration as a designated caregiver facility, the  
55 facility shall file a registry application with the office. The registry  
56 application or renewal application shall include:

- 1 (a) the facility's full name and address;
- 2 (b) operating certificate or license number where appropriate;
- 3 (c) printed name, title, and signature of an authorized facility
- 4 representative;
- 5 (d) a statement that the facility agrees to secure and ensure proper
- 6 handling of all medical cannabis products;
- 7 (e) an acknowledgement that a false statement in the application is
- 8 punishable under section 210.45 of the penal law; and
- 9 (f) any other information that may be required by the executive direc-
- 10 tor.

11 2. Prior to issuing or renewing a designated caregiver facility regis-

12 tration, the office may verify the information submitted by the appli-

13 cant. The applicant shall provide, at the office's request, such infor-

14 mation and documentation, including any consents or authorizations that

15 may be necessary for the office to verify the information.

16 3. The office shall approve, deny or determine incomplete or inaccur-

17 ate an initial or renewal application within thirty days of receipt of

18 the application. If the application is approved within the 30-day peri-

19 od, the office shall issue a registration as soon as is reasonably prac-

20 ticable.

21 4. An applicant shall have thirty days from the date of a notification

22 of an incomplete or factually inaccurate application to submit the mate-

23 rials required to complete, revise or substantiate information in the

24 application. If the applicant fails to submit the required materials

25 within such thirty-day time period, the application shall be denied by

26 the office.

27 5. Registrations issued under this section shall remain valid for two

28 years from the date of issuance.

29 § 34. Registered organizations. 1. A registered organization shall be

30 a for-profit business entity or not-for-profit corporation organized for

31 the purpose of acquiring, possessing, manufacturing, selling, deliver-

32 ing, transporting, distributing or dispensing cannabis for certified

33 medical use.

34 2. The acquiring, possession, manufacture, sale, delivery, transport-

35 ing, distributing or dispensing of medical cannabis by a registered

36 organization under this article in accordance with its registration

37 under this article or a renewal thereof shall be lawful under this chap-

38 ter.

39 3. Each registered organization shall contract with an independent

40 laboratory permitted by the office to test the medical cannabis produced

41 by the registered organization. The executive director shall approve the

42 laboratory used by the registered organization and may require that the

43 registered organization use a particular testing laboratory.

44 4. (a) A registered organization may lawfully, in good faith, sell,

45 deliver, distribute or dispense medical cannabis to a certified patient

46 or designated caregiver upon presentation to the registered organization

47 of a valid registry identification card for that certified patient or

48 designated caregiver. When presented with the registry identification

49 card, the registered organization shall provide to the certified patient

50 or designated caregiver a receipt, which shall state: the name, address,

51 and registry identification number of the registered organization; the

52 name and registry identification number of the certified patient and the

53 designated caregiver, if any; the date the cannabis was sold; any recom-

54 mendation or limitation by the practitioner as to the form or forms of

55 medical cannabis or dosage for the certified patient; and the form and

56 the quantity of medical cannabis sold. The registered organization shall



1 retain a copy of the registry identification card and the receipt for  
2 six years.

3 (b) The proprietor of a registered organization shall file or cause to  
4 be filed any receipt and certification information with the office by  
5 electronic means on a real-time basis as the executive director shall  
6 require by regulation. When filing receipt and certification information  
7 electronically pursuant to this paragraph, the proprietor of the regis-  
8 tered organization shall dispose of any electronically recorded  
9 prescription information in such manner as the executive director shall  
10 by regulation require.

11 5. (a) No registered organization may sell, deliver, distribute or  
12 dispense to any certified patient or designated caregiver a quantity of  
13 medical cannabis larger than that individual would be allowed to possess  
14 under this chapter.

15 (b) When dispensing medical cannabis to a certified patient or desig-  
16 nated caregiver, the registered organization: (i) shall not dispense an  
17 amount greater than a sixty-day supply to a certified patient until the  
18 certified patient has exhausted all but a seven day supply provided  
19 pursuant to a previously issued certification; and (ii) shall verify the  
20 information in subparagraph (i) of this paragraph by consulting the  
21 prescription monitoring program registry under this article.

22 (c) Medical cannabis dispensed to a certified patient or designated  
23 caregiver by a registered organization shall conform to any recommenda-  
24 tion or limitation by the practitioner as to the form or forms of  
25 medical cannabis or dosage for the certified patient.

26 6. When a registered organization sells, delivers, distributes or  
27 dispenses medical cannabis to a certified patient or designated caregiv-  
28 er, it shall provide to that individual a safety insert, which will be  
29 developed by the registered organization and approved by the executive  
30 director and include, but not be limited to, information on:

- 31 (a) methods for administering medical cannabis in individual doses,
- 32 (b) any potential dangers stemming from the use of medical cannabis,
- 33 (c) how to recognize what may be problematic usage of medical cannabis  
34 and obtain appropriate services or treatment for problematic usage, and
- 35 (d) other information as determined by the executive director.

36 7. Registered organizations shall not be managed by or employ anyone  
37 who has been convicted of any felony other than for the sale or  
38 possession of drugs, narcotics, or controlled substances, and provided  
39 that this subdivision only applies to (a) managers or employees who come  
40 into contact with or handle medical cannabis, and (b) a conviction less  
41 than ten years, not counting time spent in incarceration, prior to being  
42 employed, for which the person has not received a certificate of relief  
43 from disabilities or a certificate of good conduct under article twenty-  
44 thy-three of the correction law.

45 8. Manufacturing of medical cannabis by a registered organization  
46 shall only be done in an indoor, enclosed, secure facility located in  
47 New York state, which may include a greenhouse. The executive director  
48 shall promulgate regulations establishing requirements for such facili-  
49 ties.

50 9. Dispensing of medical cannabis by a registered organization shall  
51 only be done in an indoor, enclosed, secure facility located in New York  
52 state, which may include a greenhouse. The executive director shall  
53 promulgate regulations establishing requirements for such facilities.

54 10. A registered organization shall determine the quality, safety, and  
55 clinical strength of medical cannabis manufactured or dispensed by the  
56 registered organization, and shall provide documentation of that quali-

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1 ty, safety and clinical strength to the office and to any person or  
2 entity to which the medical cannabis is sold or dispensed.

3 11. A registered organization shall be deemed to be a "health care  
4 provider" for the purposes of article two-D of article two of the public  
5 health law.

6 12. Medical cannabis shall be dispensed to a certified patient or  
7 designated caregiver in a sealed and properly labeled package. The  
8 labeling shall contain: (a) the information required to be included in  
9 the receipt provided to the certified patient or designated caregiver by  
10 the registered organization; (b) the packaging date; (c) any applicable  
11 date by which the medical cannabis should be used; (d) a warning stat-  
12 ing, "This product is for medicinal use only. Women should not consume  
13 during pregnancy or while breastfeeding except on the advice of the  
14 certifying health care practitioner, and in the case of breastfeeding  
15 mothers, including the infant's pediatrician. This product might impair  
16 the ability to drive. Keep out of reach of children."; (e) the amount of  
17 individual doses contained within; and (f) a warning that the medical  
18 cannabis must be kept in the original container in which it was  
19 dispensed.

20 13. The executive director is authorized to make rules and regulations  
21 restricting the advertising and marketing of medical cannabis.

22 § 35. Registering of registered organizations. 1. Application for  
23 initial registration. (a) An applicant for registration as a registered  
24 organization under section thirty-four of this article shall include  
25 such information prepared in such manner and detail as the executive  
26 director may require, including but not limited to:

27 (i) a description of the activities in which it intends to engage as a  
28 registered organization;

29 (ii) that the applicant:

30 (A) is of good moral character;

31 (B) possesses or has the right to use sufficient land, buildings, and  
32 other premises, which shall be specified in the application, and equip-  
33 ment to properly carry on the activity described in the application, or  
34 in the alternative posts a bond of not less than two million dollars;

35 (C) is able to maintain effective security and control to prevent  
36 diversion, abuse, and other illegal conduct relating to the cannabis;  
37 and

38 (D) is able to comply with all applicable state laws and regulations  
39 relating to the activities in which it intends to engage under the  
40 registration;

41 (iii) that the applicant has entered into a labor peace agreement with  
42 a bona fide labor organization that is actively engaged in representing  
43 or attempting to represent the applicant's employees and the maintenance  
44 of such a labor peace agreement shall be an ongoing material condition  
45 of certification;

46 (iv) the applicant's status as a for-profit business entity or not-  
47 for-profit corporation; and

48 (v) the application shall include the name, residence address and  
49 title of each of the officers and directors and the name and residence  
50 address of any person or entity that is a member of the applicant. Each  
51 such person, if an individual, or lawful representative if a legal enti-  
52 ty, shall submit an affidavit with the application setting forth:

53 (A) any position of management or ownership during the preceding ten  
54 years of a ten per centum or greater interest in any other business,  
55 located in or outside this state, manufacturing or distributing drugs;

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1 (B) whether such person or any such business has been convicted of a  
2 felony or had a registration or license suspended or revoked in any  
3 administrative or judicial proceeding; and

4 (C) such other information as the executive director may reasonably  
5 require.

6 2. The applicant shall be under a continuing duty to report to the  
7 office any change in facts or circumstances reflected in the application  
8 or any newly discovered or occurring fact or circumstance which is  
9 required to be included in the application.

10 3. (a) The executive director shall grant a registration or amendment  
11 to a registration under this section if he or she is satisfied that:

12 (i) the applicant will be able to maintain effective control against  
13 diversion of cannabis;

14 (ii) the applicant will be able to comply with all applicable state  
15 laws;

16 (iii) the applicant and its officers are ready, willing and able to  
17 properly carry on the manufacturing or distributing activity for which a  
18 registration is sought;

19 (iv) the applicant possesses or has the right to use sufficient land,  
20 buildings and equipment to properly carry on the activity described in  
21 the application;

22 (v) it is in the public interest that such registration be granted,  
23 including but not limited to:

24 (A) whether the number of registered organizations in an area will be  
25 adequate or excessive to reasonably serve the area;

26 (B) whether the registered organization is a minority and/or woman  
27 owned business enterprise or a service-disabled veteran-owned business;

28 (C) whether the registered organization provides education and  
29 outreach to practitioners;

30 (D) whether the registered organization promotes the research and  
31 development of medical cannabis and patient outreach; and

32 (E) the affordability medical cannabis products offered by the regis-  
33 tered organization;

34 (vi) the applicant and its managing officers are of good moral charac-  
35 ter;

36 (vii) the applicant has entered into a labor peace agreement with a  
37 bona fide labor organization that is actively engaged in representing or  
38 attempting to represent the applicant's employees; and the maintenance  
39 of such a labor peace agreement shall be an ongoing material condition  
40 of registration; and

41 (viii) the applicant satisfies any other conditions as determined by  
42 the executive director.

43 (b) If the executive director is not satisfied that the applicant  
44 should be issued a registration, he or she shall notify the applicant in  
45 writing of those factors upon which the denial is based. Within thirty  
46 days of the receipt of such notification, the applicant may submit a  
47 written request to the executive director to appeal the decision.

48 (c) The fee for a registration under this section shall be an amount  
49 determined by the office in regulations; provided, however, if the  
50 registration is issued for a period greater than two years the fee shall  
51 be increased, pro rata, for each additional month of validity.

52 (d) Registrations issued under this section shall be effective only  
53 for the registered organization and shall specify:

54 (i) the name and address of the registered organization;

55 (ii) which activities of a registered organization are permitted by  
56 the registration;

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1 (iii) the land, buildings and facilities that may be used for the  
2 permitted activities of the registered organization; and

3 (iv) such other information as the executive director shall reasonably  
4 provide to assure compliance with this article.

5 (e) Upon application of a registered organization, a registration may  
6 be amended to allow the registered organization to relocate within the  
7 state or to add or delete permitted registered organization activities  
8 or facilities. The fee for such amendment shall be two hundred fifty  
9 dollars.

10 4. A registration issued under this section shall be valid for two  
11 years from the date of issue, except that in order to facilitate the  
12 renewals of such registrations, the executive director may upon the  
13 initial application for a registration, issue some registrations which  
14 may remain valid for a period of time greater than two years but not  
15 exceeding an additional eleven months.

16 5. (a) An application for the renewal of any registration issued  
17 under this section shall be filed with the office not more than six  
18 months nor less than four months prior to the expiration thereof. A  
19 late-filed application for the renewal of a registration may, in the  
20 discretion of the executive director, be treated as an application for  
21 an initial license.

22 (b) The application for renewal shall include such information  
23 prepared in the manner and detail as the executive director may require,  
24 including but not limited to:

25 (i) any material change in the circumstances or factors listed in  
26 subdivision one of this section; and

27 (ii) every known charge or investigation, pending or concluded during  
28 the period of the registration, by any governmental or administrative  
29 agency with respect to:

30 (A) each incident or alleged incident involving the theft, loss, or  
31 possible diversion of cannabis manufactured or distributed by the appli-  
32 cant; and

33 (B) compliance by the applicant with the laws of the state with  
34 respect to any substance listed in section thirty-three hundred six of  
35 the public health law.

36 (c) An applicant for renewal shall be under a continuing duty to  
37 report to the office any change in facts or circumstances reflected in  
38 the application or any newly discovered or occurring fact or circum-  
39 stance which is required to be included in the application.

40 (d) If the executive director is not satisfied that the registered  
41 organization applicant is entitled to a renewal of the registration, he  
42 or she shall within a reasonably practicable time as determined by the  
43 executive director, serve upon the registered organization or its attor-  
44 ney of record in person or by registered or certified mail an order  
45 directing the registered organization to show cause why its application  
46 for renewal should not be denied. The order shall specify in detail the  
47 respects in which the applicant has not satisfied the executive director  
48 that the registration should be renewed.

49 6. (a) The executive director shall renew a registration unless he or  
50 she determines and finds that:

51 (i) the applicant is unlikely to maintain or be able to maintain  
52 effective control against diversion;

53 (ii) the applicant is unlikely to comply with all state laws applica-  
54 ble to the activities in which it may engage under the registration;

1 (iii) it is not in the public interest to renew the registration  
2 because the number of registered organizations in an area is excessive  
3 to reasonably serve the area; or

4 (iv) the applicant has either violated or terminated its labor peace  
5 agreement.

6 (b) For purposes of this section, proof that a registered organiza-  
7 tion, during the period of its registration, has failed to maintain  
8 effective control against diversion, violates any provision of this  
9 article, or has knowingly or negligently failed to comply with applica-  
10 ble state laws relating to the activities in which it engages under the  
11 registration, shall constitute grounds for suspension, termination or  
12 limitation of the registered organization's registration or as deter-  
13 mined by the executive director. The registered organization shall also  
14 be under a continuing duty to report to the authority any material  
15 change or fact or circumstance to the information provided in the regis-  
16 tered organization's application.

17 7. The office may suspend or terminate the registration of a regis-  
18 tered organization, on grounds and using procedures under this article  
19 relating to a license, to the extent consistent with this article. The  
20 authority shall suspend or terminate the registration in the event that  
21 a registered organization violates or terminates the applicable labor  
22 peace agreement. Conduct in compliance with this article which may  
23 violate conflicting federal law, shall not be grounds to suspend or  
24 terminate a registration.

25 8. The office shall begin issuing registrations for registered organ-  
26 izations as soon as practicable after the certifications required by  
27 this article are given.

28 9. The executive director shall register at least ten registered  
29 organizations that manufacture medical cannabis with no more than four  
30 dispensing sites wholly owned and operated by such registered organiza-  
31 tion. The executive director shall ensure that such registered organiza-  
32 tions and dispensing sites are geographically distributed across the  
33 state. The executive director may register additional registered organ-  
34 izations.

35 § 36. Expedited registration of registered organizations. 1. There is  
36 hereby established in the office an emergency medical cannabis access  
37 program, referred to in this section as the "program", under this  
38 section. The purpose of the program is to expedite the availability of  
39 medical cannabis to avoid suffering and loss of life, during the period  
40 before full implementation of and production under this article, espe-  
41 cially in the case of patients whose serious condition is progressive  
42 and degenerative or is such that delay in the patient's medical use of  
43 cannabis poses a serious risk to the patient's life or health. The  
44 executive director shall implement the program as expeditiously as prac-  
45 ticable, including by emergency regulation.

46 2. For the purposes of this section, and for specified limited times,  
47 the executive director may waive or modify the requirements of this  
48 article relating to registered organizations, consistent with the legis-  
49 lative intent and purpose of this article and this section. Where an  
50 entity seeking to be a registered organization under the program oper-  
51 ates in a jurisdiction other than the state of New York, under licensure  
52 or other governmental recognition of that jurisdiction, and the laws of  
53 that jurisdiction are acceptable to the executive director as consistent  
54 with the legislative intent and purpose of this article and this  
55 section, then the executive director may accept that licensure or recog-  
56 nition as wholly or partially satisfying the requirements of this arti-

1 cle, for purposes of the registration and operation of the registered  
2 organization under the program and this section.

3 3. In considering an application for registration as a registered  
4 organization under this section, the executive director shall give pref-  
5 erence to the following:

6 (a) an applicant that is currently producing or providing or has a  
7 history of producing or providing medical cannabis in another jurisdic-  
8 tion in full compliance with the laws of the jurisdiction;

9 (b) an applicant that is able and qualified to both produce, distrib-  
10 ute, and dispense medical cannabis to patients expeditiously; and

11 (c) an applicant that proposes a location or locations for dispensing  
12 by the registered organization, which ensure, to the greatest extent  
13 possible, that certified patients have access to a registered organiza-  
14 tion.

15 4. The executive director may make regulations under this section:

16 (a) limiting registered organizations registered under this section;  
17 or

18 (b) limiting the allowable levels of cannabidiol and tetrahydrocanna-  
19 binol that may be contained in medical cannabis authorized under this  
20 article, based on therapeutics and patient safety.

21 5. A registered organization under this section may apply under this  
22 article to receive or renew registration.

23 § 37. Reports of registered organizations. 1. The executive director  
24 shall, by regulation, require each registered organization to file  
25 reports by the registered organization during a particular period. The  
26 executive director shall determine the information to be reported and  
27 the forms, time, and manner of the reporting.

28 2. The executive director shall, by regulation, require each regis-  
29 tered organization to adopt and maintain security, tracking, record  
30 keeping, record retention and surveillance systems, relating to all  
31 medical cannabis at every stage of acquiring, possession, manufacture,  
32 sale, delivery, transporting, distributing, or dispensing by the regis-  
33 tered organization, subject to regulations of the executive director.

34 § 38. Evaluation; research programs; report by office. 1. The execu-  
35 tive director may provide for the analysis and evaluation of the opera-  
36 tion of this title. The executive director may enter into agreements  
37 with one or more persons, not-for-profit corporations or other organiza-  
38 tions, for the performance of an evaluation of the implementation and  
39 effectiveness of this title.

40 2. The office may develop, seek any necessary federal approval for,  
41 and carry out research programs relating to medical use of cannabis.  
42 Participation in any such research program shall be voluntary on the  
43 part of practitioners, patients, and designated caregivers.

44 3. The office shall report every two years, beginning two years after  
45 the effective date of this chapter, to the governor and the legislature  
46 on the medical use of cannabis under this title and make appropriate  
47 recommendations.

48 § 39. Cannabis research license. 1. The executive director shall  
49 establish a cannabis research license that permits a licensee to  
50 produce, process, purchase and possess cannabis for the following limit-  
51 ed research purposes:

52 (a) to test chemical potency and composition levels;

53 (b) to conduct clinical investigations of cannabis-derived drug  
54 products;

55 (c) to conduct research on the efficacy and safety of administering  
56 cannabis as part of medical treatment; and

1 (d) to conduct genomic or agricultural research.

2 2. As part of the application process for a cannabis research license,  
3 an applicant must submit to the office a description of the research  
4 that is intended to be conducted as well as the amount of cannabis to be  
5 grown or purchased. The office shall review an applicant's research  
6 project and determine whether it meets the requirements of subsection  
7 one of this section. In addition, the office shall assess the applica-  
8 tion based on the following criteria:

9 (a) project quality, study design, value, and impact;

10 (b) whether the applicant has the appropriate personnel, expertise,  
11 facilities and infrastructure, funding, and human, animal, or other  
12 approvals in place to successfully conduct the project; and

13 (c) whether the amount of cannabis to be grown or purchased by the  
14 applicant is consistent with the project's scope and goals. If the  
15 office determines that the research project does not meet the require-  
16 ments of subsection one of this section, the application must be denied.

17 3. A cannabis research licensee may only sell cannabis grown or within  
18 its operation to other cannabis research licensees. The office may  
19 revoke a cannabis research license for violations of this subsection.

20 4. A cannabis research licensee may contract with the higher education  
21 institutions to perform research in conjunction with the university. All  
22 research projects, entered into under this section must be approved by  
23 the office and meet the requirements of subsection one of this section.

24 5. In establishing a cannabis research license, the executive director  
25 may adopt regulations on the following:

26 (a) application requirements;

27 (b) cannabis research license renewal requirements, including whether  
28 additional research projects may be added or considered;

29 (c) conditions for license revocation;

30 (d) security measures to ensure cannabis is not diverted to purposes  
31 other than research;

32 (e) amount of plants, useable cannabis, cannabis concentrates, or  
33 cannabis-infused products a licensee may have on its premises;

34 (f) licensee reporting requirements;

35 (g) conditions under which cannabis grown by licensed cannabis produc-  
36 ers and other product types from licensed cannabis processors may be  
37 donated to cannabis research licensees; and

38 (h) any additional requirements deemed necessary by the office.

39 6. A cannabis research license issued pursuant to this section must be  
40 issued in the name of the applicant, specify the location at which the  
41 cannabis researcher intends to operate, which must be within the state  
42 of New York, and the holder thereof may not allow any other person to  
43 use the license.

44 7. The application fee for a cannabis research license shall be deter-  
45 mined by the executive director on an annual basis.

46 8. Each cannabis research licensee shall issue an annual report to the  
47 office. The office shall review such report and make a determination as  
48 to whether the research project continues to meet the research quali-  
49 fications under this section.

50 § 40. Registered organizations and adult-use cannabis. 1. The execu-  
51 tive director shall have the authority to grant some or all of the  
52 registered organizations previously registered with the department of  
53 health and currently registered and in good standing with the office,  
54 the ability to be licensed to cultivate, process, distribute and sell  
55 adult-use cannabis and cannabis products, pursuant to any fees, rules or  
56 conditions prescribed by the executive director in regulation, but

1 exempt from the restrictions on licensed adult-use cultivators, process-  
2 ors, and distributors from having any ownership interest in a licensed  
3 adult-use retail dispensary pursuant to article four of this chapter.

4 2. The office shall have the authority to hold a competitive bidding  
5 process, including an auction, to determine the registered  
6 organization(s) authorized to be licensed to cultivate, process,  
7 distribute and sell adult-use cannabis and to collect the fees generated  
8 from such auction to administer incubators and low or zero-interest  
9 loans to qualified social equity applicants. The timing and manner in  
10 which registered organizations may be granted such authority shall be  
11 determined by the executive director in regulation.

12 3. Alternatively, registered organizations may apply for licensure as  
13 an adult-use cannabis cultivator, adult-use cannabis processor, and  
14 adult-use cannabis distributor, or apply for licensure as an adult-use  
15 cannabis retail dispensary, subject to all of the restrictions and limi-  
16 tations set forth in article four of this chapter.

17 § 41. Home cultivation of medical cannabis. 1. Certified patients and  
18 their designated caregiver(s) twenty-one years of age or older may apply  
19 for registration with the office to grow, possess or transport no more  
20 than four cannabis plants per certified patient with no more than eight  
21 cannabis plants per household.

22 2. All medical cannabis cultivated at home must be grown in an  
23 enclosed, locked space, not open or viewable to the public. Such homeg-  
24 rown medical cannabis must only be for use by the certified patient and  
25 may not be distributed, sold, or gifted.

26 3. The executive director shall develop rules and regulations govern-  
27 ing this section.

28 § 42. Relation to other laws. 1. The provisions of this article shall  
29 apply, except that where a provision of this article conflicts with  
30 another provision of this chapter, this article shall apply.

31 2. Medical cannabis shall not be deemed to be a "drug" for purposes of  
32 article one hundred thirty-seven of the education law.

33 § 43. Protections for the medical use of cannabis. 1. Certified  
34 patients, designated caregivers, designated caregiver facilities, prac-  
35 titioners, registered organizations and the employees of registered  
36 organizations, and cannabis researchers shall not be subject to arrest,  
37 prosecution, or penalty in any manner, or denied any right or privilege,  
38 including but not limited to civil penalty or disciplinary action by a  
39 business or occupational or professional licensing board or bureau,  
40 solely for the certified medical use or manufacture of cannabis, or for  
41 any other action or conduct in accordance with this article.

42 2. Being a certified patient shall be deemed to be having a "disabili-  
43 ty" under article fifteen of the executive law, section forty-c of the  
44 civil rights law, sections 240.00, 485.00, and 485.05 of the penal law,  
45 and section 200.50 of the criminal procedure law. This subdivision shall  
46 not bar the enforcement of a policy prohibiting an employee from  
47 performing his or her employment duties while impaired by a controlled  
48 substance. This subdivision shall not require any person or entity to do  
49 any act that would put the person or entity in direct violation of  
50 federal law or cause it to lose a federal contract or funding.

51 3. The fact that a person is a certified patient and/or acting in  
52 accordance with this article, shall not be a consideration in a proceed-  
53 ing pursuant to applicable sections of the domestic relations law, the  
54 social services law and the family court act.

55 4. (a) Certification applications, certification forms, any certified  
56 patient information contained within a database, and copies of registry



1 identification cards shall be deemed exempt from public disclosure under  
2 sections eighty-seven and eighty-nine of the public officers law.

3 (b) The name, contact information, and other information relating to  
4 practitioners registered with the office under this article shall be  
5 public information and shall be maintained by the executive director on  
6 the office's website accessible to the public in searchable form. Howev-  
7 er, if a practitioner notifies the office in writing that he or she does  
8 not want his or her name and other information disclosed, that practi-  
9 tioner's name and other information shall thereafter not be public  
10 information or maintained on the office's website, unless the practi-  
11 tioner cancels the request.

12 § 44. Regulations. The executive director shall make regulations to  
13 implement this article.

14 § 45. Suspend; terminate. Based upon the recommendation of the execu-  
15 tive director and/or the superintendent of state police that there is a  
16 risk to the public health or safety, the governor may immediately termi-  
17 nate all licenses issued to registered organizations.

18 § 46. Pricing. 1. Every sale of medical cannabis shall be at or below  
19 the price approved by the executive director. Every charge made or  
20 demanded for medical cannabis not in accordance with the price approved  
21 by the executive director, is prohibited.

22 2. The executive director is hereby authorized to set the per dose  
23 price of each form of medical cannabis sold by any registered organiza-  
24 tion. In reviewing the per dose price of each form of medical cannabis,  
25 the executive director may consider the fixed and variable costs of  
26 producing the form of cannabis and any other factor the executive direc-  
27 tor, in his or her discretion, deems relevant in reviewing the per dose  
28 price of each form of medical cannabis.

29 § 47. Severability. If any clause, sentence, paragraph, section or  
30 part of this article shall be adjudged by any court of competent juris-  
31 diction to be invalid, the judgment shall not affect, impair, or invali-  
32 date the remainder thereof, but shall be confined in its operation to  
33 the clause, sentence, paragraph, section or part thereof directly  
34 involved in the controversy in which the judgment shall have been  
35 rendered.

36 ARTICLE 4  
37 ADULT-USE CANNABIS

38 Section 60. Licenses issued.

- 39 61. License application.
- 40 62. Information to be requested in applications for licenses.
- 41 63. Fees.
- 42 64. Selection criteria.
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46 ture.
- 47 68. Adult-use cultivator license.
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- 49 70. Adult-use cooperative license.
- 50 71. Adult-use distributor license.
- 51 72. Adult-use retail dispensary license.
- 52 73. Notification to municipalities of adult-use retail dispen-  
53 sary.

- 1 74. On-site consumption license; provisions governing on-site
- 2 consumption licenses.
- 3 75. Record keeping and tracking.
- 4 76. Inspections and ongoing requirements.
- 5 77. Adult-use cultivators, processors or distributors not to be
- 6 interested in retail dispensaries.
- 7 78. Packaging and labeling of adult-use cannabis products.
- 8 79. Laboratory testing.
- 9 80. Provisions governing the cultivation and processing of
- 10 adult-use cannabis.
- 11 81. Provisions governing the distribution of adult-use cannabis.
- 12 82. Provisions governing adult-use cannabis retail dispensaries.
- 13 83. Adult-use cannabis advertising.
- 14 84. Minority, women-owned businesses and disadvantaged farmers;
- 15 incubator program.
- 16 85. Regulations.

17 § 60. Licenses issued. The following kinds of licenses shall be  
18 issued by the executive director for the cultivation, processing,  
19 distribution and sale of cannabis to cannabis consumers:

- 20 1. Adult-use cultivator license;
- 21 2. Adult-use processor license;
- 22 3. Adult-use cooperative license;
- 23 4. Adult-use distributor license;
- 24 5. Adult-use retail dispensary license;
- 25 6. On-site consumption license; and
- 26 7. Any other type of license as prescribed by the executive director
- 27 in regulation.

28 § 61. License Application. 1. Any person may apply to the office for  
29 a license to cultivate, process, distribute or dispense cannabis within  
30 this state for sale. Such application shall be in writing and verified  
31 and shall contain such information as the office shall require. Such  
32 application shall be accompanied by a check or draft for the amount  
33 required by this article for such license. If the office shall approve  
34 the application, it shall issue a license in such form as shall be  
35 determined by its rules. Such license shall contain a description of the  
36 licensed premises and in form and in substance shall be a license to the  
37 person therein specifically designated to cultivate, process, distribute  
38 or dispense cannabis in the premises therein specifically licensed.

39 2. Except as otherwise provided in this article, a separate license  
40 shall be required for each facility at which cultivation, processing,  
41 distribution or retail dispensing is conducted.

42 3. An applicant shall not be denied a license under this article based  
43 solely on a conviction for a violation of article two hundred twenty or  
44 section 240.36 of the penal law, prior to the date article two hundred  
45 twenty-one of the penal law took effect, or a conviction for a violation  
46 of article two hundred twenty-one of the penal law after the effective  
47 date of this chapter.

48 § 62. Information to be requested in applications for licenses. 1.  
49 The office shall have the authority to prescribe the manner and form in  
50 which an application must be submitted to the office for licensure under  
51 this article.

52 2. The executive director is authorized to adopt regulations, includ-  
53 ing by emergency rule, establishing information which must be included  
54 on an application for licensure under this article. Such information may  
55 include, but is not limited to: information about the applicant's iden-  
56 tity, including racial and ethnic diversity; ownership and investment

1 information, including the corporate structure; evidence of good moral  
2 character, including the submission of fingerprints by the applicant to  
3 the division of criminal justice services; information about the prem-  
4 ises to be licensed; financial statements; and any other information  
5 prescribed by in regulation.

6 3. All license applications shall be signed by the applicant (if an  
7 individual), by a managing partner (if a limited liability corporation),  
8 by an officer (if a corporation), or by all partners (if a partnership).  
9 Each person signing such application shall verify it or affirm it as  
10 true under the penalties of perjury.

11 4. All license or permit applications shall be accompanied by a check,  
12 draft or other forms of payment as the office may require or authorize  
13 in the amount required by this article for such license or permit.

14 5. If there be any change, after the filing of the application or the  
15 granting of a license, in any of the facts required to be set forth in  
16 such application, a supplemental statement giving notice of such change,  
17 cost and source of money involved in the change, duly verified, shall be  
18 filed with the office within ten days after such change. Failure to do  
19 so shall, if willful and deliberate, be cause for revocation of the  
20 license.

21 6. In giving any notice, or taking any action in reference to a regis-  
22 tered organization or licensee of a licensed premises, the office may  
23 rely upon the information furnished in such application and in any  
24 supplemental statement connected therewith, and such information may be  
25 presumed to be correct, and shall be binding upon a registered organiza-  
26 tions, licensee or licensed premises as if correct. All information  
27 required to be furnished in such application or supplemental statements  
28 shall be deemed material in any prosecution for perjury, any proceeding  
29 to revoke, cancel or suspend any license, and in the office's determi-  
30 nation to approve or deny the license.

31 7. The office may, in its discretion, waive the submission of any  
32 category of information described in this section for any category of  
33 license or permit, provided that it shall not be permitted to waive the  
34 requirement for submission of any such category of information solely  
35 for an individual applicant or applicants.

36 § 63. Fees. 1. The office shall have the authority to charge appli-  
37 cants for licensure under this article a non-refundable application fee  
38 and/or to auction licenses to bidders determined by the office to be  
39 qualified for such licensure based on the selection criteria in section  
40 sixty-four of this article. Such fee may be based on the type of licen-  
41 sure sought, cultivation and/or production volume, or any other factors  
42 deemed reasonable and appropriate by the office to achieve the policy  
43 and purpose of this chapter.

44 2. The office shall have the authority to charge licensees a biennial  
45 license fee. Such fee shall be based on the amount of cannabis to be  
46 cultivated, processed, distributed and/or dispensed by the licensee or  
47 the gross annual receipts of the licensee for the previous license peri-  
48 od, and any other factors deemed reasonable and appropriate by the  
49 office.

50 § 64. Selection criteria. 1. The executive director shall develop  
51 regulations for determining whether or not an applicant should be grant-  
52 ed the privilege of an adult-use cannabis license, based on, but not  
53 limited to, the following criteria:

54 (a) the applicant will be able to maintain effective control against  
55 the illegal diversion of cannabis;

1 (b) the applicant will be able to comply with all applicable state  
2 laws and regulations;

3 (c) the applicant and its officers are ready, willing, and able to  
4 properly carry on the activities for which a license is sought;

5 (d) the applicant possesses or has the right to use sufficient land,  
6 buildings, and equipment to properly carry on the activity described in  
7 the application;

8 (e) it is in the public interest that such license be granted, taking  
9 into consideration, but not limited to, the following criteria:

10 (i) that it is a privilege, and not a right, to cultivate, process,  
11 distribute, and sell cannabis;

12 (ii) the number, classes, and character of other licenses in proximity  
13 to the location and in the particular municipality or subdivision there-  
14 of;

15 (iii) evidence that all necessary licenses and permits have been  
16 obtained from the state and all other governing bodies;

17 (iv) effect of the grant of the license on pedestrian or vehicular  
18 traffic, and parking, in proximity to the location;

19 (v) the existing noise level at the location and any increase in noise  
20 level that would be generated by the proposed premises;

21 (vi) the history of violations under the alcoholic beverage control  
22 law or the cannabis law at the location, as well as any pattern of  
23 violations under the alcoholic beverage control law or the cannabis law,  
24 and reported criminal activity at the proposed premises;

25 (vii) the effect on the production, price and availability of cannabis  
26 and cannabis products; and

27 (viii) any other factors specified by law or regulation that are rele-  
28 vant to determine that granting a license would promote public conven-  
29 ience and advantage and the public interest of the community;

30 (f) the applicant and its managing officers are of good moral charac-  
31 ter and do not have an ownership or controlling interest in more  
32 licenses or permits than allowed by this chapter;

33 (g) the applicant has entered into a labor peace agreement with a  
34 bona-fide labor organization that is actively engaged in representing or  
35 attempting to represent the applicant's employees, and the maintenance  
36 of such a labor peace agreement shall be an ongoing material condition  
37 of licensure. In evaluating applications from entities with twenty-five  
38 or more employees, the office shall give priority to applicants that are  
39 a party to a collective bargaining agreement with a bona-fide labor  
40 organization in New York or in another state, and uses union labor to  
41 construct its licensed facility;

42 (h) the applicant will contribute to communities, the workforce and  
43 people disproportionately harmed by cannabis law enforcement;

44 (i) if the application is for an adult-use cultivator license, the  
45 environmental impact of the facility to be licensed; and

46 (j) the applicant satisfies any other conditions as determined by the  
47 executive director.

48 2. If the executive director is not satisfied that the applicant  
49 should be issued a license, the executive director shall notify the  
50 applicant in writing of the specific reason or reasons for denial.

51 3. The executive director shall have authority and sole discretion to  
52 determine the number of licenses issued pursuant to this article.

53 § 65. Limitations of licensure; duration. 1. No license of any kind  
54 may be issued to a person under the age of twenty-one years, nor shall  
55 any licensee employ anyone under the age of twenty-one years.

1 2. No person shall sell, deliver, or give away or cause or permit or  
2 procure to be sold, delivered or given away any cannabis to any person,  
3 actually or apparently, under the age of twenty-one years, any visibly  
4 intoxicated person, or any habitually intoxicated person known to be  
5 such by the person authorized to manufacture, traffic, or sell any  
6 cannabis.

7 3. The office shall have the authority to limit, by canopy, plant  
8 count, square footage or other means, the amount of cannabis allowed to  
9 be grown, processed, distributed or sold by a licensee.

10 4. All licenses under this article shall expire two years after the  
11 date of issue.

12 § 66. License renewal. 1. Each license, issued pursuant to this arti-  
13 cle, may be renewed upon application therefore by the licensee and the  
14 payment of the fee for such license as prescribed by this article. In  
15 the case of applications for renewals, the office may dispense with the  
16 requirements of such statements as it deems unnecessary in view of those  
17 contained in the application made for the original license, but in any  
18 event the submission of photographs of the licensed premises shall be  
19 dispensed with, provided the applicant for such renewal shall file a  
20 statement with the office to the effect that there has been no alter-  
21 ation of such premises since the original license was issued. The office  
22 may make such rules as it deems necessary, not inconsistent with this  
23 chapter, regarding applications for renewals of licenses and permits and  
24 the time for making the same.

25 2. Each applicant must submit to the office documentation of the  
26 racial, ethnic, and gender diversity of the applicant's employees and  
27 owners prior to a license being renewed. In addition, the office may  
28 create a social responsibility framework agreement and make the adher-  
29 ence to such agreement a conditional requirement of license renewal.

30 3. The office shall provide an application for renewal of a license  
31 issued under this article not less than ninety days prior to the expira-  
32 tion of the current license.

33 4. The office may only issue a renewal license upon receipt of the  
34 prescribed renewal application and renewal fee from a licensee if, in  
35 addition to the criteria in this section, the licensee's license is not  
36 under suspension and has not been revoked.

37 5. Each applicant must maintain a labor peace agreement with a bona-  
38 fide labor organization that is actively engaged in representing or  
39 attempting to represent the applicant's employees and the maintenance of  
40 such a labor peace agreement shall be an ongoing material condition of  
41 licensure.

42 § 67. Amendments; changes in ownership and organizational structure.

43 1. Licenses issued pursuant to this article shall specify:

- 44 (a) the name and address of the licensee;
- 45 (b) the activities permitted by the license;
- 46 (c) the land, buildings and facilities that may be used for the  
47 licensed activities of the licensee;
- 48 (d) a unique license number issued by the office to the licensee; and
- 49 (e) such other information as the executive director shall deem neces-  
50 sary to assure compliance with this chapter.

51 2. Upon application of a licensee to the office, a license may be  
52 amended to allow the licensee to relocate within the state, to add or  
53 delete licensed activities or facilities, or to amend the ownership or  
54 organizational structure of the entity that is the licensee. The fee for  
55 such amendment shall be two hundred fifty dollars.

1 3. A license shall become void by a change in ownership, substantial  
2 corporate change or location without prior written approval of the execu-  
3 tive director. The executive director may promulgate regulations allow-  
4 ing for certain types of changes in ownership without the need for prior  
5 written approval.

6 4. For purposes of this section, "substantial corporate change" shall  
7 mean:

8 (a) for a corporation, a change of eighty percent or more of the offi-  
9 cers and/or directors, or a transfer of eighty percent or more of stock  
10 of such corporation, or an existing stockholder obtaining eighty percent  
11 or more of the stock of such corporation; or

12 (b) for a limited liability company, a change of eighty percent or  
13 more of the managing members of the company, or a transfer of eighty  
14 percent or more of ownership interest in said company, or an existing  
15 member obtaining a cumulative of eighty percent or more of the ownership  
16 interest in said company.

17 § 68. Adult-use cultivator license. 1. An adult-use cultivator's  
18 license shall authorize the acquisition, possession, cultivation and  
19 sale of cannabis from the licensed premises of the adult-use cultivator  
20 by such licensee to duly licensed processors in this state. The execu-  
21 tive director may establish regulations allowing licensed adult-use  
22 cultivators to perform certain types of minimal processing without the  
23 need for an adult-use processor license.

24 2. For purposes of this section, cultivation shall include, but not be  
25 limited to, the planting, growing, cloning, harvesting, drying, curing,  
26 grading and trimming of cannabis.

27 3. A person holding an adult-use cultivator's license may apply for,  
28 and obtain, one processor's license and one distributor's license.

29 4. A person holding an adult-use cultivator's license may not also  
30 hold a retail dispensary license pursuant to this article and no adult-  
31 use cannabis cultivator shall have a direct or indirect interest,  
32 including by stock ownership, interlocking directors, mortgage or lien,  
33 personal or real property, or any other means, in any premises licensed  
34 as an adult-use cannabis retail dispensary or in any business licensed  
35 as an adult-use cannabis retail dispensary pursuant to this article.

36 5. A person holding an adult-use cultivator's license may not hold a  
37 license to distribute cannabis under this article unless the licensed  
38 cultivator is also licensed as a processor under this article.

39 6. No person may have a direct or indirect financial or controlling  
40 interest in more than one adult-use cultivator license issued pursuant  
41 to this chapter.

42 7. The executive director shall have the authority to issue microbusi-  
43 ness cultivator licenses, allowing microbusiness licensees to cultivate,  
44 process, and distribute adult-use cannabis direct to licensed cannabis  
45 retailers, under a single license. The executive director shall estab-  
46 lish through regulation a production limit of total cannabis cultivated,  
47 processed and/or distributed annually for microbusiness cultivator  
48 licenses.

49 § 69. Adult-use processor license. 1. A processor's license shall  
50 authorize the acquisition, possession, processing and sale of cannabis  
51 from the licensed premises of the adult-use cultivator by such licensee  
52 to duly licensed distributors.

53 2. For purposes of this section, processing shall include, but not be  
54 limited to, blending, extracting, infusing, packaging, labeling, brand-  
55 ing and otherwise making or preparing cannabis products. Processing  
56 shall not include the cultivation of cannabis.

1 3. No processor shall be engaged in any other business on the premises  
2 to be licensed; except that nothing contained in this chapter shall  
3 prevent a cannabis cultivator, cannabis processor, and cannabis distrib-  
4 utor from operating on the same premises and from a person holding all  
5 three licenses.

6 4. No cannabis processor licensee may hold more than three cannabis  
7 processor licenses.

8 5. No adult-use cannabis processor shall have a direct or indirect  
9 interest, including by stock ownership, interlocking directors, mortgage  
10 or lien, personal or real property, or any other means, in any premises  
11 licensed as an adult-use cannabis retail dispensary or in any business  
12 licensed as an adult-use cannabis retail dispensary pursuant to this  
13 article.

14 § 70. Adult-use cooperative license. 1. A cooperative license shall  
15 authorize the acquisition, possession, cultivation, processing and sale  
16 from the licensed premises of the adult-use cooperative by such licensee  
17 to duly licensed distributors and/or retail dispensaries; but not  
18 directly to cannabis consumers.

19 2. To be licensed as an adult-use cooperative, the cooperative must:

20 (i) be comprised of residents of the state of New York as a limited  
21 liability company or limited liability partnership under the laws of the  
22 state, or an appropriate business structure as determined by the execu-  
23 tive director;

24 (ii) at least one member of the cooperative must have filed a Federal  
25 Schedule F (Form 1040) for three of the past five years; and

26 (iii) the cooperative must operate according to the seven cooperative  
27 principles published by the International Cooperative Alliance in nine-  
28 teen hundred ninety-five.

29 3. No person shall be a member of more than one adult-use cooperative  
30 licensed pursuant to this section.

31 4. No person or member of an adult-use cooperative license may have a  
32 direct or indirect financial or controlling interest in any other  
33 adult-use cannabis license issued pursuant to this chapter.

34 5. No adult-use cannabis cooperative shall have a direct or indirect  
35 interest, including by stock ownership, interlocking directors, mortgage  
36 or lien, personal or real property, or any other means, in any premises  
37 licensed as an adult-use cannabis retail dispensary or in any business  
38 licensed as an adult-use cannabis retail dispensary pursuant to this  
39 article.

40 6. The executive director shall promulgate regulations governing coop-  
41 erative licenses, including, but not limited to, the establishment of  
42 canopy limits on the size and scope of cooperative licensees, and other  
43 measures designed to incentivize the use and licensure of cooperatives.

44 § 71. Adult-use distributor license. 1. A distributor's license shall  
45 authorize the acquisition, possession, distribution and sale of cannabis  
46 from the licensed premises of a licensed adult-use processor, microbusi-  
47 ness cultivator, or registered organization authorized to sell adult-use  
48 cannabis, to duly licensed retail dispensaries.

49 2. No distributor shall have a direct or indirect economic interest in  
50 any adult-use retail dispensary licensed pursuant to this article, or in  
51 any registered organization registered pursuant to article three of this  
52 chapter. This restriction shall not prohibit a registered organization  
53 authorized pursuant to section forty of this chapter, from being granted  
54 licensure by the office to distribute adult-use cannabis products culti-  
55 vated and processed by the registered organization to the registered  
56 organization's own licensed adult-use retail dispensaries.

1 3. Nothing in subdivision two of this section shall prevent a distrib-  
2 utor from charging an appropriate fee for the distribution of cannabis,  
3 including based on the volume of cannabis distributed.

4 § 72. Adult-use retail dispensary license. 1. A retail dispensary  
5 license shall authorize the acquisition, possession and sale of cannabis  
6 from the licensed premises of the retail dispensary by such licensee to  
7 cannabis consumers.

8 2. No person may have a direct or indirect financial or controlling  
9 interest in more than three retail dispensary licenses issued pursuant  
10 to this chapter. This restriction shall not prohibit a registered organ-  
11 ization, authorized pursuant to section forty of this chapter, from  
12 being granted licensure by the office to sell adult-use cannabis at  
13 locations previously registered by the department of health and in oper-  
14 ation as of April first, two thousand nineteen; subject to any condi-  
15 tions, limitations or restrictions established by the office.

16 3. No person holding a retail dispensary license may also hold an  
17 adult-use cultivation, processor, microbusiness cultivator, cooperative  
18 or distributor license pursuant to this article.

19 4. No retail license shall be granted for any premises, unless the  
20 applicant shall be the owner thereof, or shall be in possession of said  
21 premises under a lease, management agreement or other agreement giving  
22 the applicant control over the premises, in writing, for a term not less  
23 than the license period.

24 5. No premises shall be licensed to sell cannabis products, unless  
25 said premises shall be located in a store, the principal entrance to  
26 which shall be from the street level and located on a public thorough-  
27 fare in premises which may be occupied, operated or conducted for busi-  
28 ness, trade or industry or on an arcade or sub-surface thoroughfare  
29 leading to a railroad terminal.

30 6. No cannabis retail license shall be granted for any premises where  
31 a licensee would not be allowed to sell at retail for consumption of  
32 alcohol off the premises based on its proximity to a building occupied  
33 exclusively as a school, church, synagogue or other place of worship  
34 pursuant to the provisions of section one hundred five of the alcohol  
35 beverage control law.

36 § 73. Notification to municipalities of adult-use retail dispensary.  
37 1. Not less than thirty days nor more than two hundred seventy days  
38 before filing an application for licensure as an adult-use cannabis  
39 retail dispensary, an applicant shall notify the municipality in which  
40 the premises is located of such applicant's intent to file such an  
41 application.

42 2. Such notification shall be made to the clerk of the village, town  
43 or city, as the case may be, wherein the premises is located. For  
44 purposes of this section:

45 (a) notification need only be given to the clerk of a village when the  
46 premises is located within the boundaries of the village, town or city;  
47 and

48 (b) in the city of New York, the community board established pursuant  
49 to section twenty-eight hundred of the New York city charter with juris-  
50 diction over the area in which the premises is located shall be consid-  
51 ered the appropriate public body to which notification shall be given.

52 3. Such notification shall be made in such form as shall be prescribed  
53 by the rules of the office.

54 4. A municipality may express an opinion for or against the granting  
55 of such application. Any such opinion shall be deemed part of the record



1 upon which the office makes its determination to grant or deny the  
2 application.

3 5. Such notification shall be made by: (a) certified mail, return  
4 receipt requested; (b) overnight delivery service with proof of mailing;  
5 or (c) personal service upon the offices of the clerk or community  
6 board.

7 6. The office shall require such notification to be on a standardized  
8 form that can be obtained on the internet or from the office and such  
9 notification to include:

10 (a) the trade name or "doing business as" name, if any, of the estab-  
11 lishment;

12 (b) the full name of the applicant;

13 (c) the street address of the establishment, including the floor  
14 location or room number, if applicable;

15 (d) the mailing address of the establishment, if different than the  
16 street address;

17 (e) the name, address and telephone number of the attorney or repre-  
18 sentative of the applicant, if any;

19 (f) a statement indicating whether the application is for:

20 (i) a new establishment;

21 (ii) a transfer of an existing licensed business;

22 (iii) a renewal of an existing license; or

23 (iv) an alteration of an existing licensed premises;

24 (g) if the establishment is a transfer or previously licensed prem-  
25 ises, the name of the old establishment and such establishment's regis-  
26 tration or license number;

27 (h) in the case of a renewal or alteration application, the registra-  
28 tion or license number of the applicant; and

29 (i) the type of license.

30 § 74. On-site consumption license; provisions governing on-site  
31 consumption licenses. 1. No licensed adult-use cannabis retail dispen-  
32 sary shall be granted a cannabis on-site consumption license for any  
33 premises, unless the applicant shall be the owner thereof, or shall be  
34 in possession of said premises under a lease, in writing, for a term not  
35 less than the license period except, however, that such license may  
36 thereafter be renewed without the requirement of a lease as provided in  
37 this section. This subdivision shall not apply to premises leased from  
38 government agencies, as defined under subdivision twenty of section  
39 three of this chapter; provided, however, that the appropriate adminis-  
40 trator of such government agency provides some form of written documen-  
41 tation regarding the terms of occupancy under which the applicant is  
42 leasing said premises from the government agency for presentation to the  
43 office at the time of the license application. Such documentation shall  
44 include the terms of occupancy between the applicant and the government  
45 agency, including, but not limited to, any short-term leasing agreements  
46 or written occupancy agreements.

47 2. No adult-use cannabis retail dispensary shall be granted a cannabis  
48 on-site consumption license for any premises where a license would not  
49 be allowed to sell at retail for consumption of alcohol on the premises  
50 based on its proximity to a building occupied exclusively as a school,  
51 church, synagogue or other place of worship pursuant to the provisions  
52 of section one hundred five of the alcoholic beverage control law.

53 3. The office may consider any or all of the following in determining  
54 whether public convenience and advantage and the public interest will be  
55 promoted by the granting of a license for an on-site cannabis consump-  
56 tion at a particular location:

- 1 (a) that it is a privilege, and not a right, to cultivate, process,  
2 distribute, and sell cannabis;
- 3 (b) the number, classes, and character of other licenses in proximity  
4 to the location and in the particular municipality or subdivision there-  
5 of;
- 6 (c) evidence that all necessary licenses and permits have been  
7 obtained from the state and all other governing bodies;
- 8 (d) effect of the grant of the license on pedestrian or vehicular  
9 traffic, and parking, in proximity to the location;
- 10 (e) the existing noise level at the location and any increase in noise  
11 level that would be generated by the proposed premises;
- 12 (f) the history of violations under the alcoholic beverage control law  
13 or this chapter at the location, as well as any pattern of violations  
14 under the alcoholic beverage control law or this chapter, and reported  
15 criminal activity at the proposed premises; and
- 16 (g) any other factors specified by law or regulation that are relevant  
17 to determine that granting a license would promote public convenience  
18 and advantage and the public interest of the community;
- 19 4. If the office shall disapprove an application for an on-site  
20 consumption license, it shall state and file in its offices the reasons  
21 therefor and shall notify the applicant thereof. Such applicant may  
22 thereupon apply to the office for a review of such action in a manner to  
23 be prescribed by the rules of the office.
- 24 5. No adult-use cannabis on-site consumption licensee shall keep upon  
25 the licensed premises any adult-use cannabis products except those  
26 purchased from a licensed distributor, microbusiness cultivator or  
27 registered organization authorized to sell adult-use cannabis, and only  
28 in containers approved by the office. Such containers shall have affixed  
29 thereto such labels as may be required by the rules of the office. No  
30 cannabis retail licensee for on-site consumption shall reuse, refill,  
31 tamper with, adulterate, dilute or fortify the contents of any container  
32 of cannabis products as received from the manufacturer or distributor.
- 33 6. No cannabis on-site consumption licensee shall sell, deliver or  
34 give away, or cause or permit or procure to be sold, delivered or given  
35 away any cannabis for consumption on the premises where sold in a  
36 container or package containing more than one gram of cannabis.
- 37 7. Except where a permit to do so is obtained pursuant to section  
38 405.10 of the penal law, no cannabis on-site consumption licensee shall  
39 suffer, permit, or promote an event on its premises wherein any person  
40 shall use, explode, or cause to explode, any fireworks or other pyro-  
41 technics in a building as defined in paragraph e of subdivision one of  
42 section 405.10 of the penal law, that is covered by such license or  
43 possess such fireworks or pyrotechnics for such purpose. In addition to  
44 any other penalty provided by law, a violation of this subdivision shall  
45 constitute an adequate ground for instituting a proceeding to suspend,  
46 cancel, or revoke the license of the violator in accordance with the  
47 applicable procedures specified in this chapter; provided however, if  
48 more than one licensee is participating in a single event, upon approval  
49 by the office, only one licensee must obtain such permit.
- 50 8. No premises licensed to sell adult-use cannabis for on-site  
51 consumption under this chapter shall be permitted to have any opening or  
52 means of entrance or passageway for persons or things between the  
53 licensed premises and any other room or place in the building containing  
54 the licensed premises, or any adjoining or abutting premises, unless  
55 ingress and egress is restricted by an employee, agent of the licensee,

1 or other method approved by the office of controlling access to the  
2 facility.

3 9. Each cannabis on-site consumption licensee shall keep and maintain  
4 upon the licensed premises, adequate records of all transactions involv-  
5 ing the business transacted by such licensee which shall show the amount  
6 of cannabis products, in an applicable metric measurement, purchased by  
7 such licensee together with the names, license numbers and places of  
8 business of the persons from whom the same were purchased, the amount  
9 involved in such purchases, as well as the sales of cannabis products  
10 made by such licensee. The office is hereby authorized to promulgate  
11 rules and regulations permitting an on-site licensee operating two or  
12 more premises separately licensed to sell cannabis products for on-site  
13 consumption to inaugurate or retain in this state methods or practices  
14 of centralized accounting, bookkeeping, control records, reporting,  
15 billing, invoicing or payment respecting purchases, sales or deliveries  
16 of cannabis products, or methods and practices of centralized receipt or  
17 storage of cannabis products within this state without segregation or  
18 earmarking for any such separately licensed premises, wherever such  
19 methods and practices assure the availability, at such licensee's  
20 central or main office in this state, of data reasonably needed for the  
21 enforcement of this chapter. Such records shall be available for  
22 inspection by any authorized representative of the office.

23 10. All retail licensed premises shall be subject to inspection by any  
24 peace officer, acting pursuant to his or her special duties, or police  
25 officer and by the duly authorized representatives of the office, during  
26 the hours when the said premises are open for the transaction of busi-  
27 ness.

28 11. A cannabis on-site consumption licensee shall not provide cannabis  
29 products to any person under the age of twenty-one or to anyone visibly  
30 intoxicated.

31 § 75. Record keeping and tracking. 1. The executive director shall, by  
32 regulation, require each licensee pursuant to this article to adopt and  
33 maintain security, tracking, record keeping, record retention and  
34 surveillance systems, relating to all cannabis at every stage of acquir-  
35 ing, possession, manufacture, sale, delivery, transporting, or distrib-  
36 uting by the licensee, subject to regulations of the executive director.

37 2. Every licensee shall keep and maintain upon the licensed premises  
38 adequate books and records of all transactions involving the licensee  
39 and sale of its products, which shall include, but is not limited to,  
40 all information required by any rules promulgated by the office.

41 3. Each sale shall be recorded separately on a numbered invoice, which  
42 shall have printed thereon the number, the name of the licensee, the  
43 address of the licensed premises, and the current license number.  
44 Licensed producers shall deliver to the licensed distributor a true  
45 duplicate invoice stating the name and address of the purchaser, the  
46 quantity purchased, description and the price of the product, and a  
47 true, accurate and complete statement of the terms and conditions on  
48 which such sale is made.

49 4. Such books, records and invoices shall be kept for a period of five  
50 years and shall be available for inspection by any authorized represen-  
51 tative of the office.

52 5. Each adult-use cannabis retail dispensary and on-site consumption  
53 licensee shall keep and maintain upon the licensed premises, adequate  
54 records of all transactions involving the business transacted by such  
55 licensee which shall show the amount of cannabis, in weight, purchased  
56 by such licensee together with the names, license numbers and places of

1 business of the persons from whom the same were purchased, the amount  
2 involved in such purchases, as well as the sales of cannabis made by  
3 such licensee.

4 § 76. Inspections and ongoing requirements. All licensed or permitted  
5 premises, regardless of the type of premises, shall be subject to  
6 inspection by the office, by the duly authorized representatives of the  
7 office, by any peace officer acting pursuant to his or her special  
8 duties, or by a police officer, during the hours when the said premises  
9 are open for the transaction of business. The office shall make reason-  
10 able accommodations so that ordinary business is not interrupted and  
11 safety and security procedures are not compromised by the inspection. A  
12 person who holds a license or permit must make himself or herself, or an  
13 agent thereof, available and present for any inspection required by the  
14 office. Such inspection may include, but is not limited to, ensuring  
15 compliance by the licensee or permittee with all other applicable build-  
16 ing codes, fire, health, safety, and governmental regulations, including  
17 at the municipal, county, and state level.

18 § 77. Adult-use cultivators, processors or distributors not to be  
19 interested in retail dispensaries. 1. It shall be unlawful for a culti-  
20 vator, processor, cooperative or distributor licensed under this article  
21 to:

22 (a) be interested directly or indirectly in any premises where any  
23 cannabis product is sold at retail; or in any business devoted wholly or  
24 partially to the sale of any cannabis product at retail by stock owner-  
25 ship, interlocking directors, mortgage or lien or any personal or real  
26 property, or by any other means.

27 (b) make, or cause to be made, any loan to any person engaged in the  
28 manufacture or sale of any cannabis product at wholesale or retail.

29 (c) make any gift or render any service of any kind whatsoever,  
30 directly or indirectly, to any person licensed under this chapter which  
31 in the judgment of the office may tend to influence such licensee to  
32 purchase the product of such cultivator or processor or distributor.

33 (d) enter into any contract with any retail licensee whereby such  
34 licensee agrees to confine his sales to cannabis products manufactured  
35 or sold by one or more such cultivator or processors or distributors.  
36 Any such contract shall be void and subject the licenses of all parties  
37 concerned to revocation for cause.

38 2. The provisions of this section shall not prohibit a registered  
39 organization authorized pursuant to section forty of this chapter, from  
40 cultivating, processing, distributing and selling adult-use cannabis  
41 under this article, at facilities wholly owned and operated by such  
42 registered organization, subject to any conditions, limitations or  
43 restrictions established by the office.

44 3. The office shall have the power to create rules and regulations in  
45 regard to this section.

46 § 78. Packaging and labeling of adult-use cannabis products. 1. The  
47 office is hereby authorized to promulgate rules and regulations govern-  
48 ing the packaging and labeling of cannabis products, sold or possessed  
49 for sale in New York state.

50 2. Such regulations shall include, but not be limited to, requiring  
51 that:

52 (a) packaging meets requirements similar to the federal "poison  
53 prevention packaging act of 1970," 15 U.S.C. Sec 1471 et seq.;

54 (b) all cannabis-infused products shall have a separate packaging for  
55 each serving;

1 (c) prior to delivery or sale at a retailer, cannabis and cannabis  
2 products shall be labeled and placed in a resealable, child-resistant  
3 package; and

4 (d) packages and labels shall not be made to be attractive to minors.

5 3. Such regulations shall include requiring labels warning consumers  
6 of any potential impact on human health resulting from the consumption  
7 of cannabis products that shall be affixed to those products when sold,  
8 if such labels are deemed warranted by the office.

9 4. Such rules and regulations shall establish methods and procedures  
10 for determining serving sizes for cannabis-infused products, active  
11 cannabis concentration per serving size, and number of servings per  
12 container. Such regulations shall also require a nutritional fact panel  
13 that incorporates data regarding serving sizes and potency thereof.

14 5. The packaging, sale, or possession by any licensee of any cannabis  
15 product not labeled or offered in conformity with rules and regulations  
16 promulgated in accordance with this section shall be grounds for the  
17 imposition of a fine, and/or the suspension, revocation or cancellation  
18 of a license.

19 § 79. Laboratory testing. 1. Every processor of adult-use cannabis  
20 shall contract with an independent laboratory permitted pursuant to  
21 section one hundred twenty-nine of this chapter, to test the cannabis  
22 products it produces pursuant to rules and regulations prescribed by the  
23 office. The executive director may assign an approved testing laborato-  
24 ry, which the processor of adult-use cannabis must use.

25 2. Adult-use cannabis processors shall make laboratory test reports  
26 available to licensed distributors and retail dispensaries for all  
27 cannabis products manufactured by the processor.

28 3. Licensed retail dispensaries shall maintain accurate documentation  
29 of laboratory test reports for each cannabis product offered for sale to  
30 cannabis consumers. Such documentation shall be made publicly available  
31 by the licensed retail dispensary.

32 4. Onsite laboratory testing by licensees is permissible; however,  
33 such testing shall not be certified by the office and does not exempt  
34 the licensee from the requirements of quality assurance testing at a  
35 testing laboratory pursuant to this section.

36 5. An owner of a cannabis laboratory testing permit shall not hold a  
37 license in any other category within this article and shall not own or  
38 have ownership interest in a registered organization registered pursuant  
39 to article three of this chapter.

40 6. The office shall have the authority to require any licensee under  
41 this article to submit cannabis or cannabis products to one or more  
42 independent laboratories for testing.

43 § 80. Provisions governing the cultivation and processing of adult-use  
44 cannabis. 1. Cultivation of cannabis must not be visible from a public  
45 place by normal unaided vision.

46 2. No cultivator or processor of adult-use cannabis shall sell, or  
47 agree to sell or deliver in the state any cannabis products, as the case  
48 may be, except in sealed containers containing quantities in accordance  
49 with size standards pursuant to rules adopted by the office. Such  
50 containers shall have affixed thereto such labels as may be required by  
51 the rules of the office.

52 3. No cultivator or processor of adult-use cannabis shall furnish or  
53 cause to be furnished to any licensee, any exterior or interior sign,  
54 printed, painted, electric or otherwise, except as authorized by the  
55 office. The office may make such rules as it deems necessary to carry  
56 out the purpose and intent of this subdivision.

1 4. Cultivators of adult-use cannabis shall only use pesticides that  
2 are registered by the department of environmental conservation or that  
3 specifically meet the United States environmental protection agency  
4 registration exemption criteria for minimum risk pesticides, and only in  
5 compliance with regulations, standards and guidelines issued by the  
6 department of environmental conservation.

7 5. No cultivator or processor of adult-use cannabis shall transport  
8 cannabis products in any vehicle owned and operated or hired and oper-  
9 ated by such cultivator or processor, unless there shall be attached to  
10 or inscribed upon both sides of such vehicle a sign, showing the name  
11 and address of the licensee, together with the following inscription:  
12 "New York State Cannabis Cultivator (or Processor) License No. \_\_\_\_\_" in  
13 uniform letters not less than three and one-half inches in height. In  
14 lieu of such sign a cultivator or processor may have in the cab of such  
15 vehicle a photostatic copy of its current license issued by the office,  
16 and such copy duly authenticated by the office.

17 6. No cultivator or processor of adult-use cannabis shall deliver any  
18 cannabis products, except in vehicles owned and operated by such culti-  
19 vator, processor, or hired and operated by such cultivator or processor  
20 from a trucking or transportation company registered with the office,  
21 and shall only make deliveries at the licensed premises of the purchas-  
22 er.

23 7. No cultivator or processor of adult-use cannabis, including an  
24 adult-use cannabis cooperative or microbusiness cultivator, may offer  
25 any incentive, payment or other benefit to a licensed cannabis retail  
26 dispensary in return for carrying the cultivator, processor, cooperative  
27 or microbusiness cultivator's products, or preferential shelf placement.

28 8. All cannabis products shall be processed in accordance with good  
29 manufacturing processes, pursuant to Part 111 of Title 21 of the Code of  
30 Federal Regulations, as may be modified by the executive director in  
31 regulation.

32 9. No processor of adult-use cannabis shall produce any product which,  
33 in the discretion of the office, is designed to appeal to anyone under  
34 the age of twenty-one years.

35 10. The use or integration of alcohol or nicotine in cannabis products  
36 is strictly prohibited.

37 § 81. Provisions governing the distribution of adult-use cannabis. 1.  
38 No distributor shall sell, or agree to sell or deliver any cannabis  
39 products, as the case may be, in any container, except in a sealed pack-  
40 age. Such containers shall have affixed thereto such labels as may be  
41 required by the rules of the office.

42 2. No distributor shall deliver any cannabis products, except in vehi-  
43 cles owned and operated by such distributor, or hired and operated by  
44 such distributor from a trucking or transportation company registered  
45 with the office, and shall only make deliveries at the licensed premises  
46 of the purchaser.

47 3. Each distributor shall keep and maintain upon the licensed prem-  
48 ises, adequate books and records of all transactions involving the busi-  
49 ness transacted by such distributor, which shall show the amount of  
50 cannabis products purchased by such distributor together with the names,  
51 license numbers and places of business of the persons from whom the same  
52 was purchased and the amount involved in such purchases, as well as the  
53 amount of cannabis products sold by such distributor together with the  
54 names, addresses, and license numbers of such purchasers. Each sale  
55 shall be recorded separately on a numbered invoice, which shall have  
56 printed thereon the number, the name of the licensee, the address of the

1 licensed premises, and the current license number. Such distributor  
2 shall deliver to the purchaser a true duplicate invoice stating the name  
3 and address of the purchaser, the quantity of cannabis products,  
4 description by brands and the price of such cannabis products, and a  
5 true, accurate and complete statement of the terms and conditions on  
6 which such sale is made. Such books, records and invoices shall be kept  
7 for a period of five years and shall be available for inspection by any  
8 authorized representative of the office.

9 4. No distributor shall furnish or cause to be furnished to any licen-  
10 see, any exterior or interior sign, printed, painted, electric or other-  
11 wise, unless authorized by the office.

12 5. No distributor shall provide any discount, rebate or customer  
13 loyalty program to any licensed retailer, except as otherwise allowed by  
14 the office.

15 6. The executive director is authorized to promulgate regulations  
16 establishing a maximum margin for which a distributor may mark up a  
17 cannabis product for sale to a retail dispensary. Any adult-use cannabis  
18 product sold by a distributor for more than the maximum markup allowed  
19 in regulation, shall be unlawful.

20 7. Each distributor shall keep and maintain upon the licensed prem-  
21 ises, adequate books and records to demonstrate the distributor's actual  
22 cost of doing business, using accounting standards and methods regularly  
23 employed in the determination of costs for the purpose of federal income  
24 tax reporting, for the total operation of the licensee. Such books,  
25 records and invoices shall be kept for a period of five years and shall  
26 be available for inspection by any authorized representative of the  
27 office for use in determining the maximum markup allowed in regulation  
28 pursuant to subdivision six of this section.

29 § 82. Provisions governing adult-use cannabis retail dispensaries. 1.  
30 No cannabis retail licensee shall sell, deliver, or give away or cause  
31 or permit or procure to be sold, delivered or given away any cannabis to  
32 any person, actually or apparently, under the age of twenty-one years,  
33 any visibly intoxicated person, or any habitually intoxicated person  
34 known to be such by the person authorized to sell, deliver, or give away  
35 any cannabis.

36 2. No cannabis retail licensee shall sell more than one ounce of  
37 cannabis per cannabis consumer per day; nor more than five grams of  
38 cannabis concentrate per cannabis consumer per day.

39 3. No cannabis retail licensee shall sell alcoholic beverages, nor  
40 have or possess a license or permit to sell alcoholic beverages, on the  
41 same premises where cannabis products are sold.

42 4. No sign of any kind printed, painted or electric, advertising any  
43 brand shall be permitted on the exterior or interior of such premises,  
44 except by permission of the office.

45 5. No cannabis retail licensee shall sell or deliver any cannabis  
46 products to any person with knowledge of, or with reasonable cause to  
47 believe, that the person to whom such cannabis products are being sold,  
48 has acquired the same for the purpose of peddling them from place to  
49 place, or of selling or giving them away in violation of the provisions  
50 of this chapter or in violation of the rules and regulations of the  
51 office.

52 6. All premises licensed under this section shall be subject to  
53 inspection by any peace officer described in subdivision four of section  
54 2.10 of the criminal procedure law acting pursuant to his or her special  
55 duties, or police officer or any duly authorized representative of the

1 office, during the hours when the said premises are open for the trans-  
2 action of business.

3 7. No cannabis retail licensee shall be interested, directly or indi-  
4 rectly, in any cultivator, processor or distributor licensed pursuant to  
5 this article, by stock ownership, interlocking directors, mortgage or  
6 lien on any personal or real property or by any other means. Any lien,  
7 mortgage or other interest or estate, however, now held by such retailer  
8 on or in the personal or real property of such manufacturer or distribu-  
9 tor, which mortgage, lien, interest or estate was acquired on or before  
10 December thirty-first, two thousand eighteen, shall not be included  
11 within the provisions of this subdivision; provided, however, the burden  
12 of establishing the time of the accrual of the interest comprehended by  
13 this subdivision, shall be upon the person who claims to be entitled to  
14 the protection and exemption afforded hereby.

15 8. No cannabis retail licensee shall make or cause to be made any loan  
16 to any person engaged in the cultivation, processing or distribution of  
17 cannabis pursuant to this article.

18 9. Each cannabis retail licensee shall designate the price of each  
19 item of cannabis by attaching to or otherwise displaying immediately  
20 adjacent to each such item displayed in the interior of the licensed  
21 premises where sales are made a price tag, sign or placard setting forth  
22 the price at which each such item is offered for sale therein.

23 10. No person licensed to sell cannabis products at retail, shall  
24 allow or permit any gambling, or offer any gambling on the licensed  
25 premises, or allow or permit illicit drug activity on the licensed prem-  
26 ises. The use of the licensed premises or any part thereof for the sale  
27 of lottery tickets, when duly authorized and lawfully conducted thereon,  
28 shall not constitute gambling within the meaning of this subdivision.

29 11. If an employee of a cannabis retail licensee suspects that a  
30 cannabis consumer may be abusing cannabis, such an employee shall  
31 encourage such cannabis consumer to seek the help of a registered prac-  
32 titioner and become a certified patient. Cannabis retail licensees shall  
33 develop standard operating procedures and written materials for employ-  
34 ees to utilize when consulting consumers for purposes of this subdivi-  
35 sion.

36 12. The executive director is authorized to promulgate regulations  
37 governing licensed adult-use dispensing facilities, including but not  
38 limited to, the hours of operation, size and location of the licensed  
39 facility, potency and types of products offered and establishing a mini-  
40 mum margin for which a retail dispensary must markup a cannabis  
41 product(s) before selling to a cannabis consumer. Any adult-use cannabis  
42 product sold by a retail dispensary for less than the minimum markup  
43 allowed in regulation, shall be unlawful.

44 § 83. Adult-use cannabis advertising. 1. The office is hereby author-  
45 ized to promulgate rules and regulations governing the advertising of  
46 licensed adult-use cannabis cultivators, processors, cooperatives,  
47 distributors, retailers, and any cannabis products or services.

48 2. The office shall promulgate explicit rules prohibiting advertising  
49 that:

- 50 (a) is false, deceptive, or misleading;
- 51 (b) promotes overconsumption;
- 52 (c) depicts consumption by children or other minors;
- 53 (d) is designed in any way to appeal to children or other minors;
- 54 (e) is within two hundred feet of the perimeter of a school grounds,  
55 playground, child care center, public park, or library;
- 56 (f) is in public transit vehicles and stations;



- 1 (g) is in the form of an unsolicited internet pop-up;  
2 (h) is on publicly owned or operated property; or  
3 (i) makes medical claims or promotes adult-use cannabis for a medical  
4 or wellness purpose.

5 3. The office shall promulgate explicit rules prohibiting all market-  
6 ing strategies and implementation including, but not limited to, brand-  
7 ing, packaging, labeling, location of cannabis retailers, and advertise-  
8 ments that are designed to:

- 9 (a) appeal to persons less than twenty-one years of age; or  
10 (b) disseminate false or misleading information to customers.

11 4. The office shall promulgate explicit rules requiring that:

- 12 (a) all advertisements and marketing accurately and legibly identify  
13 the licensee responsible for its content; and  
14 (b) any broadcast, cable, radio, print and digital communications  
15 advertisements only be placed where the audience is reasonably expected  
16 to be twenty-one years of age or older, as determined by reliable,  
17 up-to-date audience composition data.

18 § 84. Minority, women-owned businesses and disadvantaged farmers;  
19 incubator program. 1. The office shall implement a social and economic  
20 equity plan and actively promote racial, ethnic, and gender diversity  
21 when issuing licenses for adult-use cannabis related activities, includ-  
22 ing by prioritizing consideration of applications by applicants who  
23 qualify as a minority and women-owned business or disadvantaged farmers.  
24 Such qualifications shall be determined by the office in regulation.

25 2. The office shall create a social and economic equity plan to  
26 promote diversity in ownership and employment in the adult-use cannabis  
27 industry and ensure inclusion of:

- 28 (a) minority-owned businesses;  
29 (b) women-owned businesses;  
30 (c) minority and women-owned businesses, as defined in subdivision  
31 five of this section; and  
32 (d) disadvantaged farmers, as defined in subdivision five of this  
33 section.

34 3. The social and economic equity plan shall consider additional  
35 criteria in its licensing determinations. Under the social and economic  
36 equity plan, extra weight shall be given to applications that demon-  
37 strate that an applicant:

- 38 (a) is a member of a community group that has been disproportionately  
39 impacted by the enforcement of cannabis prohibition;  
40 (b) has an income lower than eighty percent of the median income of  
41 the county in which the applicant resides; and  
42 (c) was convicted of a cannabis-related offense prior to the effective  
43 date of this chapter.

44 4. The office shall also create an incubator program to provide direct  
45 support to social and economic equity applicants after they have been  
46 granted licenses. The program shall provide direct support in the form  
47 of counseling services, education, small business coaching, and compli-  
48 ance assistance.

49 5. For the purposes of this section, the following definitions shall  
50 apply:

51 (a) "minority-owned business" shall mean a business enterprise,  
52 including a sole proprietorship, partnership, limited liability company  
53 or corporation that is:

- 54 (i) at least fifty-one percent owned by one or more minority group  
55 members;

1 (ii) an enterprise in which such minority ownership is real, substan-  
2 tial and continuing;

3 (iii) an enterprise in which such minority ownership has and exercises  
4 the authority to control independently the day-to-day business decisions  
5 of the enterprise;

6 (iv) an enterprise authorized to do business in this state and inde-  
7 pendently owned and operated; and

8 (v) an enterprise that is a small business.

9 (b) "minority group member" shall mean a United States citizen or  
10 permanent resident alien who is and can demonstrate membership in one of  
11 the following groups:

12 (i) black persons having origins in any of the black African racial  
13 groups;

14 (ii) Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban,  
15 Central or South American of either Indian or Hispanic origin, regard-  
16 less of race;

17 (iii) Native American or Alaskan native persons having origins in any  
18 of the original peoples of North America; or

19 (iv) Asian and Pacific Islander persons having origins in any of the  
20 far east countries, south east Asia, the Indian subcontinent or the  
21 Pacific islands.

22 (c) "women-owned business" shall mean a business enterprise, including  
23 a sole proprietorship, partnership, limited liability company or corpo-  
24 ration that is:

25 (i) at least fifty-one percent owned by one or more United States  
26 citizens or permanent resident aliens who are women;

27 (ii) an enterprise in which the ownership interest of such women is  
28 real, substantial and continuing;

29 (iii) an enterprise in which such women ownership has and exercises  
30 the authority to control independently the day-to-day business decisions  
31 of the enterprise;

32 (iv) an enterprise authorized to do business in this state and inde-  
33 pendently owned and operated; and

34 (v) an enterprise that is a small business.

35 (d) a firm owned by a minority group member who is also a woman may be  
36 defined as a minority-owned business, a women-owned business, or both.

37 (e) "disadvantaged farmer" shall mean a New York state resident or  
38 business enterprise, including a sole proprietorship, partnership,  
39 limited liability company or corporation, that has reported at least  
40 two-thirds of its federal gross income as income from farming, in at  
41 least one of the past five preceding tax years, and who:

42 (i) farms in a county that has greater than ten percent rate of pover-  
43 ty according to the latest U.S. Census Bureau's American Communities  
44 Survey;

45 (ii) has been disproportionately impacted by low commodity prices or  
46 faces the loss of farmland through development or suburban sprawl; and

47 (iii) meets any other qualifications as defined in regulation by the  
48 office.

49 6. The office shall actively promote applicants that foster racial,  
50 ethnic, and gender diversity in their workforce.

51 7. Licenses issued to minority and women-owned businesses or under the  
52 social and economic equity plan shall not be transferable except to  
53 qualified minority and women-owned businesses or social and economic  
54 equity applicants and only upon prior written approval of the executive  
55 director.

1 8. The office shall collect demographic data on owners and employees  
2 in the adult-use cannabis industry and shall annually publish such data.  
3 § 85. Regulations. The executive director shall make regulations to  
4 implement this article.

5 ARTICLE 5  
6 HEMP CANNABIS

7 Section 90. Cannabinoid related hemp cannabis licensing.  
8 91. Cannabinoid grower licenses.  
9 92. Cannabinoid extractor license.  
10 93. Cannabinoid license applications.  
11 94. Information to be requested in applications for licenses.  
12 95. Fees.  
13 96. Selection criteria.  
14 97. Limitations of licensure; duration.  
15 98. License renewal.  
16 99. Form of license.  
17 100. Amendments to license and duty to update information  
18 submitted for licensing.  
19 101. Record keeping and tracking.  
20 102. Inspections and ongoing requirements.  
21 103. Packaging and labeling of hemp cannabis.  
22 104. Provisions governing the growing and extracting of hemp  
23 cannabis.  
24 105. Laboratory testing.  
25 106. Advertising.  
26 107. Research.  
27 108. Regulations.  
28 § 90. Cannabinoid related hemp cannabis licensing. 1. Persons grow-  
29 ing, processing, extracting, and/or manufacturing hemp cannabis or  
30 producing hemp cannabis products distributed, sold or marketed for  
31 cannabinoid content and used or intended for human or animal consumption  
32 or use, shall be required to obtain the following license or licenses  
33 from the office, depending upon the operation:  
34 (a) cannabinoid grower license and/or;  
35 (b) cannabinoid extractor license.  
36 2. Notwithstanding subsection one of this section, those persons grow-  
37 ing, processing or manufacturing food or food ingredients from hemp,  
38 which food or food ingredients are generally recognized as safe, shall  
39 be subject to regulation and/or licensing under the agriculture and  
40 markets law.  
41 § 91. Cannabinoid grower licenses. 1. A cannabinoid grower's license  
42 authorizes the acquisition, possession, cultivation and sale of hemp  
43 cannabis grown or used for its cannabinoid content on the licensed prem-  
44 ises of the grower.  
45 2. A person holding a cannabinoid grower's license shall not sell hemp  
46 products marketed, distributed or sold for its cannabinoid content and  
47 intended for human consumption or use without also being licensed as an  
48 extractor pursuant to this article.  
49 3. Persons growing industrial hemp pursuant to article twenty-nine of  
50 the agriculture and markets law are not authorized to and shall not sell  
51 hemp cannabis for human or animal consumption or use, other than as food  
52 or a food ingredient that has been generally recognized as safe in  
53 accordance with the U.S. food and drug administration or determined by  
54 the state to be safe for human consumption as food or a food ingredient.

1 4. A person licensed under article twenty-nine of the agriculture and  
2 markets law as an industrial hemp grower may apply for a cannabinoid  
3 grower's license provided that it can demonstrate to the office that its  
4 cultivation of industrial hemp meets all the requirements for hemp  
5 cannabis cultivated under a cannabinoid grower's license.

6 § 92. Cannabinoid extractor license. 1. A cannabinoid extractor  
7 license authorizes the licensee's acquisition, possession, extraction  
8 and manufacture of hemp from a licensed cannabinoid grower for the proc-  
9 essing of hemp cannabis or the production of hemp cannabis products  
10 marketed, distributed or sold for cannabinoid content and used or  
11 intended for human or animal consumption or use.

12 2. No cannabinoid extractor licensee shall engage in any other busi-  
13 ness on the licensed premises; except that nothing contained in this  
14 chapter shall prevent a cannabinoid extractor licensee from also being  
15 licensed as a cannabinoid grower on the same premises.

16 3. Notwithstanding subdivisions one and two of this section, nothing  
17 shall prevent a cannabinoid extractor from manufacturing hemp products  
18 not used or intended for human or animal consumption or use.

19 § 93. Cannabinoid license applications. 1. Persons shall apply for a  
20 cannabinoid grower license and/or a cannabinoid extractor license by  
21 submitting an application upon a form supplied by the office, providing  
22 all the requested information, verified by the applicant or an author-  
23 ized representative of the applicant.

24 2. A separate license shall be required for each facility at which  
25 growing or extracting is conducted.

26 3. Each application shall remit with its application the fee for each  
27 requested license.

28 § 94. Information to be requested in applications for licenses. 1.  
29 The office shall have the authority to prescribe the manner and form in  
30 which an application must be submitted to the office for licensure under  
31 this article.

32 2. The executive director is authorized to adopt regulations, includ-  
33 ing by emergency rule, establishing information which must be included  
34 on an application for licensure under this article. Such information may  
35 include, but is not limited to: information about the applicant's iden-  
36 tity, including racial and ethnic diversity; ownership and investment  
37 information, including the corporate structure; evidence of good moral  
38 character, including the submission of fingerprints by the applicant to  
39 the division of criminal justice services; information about the prem-  
40 ises to be licensed; financial statements; and any other information  
41 prescribed by in regulation.

42 3. All license applications shall be signed by the applicant (if an  
43 individual), by a managing partner (if a limited liability corporation),  
44 by an officer (if a corporation), or by all partners (if a partnership).  
45 Each person signing such application shall verify it or affirm it as  
46 true under the penalties of perjury.

47 4. All license or permit applications shall be accompanied by a check,  
48 draft or other forms of payment as the office may require or authorize  
49 in the amount required by this article for such license or permit.

50 5. If there be any change, after the filing of the application or the  
51 granting of a license, in any of the facts required to be set forth in  
52 such application, a supplemental statement giving notice of such change,  
53 cost and source of money involved in the change, duly verified, shall be  
54 filed with the office within ten days after such change. Failure to do  
55 so shall, if willful and deliberate, be cause for revocation of the  
56 license.

1 6. In giving any notice, or taking any action in reference to a licen-  
2 see of a licensed premises, the office may rely upon the information  
3 furnished in such application and in any supplemental statement  
4 connected therewith, and such information may be presumed to be correct,  
5 and shall be binding upon a registered organization, licensee or  
6 licensed premises as if correct. All information required to be  
7 furnished in such application or supplemental statements shall be deemed  
8 material in any prosecution for perjury, any proceeding to revoke,  
9 cancel or suspend any license, and in the office's determination to  
10 approve or deny the license.

11 7. The office may, in its discretion, waive the submission of any  
12 category of information described in this section for any category of  
13 license or permit, provided that it shall not be permitted to waive the  
14 requirement for submission of any such category of information solely  
15 for an individual applicant or applicants.

16 § 95. Fees. The office shall have the authority to charge licensees a  
17 biennial license fee. Such fee may be based on the amount of hemp canna-  
18 bis to be grown, processed or extracted by the licensee, the gross annu-  
19 al receipts of the licensee for the previous license period, or any  
20 other factors deemed appropriate by the office.

21 § 96. Selection criteria. 1. An applicant shall furnish evidence:

22 (a) its ability to effectively maintain a delta-9-tetrahydrocannabinol  
23 concentration that does not exceed a percentage of delta-9-tetrahydro-  
24 cannabinol cannabis set by the executive director on a dry weight basis  
25 of any part of the plant of the genus cannabis, or per volume or weight  
26 of cannabis product, or the combined percent of delta-9-tetrahydrocanna-  
27 binol and tetrahydrocannabinolic acid in any part of the plant of the  
28 genus cannabis regardless of moisture content, for all hemp cannabis and  
29 hemp derived products cultivated, processed or extracted by the appli-  
30 cant;

31 (b) its ability to comply with all applicable state laws and regu-  
32 lations, including, without limitation, the provisions of article four-  
33 teen of the agriculture and markets law;

34 (c) that the applicant is ready, willing and able to properly carry on  
35 the activities for which a license is sought; and

36 (d) that the applicant is in possession of or has the right to use  
37 land, buildings and equipment sufficient to properly carry on the activ-  
38 ity described in the application.

39 2. The office, in considering whether to grant the license applica-  
40 tion, shall consider whether:

41 (a) it is in the public interest that such license be granted, taking  
42 into consideration whether the number of licenses will be adequate or  
43 excessive to reasonably serve demand;

44 (b) the applicant and its managing officers are of good moral charac-  
45 ter and do not have an ownership or controlling interest in more  
46 licenses or permits than allowed by this chapter; and

47 (c) the applicant satisfies any other conditions as determined by the  
48 office.

49 3. If the executive director is not satisfied that the applicant  
50 should be issued a license, the executive director shall notify the  
51 applicant in writing of the specific reason or reasons for denial.

52 4. The executive director shall have authority and sole discretion to  
53 determine the number of licenses issued pursuant to this article.

54 § 97. Limitations of licensure; duration. 1. No license pursuant to  
55 this article may be issued to a person under the age of twenty-one  
56 years.

1 2. The office shall have the authority to limit, by canopy, plant  
2 count or other means, the amount of hemp cannabis allowed to be culti-  
3 vated, processed, extracted or sold by a licensee.

4 3. All licenses under this article shall expire two years after the  
5 date of issue and be subject to any rules or limitations prescribed by  
6 the executive director in regulation.

7 § 98. License renewal. 1. Each license, issued pursuant to this arti-  
8 cle, may be renewed upon application therefor by the licensee and the  
9 payment of the fee for such license as prescribed by this article.

10 2. In the case of applications for renewals, the office may dispense  
11 with the requirements of such statements as it deems unnecessary in view  
12 of those contained in the application made for the original license, but  
13 in any event the submission of photographs of the licensed premises  
14 shall be dispensed with, provided the applicant for such renewal shall  
15 file a statement with the office to the effect that there has been no  
16 alteration of such premises since the original license was issued.

17 3. The office may make such rules as may be necessary, not inconsis-  
18 tent with this chapter, regarding applications for renewals of licenses  
19 and permits and the time for making the same.

20 4. The office shall provide an application for renewal of a license  
21 issued under this article not less than ninety days prior to the expira-  
22 tion of the current license.

23 5. The office may only issue a renewal license upon receipt of the  
24 prescribed renewal application and renewal fee from a licensee if, in  
25 addition to the criteria in section ninety-four of this article, the  
26 license's license is not under suspension and has not been revoked.

27 6. The office shall have the authority to charge applicants for licen-  
28 sure under this article a non-refundable application fee. Such fee may  
29 be based on the type of licensure sought, cultivation and/or production  
30 volume, or any other factors deemed reasonable and appropriate by the  
31 office to achieve the policy and purpose of this chapter.

32 § 99. Form of license. Licenses issued pursuant to this article shall  
33 specify:

- 34 1. the name and address of the licensee;
- 35 2. the activities permitted by the license;
- 36 3. the land, buildings and facilities that may be used for the  
37 licensed activities of the licensee;
- 38 4. a unique license number issued by the office to the licensee; and
- 39 5. such other information as the executive director shall deem neces-  
40 sary to assure compliance with this chapter.

41 § 100. Amendments to license and duty to update information submitted  
42 for licensing. 1. Upon application of a licensee to the office, a  
43 license may be amended to allow the licensee to relocate within the  
44 state, to add or delete licensed activities or facilities, or to amend  
45 the ownership or organizational structure of the entity that is the  
46 licensee. The fee for such amendment shall be two hundred fifty dollars.

47 2. In the event that any of the information provided by the applicant  
48 changes either while the application is pending or after the license is  
49 granted, within ten days of any such change, the applicant or licensee  
50 shall submit to the office a verified statement setting forth the change  
51 in circumstances of facts set forth in the application. Failure to do so  
52 shall, if willful and deliberate, be cause for revocation of the  
53 license.

54 3. A license shall become void by a change in ownership, substantial  
55 corporate change or location without prior written approval of the exec-  
56 utive director. The executive director may promulgate regulations

1 allowing for certain types of changes in ownership without the need for  
2 prior written approval.

3 4. For purposes of this section, "substantial corporate change" shall  
4 mean:

5 (a) for a corporation, a change of eighty percent or more of the offi-  
6 cers and/or directors, or a transfer of eighty percent or more of stock  
7 of such corporation, or an existing stockholder obtaining eighty percent  
8 or more of the stock of such corporation; and

9 (b) for a limited liability company, a change of eighty percent or  
10 more of the managing members of the company, or a transfer of eighty  
11 percent or more of ownership interest in said company, or an existing  
12 member obtaining a cumulative of eighty percent or more of the ownership  
13 interest in said company.

14 § 101. Record keeping and tracking. 1. The executive director shall,  
15 by regulation, require each licensee pursuant to this article to adopt  
16 and maintain security, tracking, record keeping, record retention and  
17 surveillance systems, relating to all hemp cannabis at every stage of  
18 acquiring, possession, manufacture, transport, sale, or delivery, or  
19 distribution by the licensee, subject to regulations of the executive  
20 director.

21 2. Every licensee shall keep and maintain upon the licensed premises,  
22 adequate books and records of all transactions involving the licensee  
23 and sale of its products, which shall include all information required  
24 by rules promulgated by the office.

25 3. Each sale shall be recorded separately on a numbered invoice, which  
26 shall have printed thereon the number, the name of the licensee, the  
27 address of the licensed premises, and the current license number.

28 4. Such books, records and invoices shall be kept for a period of five  
29 years and shall be available for inspection by any authorized represen-  
30 tative of the office.

31 § 102. Inspections and ongoing requirements. All licensees shall be  
32 subject to reasonable inspection by the office, and a person who holds a  
33 license must make himself or herself, or an agent thereof, available and  
34 present for any inspection required by the office. The office shall make  
35 reasonable accommodations so that ordinary business is not interrupted  
36 and safety and security procedures are not compromised by the  
37 inspection.

38 § 103. Packaging and labeling of hemp cannabis. 1. The office is  
39 hereby authorized to promulgate rules and regulations governing the  
40 packaging and labeling of hemp cannabis products, sold or possessed for  
41 sale in New York state.

42 2. Such regulations shall include, but not be limited to, requiring  
43 labels warning consumers of any potential impact on human health result-  
44 ing from the consumption of hemp cannabis products that shall be affixed  
45 to those products when sold, if such labels are deemed warranted by the  
46 office.

47 3. Such rules and regulations shall establish methods and procedures  
48 for determining, among other things, serving sizes for hemp cannabis  
49 products, active cannabinoid concentration per serving size, and number  
50 of servings per container. Such regulations shall also require a nutri-  
51 tional fact panel that incorporates data regarding serving sizes and  
52 potency thereof.

53 4. The packaging, sale, or possession by any licensee of any hemp  
54 product intended for human or animal consumption or use not labeled or  
55 offered in conformity with rules and regulations promulgated in accord-

1 ance with this section shall be grounds for the imposition of a fine,  
2 and/or the suspension, revocation or cancellation of a license.

3 § 104. Provisions governing the growing and extracting of hemp canna-  
4 bis. 1. No licensed cannabinoid grower or extractor shall sell, or  
5 agree to sell or deliver in the state any hemp cannabis products, as the  
6 case may be, except in sealed containers containing quantities in  
7 accordance with size standards pursuant to rules adopted by the office.  
8 Such containers shall have affixed thereto such labels as may be  
9 required by the rules of the office.

10 2. Licensed cannabinoid growers shall only use pesticides that are  
11 registered by the New York state department of environmental conserva-  
12 tion or that specifically meet the United States Environmental  
13 Protection Agency registration exemption criteria for minimum risk  
14 pesticides, and only in compliance with regulations, standards and  
15 guidelines issued by the department of environmental conservation.

16 3. All hemp cannabis products shall be extracted and manufactured in  
17 accordance with good manufacturing processes, pursuant to Part 111 of  
18 Title 21 of the Code of Federal Regulations as may be modified by the  
19 executive director in regulation.

20 4. The use or integration of alcohol or nicotine in hemp cannabis  
21 products is strictly prohibited.

22 § 105. Laboratory testing. 1. Every cannabinoid extractor shall  
23 contract with an independent laboratory to test the cannabis products  
24 produced by the licensed extractor. The executive director, in consulta-  
25 tion with the commissioner of health, shall approve the laboratory and  
26 require that the laboratory report testing results in a manner deter-  
27 mined by the executive director. The executive director is authorized to  
28 issue regulations requiring the laboratory to perform certain tests and  
29 services.

30 2. Cannabinoid extractors shall make laboratory test reports available  
31 to persons holding a cannabinoid permit pursuant to article six of this  
32 chapter for all cannabis products manufactured by the licensee.

33 3. On-site laboratory testing by licensees is permissible; however,  
34 such testing shall not be certified by the office and does not exempt  
35 the licensee from the requirements of quality assurance testing at a  
36 testing laboratory pursuant to this section.

37 § 106. Advertising. The office shall promulgate rules and regulations  
38 governing the advertising of hemp cannabis and any other related  
39 products or services as determined by the executive director.

40 § 107. Research. 1. The office shall promote research and development  
41 through public-private partnerships to bring new hemp cannabis and  
42 industrial hemp derived products to market within the state.

43 2. The executive director may develop and carry out research programs  
44 relating to industrial hemp and hemp cannabis.

45 § 108. Regulations. The executive director shall make regulations to  
46 implement this article.

47 ARTICLE 6  
48 GENERAL PROVISIONS

49 Section 125. General prohibitions and restrictions.

50 126. License to be confined to premises licensed; premises for  
51 which no license shall be granted; transporting cannabis.

52 127. Protections for the use of cannabis; unlawful discrimi-  
53 nations prohibited.

54 128. Registrations and licenses.



- 1 129. Laboratory testing permit.
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- 16 officials not to be interested in manufacture or sale of
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- 19 of criminal justice services.
- 20 § 125. General prohibitions and restrictions. 1. No person shall
- 21 cultivate, process, or distribute for sale or sell at wholesale or
- 22 retail any cannabis, cannabis product, medical cannabis or hemp cannabis
- 23 product within the state without obtaining the appropriate registration,
- 24 license, or permit therefor required by this chapter.
- 25 2. No registered organization, licensee, or permittee shall sell, or
- 26 agree to sell or deliver in this state any cannabis or hemp cannabis for
- 27 the purposes of resale to any person who is not duly registered,
- 28 licensed or permitted pursuant to this chapter to sell such product, at
- 29 wholesale or retail, as the case may be, at the time of such agreement
- 30 and sale.
- 31 3. No registered organization, licensee, or permittee shall employ, or
- 32 permit to be employed, or shall allow to work, on any premises regis-
- 33 tered or licensed for retail sale hereunder, any person under the age of
- 34 eighteen years in any capacity where the duties of such person require
- 35 or permit such person to sell, dispense or handle cannabis or hemp
- 36 cannabis.
- 37 4. No registered organization, licensee, or permittee shall sell,
- 38 deliver or give away, or cause, permit or procure to be sold, delivered
- 39 or given away any cannabis, cannabis product, medical cannabis or hemp
- 40 cannabis on credit; except that a registered organization, licensee or
- 41 permittee may accept third party credit cards for the sale of any canna-
- 42 bis, cannabis product, medical cannabis or hemp cannabis for which it is
- 43 registered, licensed or permitted to dispense or sell to patients or
- 44 cannabis consumers. This includes, but is not limited to, any consign-
- 45 ment sale of any kind.
- 46 5. No registered organization, licensee, or permittee shall cease to
- 47 be operated as a bona fide or legitimate premises within the contem-
- 48 plation of the registration, license, or permit issued for such prem-
- 49 ises, as determined within the judgment of the office.
- 50 6. No registered organization, licensee, or permittee shall refuse,
- 51 nor any person holding a registration, license, or permit refuse, nor
- 52 any officer or director of any corporation or organization holding a
- 53 registration, license, or permit refuse, to appear and/or testify under
- 54 oath at an inquiry or hearing held by the office, with respect to any
- 55 matter bearing upon the registration, license, or permit, the conduct of
- 56 any people at the licensed premises, or bearing upon the character or

1 fitness of such registrant, licensee, or permittee to continue to hold  
2 any registration, license, or permit. Nor shall any of the above offer  
3 false testimony under oath at such inquiry or hearing.

4 7. No registered organization, licensee, or permittee shall engage,  
5 participate in, or aid or abet any violation or provision of this chap-  
6 ter, or the rules or regulations of the office.

7 8. The proper conduct of registered, licensed, or permitted premises  
8 is essential to the public interest. Failure of a registered organiza-  
9 tion, licensee, or permittee to exercise adequate supervision over the  
10 registered, licensed, or permitted location poses a substantial risk not  
11 only to the objectives of this chapter but imperils the health, safety,  
12 and welfare of the people of this state. It shall be the obligation of  
13 each person registered, licensed, or permitted under this chapter to  
14 ensure that a high degree of supervision is exercised over any and all  
15 conduct at any registered, licensed, or permitted location at any and  
16 all times in order to safeguard against abuses of the privilege of being  
17 registered, licensed, or permitted, as well as other violations of law,  
18 statute, rule, or regulation. Persons registered, licensed, or permitted  
19 shall be held strictly accountable for any and all violations that occur  
20 upon any registered, licensed, or permitted premises, and for any and  
21 all violations committed by or permitted by any manager, agent or  
22 employee of such registered, licensed, or permitted person.

23 9. It shall be unlawful for any person, partnership or corporation  
24 operating a place for profit or pecuniary gain, with a capacity for the  
25 assemblage of twenty or more persons to permit a person or persons to  
26 come to the place of assembly for the purpose of cultivating, process-  
27 ing, distributing, or retail distribution or sale of cannabis on said  
28 premises. This includes, but is not limited, to, cannabis that is either  
29 provided by the operator of the place of assembly, his agents, servants  
30 or employees, or cannabis that is brought onto said premises by the  
31 person or persons assembling at such place, unless an appropriate regis-  
32 tration, license, or permit has first been obtained from the office of  
33 cannabis management by the operator of said place of assembly.

34 10. As it is a privilege under the law to be registered, licensed, or  
35 permitted to cultivate, process, distribute, traffic, or sell cannabis,  
36 the office may impose any such further restrictions upon any registrant,  
37 licensee, or permittee in particular instances as it deems necessary to  
38 further state policy and best serve the public interest. A violation or  
39 failure of any person registered, licensed, or permitted to comply with  
40 any condition, stipulation, or agreement, upon which any registration,  
41 license, or permit was issued or renewed by the office shall subject the  
42 registrant, licensee, or permittee to suspension, cancellation, revoca-  
43 tion, and/or civil penalties as determined by the office.

44 11. No adult-use cannabis or medical cannabis may be imported to, or  
45 exported out of, New York state by a registered organization, licensee  
46 or person holding a license and/or permit pursuant to this chapter,  
47 until such time as it may become legal to do so under federal law.  
48 Should it become legal to do so under federal law, the office is granted  
49 the power to promulgate such rules and regulations as it deems necessary  
50 to protect the public and the policy of the state.

51 12. No registered organization, licensee or any of its agents, serv-  
52 ants or employees shall peddle any cannabis product, medical cannabis or  
53 hemp cannabis from house to house by means of a truck or otherwise,  
54 where the sale is consummated and delivery made concurrently at the  
55 residence or place of business of a cannabis consumer. This subdivision  
56 shall not prohibit the delivery by a registered organization to certi-

1 fied patients or their designated caregivers, pursuant to article three  
2 of this chapter.

3 13. No licensee shall employ any canvasser or solicitor for the  
4 purpose of receiving an order from a certified patient, designated care-  
5 giver or cannabis consumer for any cannabis product, medical cannabis or  
6 hemp cannabis at the residence or place of business of such patient,  
7 caregiver or consumer, nor shall any licensee receive or accept any  
8 order, for the sale of any cannabis product, medical cannabis or hemp  
9 cannabis which shall be solicited at the residence or place of business  
10 of a patient, caregiver or consumer. This subdivision shall not prohibit  
11 the solicitation by a distributor of an order from any licensee at the  
12 licensed premises of such licensee.

13 14. No premises registered, licensed, or permitted by the office  
14 shall:

- 15 (a) permit or allow any gambling on the premises;
- 16 (b) permit or allow the premises to become disorderly;
- 17 (c) permit or allow the use, by any person, of any fireworks or other  
18 pyrotechnics on the premises; or
- 19 (d) permit or allow to appear as an entertainer, on any part of the  
20 premises registered, licensed, or permitted, any person under the age of  
21 eighteen years.

22 § 126. License to be confined to premises licensed; premises for which  
23 no license shall be granted; transporting cannabis. 1. A registration,  
24 license, or permit issued to any person, pursuant to this chapter, for  
25 any registered, licensed, or permitted premises shall not be transfera-  
26 ble to any other person, to any other location or premises, or to any  
27 other building or part of the building containing the licensed premises  
28 except in the discretion of the office. All privileges granted by any  
29 registration, license, or permit shall be available only to the person  
30 therein specified, and only for the premises licensed and no other  
31 except if authorized by the office. Provided, however, that the  
32 provisions of this section shall not be deemed to prohibit the amendment  
33 of a registration or license as provided for in this chapter. A  
34 violation of this section shall subject the registration, license, or  
35 permit to revocation for cause.

36 2. Where a registration or license for premises has been revoked, the  
37 office in its discretion may refuse to issue a registration, license, or  
38 permit under this chapter, for a period of up to five years after such  
39 revocation, for such premises or for any part of the building containing  
40 such premises and connected therewith.

41 3. In determining whether to issue such a proscription against grant-  
42 ing any registration, license, or permit for such five-year period, in  
43 addition to any other factors deemed relevant to the office, the office  
44 shall, in the case of a license revoked due to the illegal sale of  
45 cannabis to a minor, determine whether the proposed subsequent licensee  
46 has obtained such premises through an arm's length transaction, and, if  
47 such transaction is not found to be an arm's length transaction, the  
48 office shall deny the issuance of such license.

49 4. For purposes of this section, "arm's length transaction" shall mean  
50 a sale of a fee of all undivided interests in real property, lease,  
51 management agreement, or other agreement giving the applicant control  
52 over the cannabis at the premises, or any part thereof, in the open  
53 market, between an informed and willing buyer and seller where neither  
54 is under any compulsion to participate in the transaction, unaffected by  
55 any unusual conditions indicating a reasonable possibility that the sale  
56 was made for the purpose of permitting the original licensee to avoid

1 the effect of the revocation. The following sales shall be presumed not  
2 to be arm's length transactions unless adequate documentation is  
3 provided demonstrating that the sale, lease, management agreement, or  
4 other agreement giving the applicant control over the cannabis at the  
5 premises, was not conducted, in whole or in part, for the purpose of  
6 permitting the original licensee to avoid the effect of the revocation:

7 (a) a sale between relatives;

8 (b) a sale between related companies or partners in a business; or

9 (c) a sale, lease, management agreement, or other agreement giving the  
10 applicant control over the cannabis at the premises, affected by other  
11 facts or circumstances that would indicate that the sale, lease, manage-  
12 ment agreement, or other agreement giving the applicant control over the  
13 cannabis at the premises, is entered into for the primary purpose of  
14 permitting the original licensee to avoid the effect of the revocation.

15 5. No registered organization, licensee or permittee shall transport  
16 cannabis products or medical cannabis except in vehicles owned and oper-  
17 ated by such registered organization, licensee or permittee, or hired  
18 and operated by such registered organization, licensee or permittee from  
19 a trucking or transportation company permitted and registered with the  
20 office.

21 6. No common carrier or person operating a transportation facility in  
22 this state, other than the United States government, shall receive for  
23 transportation or delivery within the state any cannabis products or  
24 medical cannabis unless the shipment is accompanied by copy of a bill of  
25 lading, or other document, showing the name and address of the consig-  
26 nor, the name and address of the consignee, the date of the shipment,  
27 and the quantity and kind of cannabis products or medical cannabis  
28 contained therein.

29 § 127. Protections for the use of cannabis; unlawful discriminations  
30 prohibited. 1. No person, registered organization, licensee or permit-  
31 tee shall be subject to arrest, prosecution, or penalty in any manner,  
32 or denied any right or privilege, including but not limited to civil  
33 liability or disciplinary action by a business or occupational or  
34 professional licensing board or office, solely for conduct permitted  
35 under this chapter. For the avoidance of doubt, the appellate division  
36 of the supreme court of the state of New York, and any disciplinary or  
37 character and fitness committees established by them are occupational  
38 and professional licensing boards within the meaning of this section.  
39 State or local law enforcement agencies shall not cooperate with or  
40 provide assistance to the government of the United States or any agency  
41 thereof in enforcing the federal controlled substances act, 21 U.S.C. et  
42 seq., solely for actions consistent with this chapter, except as pursu-  
43 ant to a valid court order.

44 2. No school or landlord may refuse to enroll or lease to and may not  
45 otherwise penalize a person solely for conduct allowed under this chap-  
46 ter, except as exempted:

47 (a) if failing to do so would cause the school or landlord to lose a  
48 monetary or licensing related benefit under federal law or regulations;

49 (b) if the institution has adopted a code of conduct prohibiting  
50 cannabis use on the basis of religious belief; or

51 (c) if a property is registered with the New York smoke-free housing  
52 registry, it is not required to permit the smoking of cannabis products  
53 on its premises.

54 3. For the purposes of medical care, including organ transplants, a  
55 certified patient's authorized use of medical cannabis must be consid-  
56 ered the equivalent of the use of any other medication under the direc-

1 tion of a practitioner and does not constitute the use of an illicit  
2 substance or otherwise disqualify a registered qualifying patient from  
3 medical care.

4 4. Unless an employer establishes that the lawful use of cannabis has  
5 impaired the employee's ability to perform the employee's job responsi-  
6 bilities, it shall be unlawful to take any adverse employment action  
7 against an employee based on conduct allowed under this chapter.

8 5. For the purposes of this section, an employer may consider an  
9 employee's ability to perform the employee's job responsibilities to be  
10 impaired when the employee manifests specific articulable symptoms while  
11 working that decrease or lessen the employee's performance of the duties  
12 or tasks of the employee's job position.

13 6. Nothing in this section shall restrict an employer's ability to  
14 prohibit or take adverse employment action for the possession or use of  
15 intoxicating substances during work hours, or require an employer to  
16 commit any act that would cause the employer to be in violation of  
17 federal law, or that would result in the loss of a federal contract or  
18 federal funding.

19 7. As used in this section, "adverse employment action" means refusing  
20 to hire or employ, barring or discharging from employment, requiring a  
21 person to retire from employment, or discriminating against in compen-  
22 sation or in terms, conditions, or privileges of employment.

23 8. A person currently under parole, probation or other state super-  
24 vision, or released on bail awaiting trial may not be punished or other-  
25 wise penalized for conduct allowed under this chapter.

26 § 128. Registrations and licenses. 1. No registration or license  
27 shall be transferable or assignable except that notwithstanding any  
28 other provision of law, the registration or license of a sole proprietor  
29 converting to corporate form, where such proprietor becomes the sole  
30 stockholder and only officer and director of such new corporation, may  
31 be transferred to the subject corporation if all requirements of this  
32 chapter remain the same with respect to such registration or license as  
33 transferred and, further, the registered organization or licensee shall  
34 transmit to the office, within ten days of the transfer of license  
35 allowable under this subdivision, on a form prescribed by the office,  
36 notification of the transfer of such license.

37 2. No registration or license shall be pledged or deposited as collat-  
38 eral security for any loan or upon any other condition; and any such  
39 pledge or deposit, and any contract providing therefor, shall be void.

40 3. Licenses issued under this chapter shall contain, in addition to  
41 any further information or material to be prescribed by the rules of the  
42 office, the following information:

- 43 (a) name of the person to whom the license is issued;
- 44 (b) kind of license and what kind of traffic in cannabis is thereby  
45 permitted;
- 46 (c) description by street and number, or otherwise, of licensed prem-  
47 ises; and
- 48 (d) a statement in substance that such license shall not be deemed a  
49 property or vested right, and that it may be revoked at any time pursu-  
50 ant to law.

51 § 129. Laboratory testing permit. 1. The executive director shall  
52 approve and permit one or more independent cannabis testing laboratories  
53 to test medical cannabis, adult-use cannabis and/or hemp cannabis.

54 2. To be permitted as an independent cannabis laboratory, a laboratory  
55 must apply to the office, on a form and in a manner prescribed by the

1 office, and must demonstrate the following to the satisfaction of the  
2 executive director:

3 (a) the owners and directors of the laboratory are of good moral char-  
4 acter;

5 (b) the laboratory and its staff has the skills, resources and exper-  
6 tise needed to accurately and consistently perform all of the testing  
7 required for adult-use cannabis, medical cannabis and/or hemp cannabis;

8 (c) the laboratory has in place and will maintain adequate policies,  
9 procedures, and facility security to ensure proper: collection, label-  
10 ing, accessioning, preparation, analysis, result reporting, disposal and  
11 storage of adult-use cannabis, medical cannabis and/or hemp cannabis;

12 (d) the laboratory is physically located in New York state;

13 (e) the laboratory has been approved by the department of health  
14 pursuant to Part 55-2 of Title 10 of the New York Codes, Rules and Regu-  
15 lations, pertaining to laboratories performing environmental analysis;  
16 and

17 (f) the laboratory meets any and all requirements prescribed by this  
18 chapter and by the executive director in regulation.

19 3. The owner of a laboratory testing permit under this section shall  
20 not hold a registration or license in any category of this chapter and  
21 shall not have any direct or indirect ownership interest in such regis-  
22 tered organization or licensee. No board member, officer, manager,  
23 owner, partner, principal stakeholder or member of a registered organ-  
24 ization or licensee under this chapter, or such person's immediate fami-  
25 ly member, shall have an interest or voting rights in any laboratory  
26 testing permittee.

27 4. The executive director shall require that the permitted laboratory  
28 report testing results to the office in a manner, form and timeframe as  
29 determined by the executive director.

30 5. The executive director is authorized to promulgate regulations,  
31 requiring permitted laboratories to perform certain tests and services.

32 § 130. Special Use Permits. The office is hereby authorized to issue  
33 the following kinds of permits for carrying on activities consistent  
34 with the policy and purpose of this chapter with respect to cannabis.  
35 The executive director has the authority to set fees for all permits  
36 issued pursuant to this section, to establish the periods during which  
37 permits are authorized, and to make rules and regulations, including  
38 emergency regulations, to implement this section.

39 1. Industrial cannabis permit - to purchase cannabis for use in the  
40 manufacture and sale of any of the following, when such cannabis is not  
41 otherwise suitable for consumption purposes, namely: (a) apparel, ener-  
42 gy, paper, and tools; (b) scientific, chemical, mechanical and indus-  
43 trial products; or (c) any other industrial use as determined by the  
44 executive director in regulation.

45 2. Nursery permit - to produce clones, immature plants, seeds, and  
46 other agricultural products used specifically for the planting, propa-  
47 gation, and cultivation of cannabis, and to sell such to licensed  
48 adult-use cultivators, registered organizations, and certified patients  
49 or their designated caregivers.

50 3. Solicitor's permit - to offer for sale or to solicit orders for the  
51 sale of any cannabis products, medical cannabis and/or hemp cannabis, as  
52 a representative of a registered organization or licensee under this  
53 chapter.

54 4. Broker's permit - to act as a broker in the purchase and sale of  
55 cannabis products, medical cannabis and/or hemp cannabis for a fee or  
56 commission, for or on behalf of a person authorized to cultivate, proc-

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1 ess, distribute or dispense cannabis products, medical cannabis or hemp  
2 cannabis within the state.

3 5. Trucking permit - to allow for the trucking or transportation of  
4 cannabis products, medical cannabis or hemp cannabis by a person other  
5 than a registered organization or licensee under this chapter.

6 6. Warehouse permit - to allow for the storage of cannabis, cannabis  
7 products, medical cannabis or hemp cannabis at a location not otherwise  
8 registered or licensed by the office.

9 7. Delivery permit - to authorize licensed adult-use cannabis dispen-  
10 saries to deliver adult-use cannabis and cannabis products directly to  
11 cannabis consumers.

12 8. Cannabinoid permit - to sell cannabinoid products derived from hemp  
13 cannabis for off-premises consumption.

14 9. Temporary retail cannabis permit - to authorize the retail sale of  
15 adult-use cannabis to cannabis consumers, for a limited purpose or dura-  
16 tion.

17 10. Caterer's permit - to authorize the service of cannabis products  
18 at a function, occasion or event in a hotel, restaurant, club, ballroom  
19 or other premises, which shall authorize within the hours fixed by the  
20 office, during which cannabis may lawfully be sold or served on the  
21 premises in which such function, occasion or event is held.

22 11. Packaging permit - to authorize a licensed cannabis distributor to  
23 sort, package, label and bundle cannabis products from one or more  
24 registered organizations or licensed processors, on the premises of the  
25 licensed cannabis distributor or at a warehouse for which a permit has  
26 been issued under this section.

27 12. Miscellaneous permits - to purchase, receive or sell cannabis,  
28 cannabis products or medical cannabis, or receipts, certificates,  
29 contracts or other documents pertaining to cannabis, cannabis products,  
30 or medical cannabis, in cases not expressly provided for by this chap-  
31 ter, when in the judgment of the office it would be appropriate and  
32 consistent with the policy and purpose of this chapter.

33 § 131. Professional and medical record keeping. Any professional  
34 providing services in connection with a licensed or potentially licensed  
35 business under this chapter, or in connection with other conduct permit-  
36 ted under this chapter, and any medical professional providing medical  
37 care to a patient, other than a certified patient, may agree with their  
38 client or patient to maintain no record, or any reduced level of record  
39 keeping that professional and client or patient may agree. In case of  
40 such agreement, the professional's only obligation shall be to keep such  
41 records as agreed, and to keep a record of the agreement. Such reduced  
42 record keeping is conduct permitted under this chapter.

43 § 132. County opt-out; municipal control and preemption. 1. The  
44 provisions of article four of this chapter, authorizing the cultivation,  
45 processing, distribution and sale of adult-use cannabis to cannabis  
46 consumers, shall not be applicable to a county, or city having a popu-  
47 lation of one-hundred thousand or more residents, which adopts a local  
48 law, ordinance or resolution by a majority vote of its governing body to  
49 completely prohibit the establishment or operation of one or more types  
50 of licenses contained in article four of this chapter, within the juris-  
51 diction of the county or city.

52 2. Except as provided for in subdivision one of this section, all  
53 county, town, city and village municipalities are hereby preempted from  
54 adopting any rule, ordinance, regulation or prohibition pertaining to  
55 the operation or licensure of registered organizations, adult-use canna-  
56 bis licenses or hemp licenses. However, counties and, municipalities may

1 pass ordinances or regulations governing the time, place and manner of  
2 licensed adult-use cannabis retail dispensaries, provided such ordinance  
3 or regulation does not make the operation of such licensed retail  
4 dispensaries unreasonably impracticable as determined by the executive  
5 director in his or her sole discretion.

6 § 133. Executive director to be necessary party to certain  
7 proceedings. The executive director shall be made a party to all  
8 actions and proceedings affecting in any manner the ability of a regis-  
9 tered organization or licensee to operate within a municipality, or the  
10 result of any vote thereupon; to all actions and proceedings relative to  
11 issuance or revocation of registrations, licenses or permits; to all  
12 injunction proceedings, and to all other civil actions or proceedings  
13 which in any manner affect the enjoyment of the privileges or the opera-  
14 tion of the restrictions provided for in this chapter.

15 § 134. Penalties for violation of this chapter. 1. Any person who  
16 cultivates for sale or sells cannabis, cannabis products, medical canna-  
17 bis or hemp cannabis without having an appropriate registration, license  
18 or permit therefor, or whose registration, license, or permit has been  
19 revoked, surrendered or cancelled, shall be guilty of a misdemeanor, and  
20 upon first conviction thereof shall be punished by a fine not more than  
21 five thousand dollars per instance or by imprisonment in a county jail  
22 or penitentiary for a term of not less than thirty days nor more than  
23 one year or both and upon second conviction thereof shall be punished by  
24 a fine not less than ten thousand dollars or by imprisonment in a county  
25 jail or penitentiary for a term of not less than thirty days nor more  
26 than one year or both and upon all subsequent convictions thereof shall  
27 be punished by a fine not less twenty-five thousand dollars or peniten-  
28 tiary for a term of not less than thirty days nor more than one year or  
29 both provided, however, that in default of payment of any fine imposed,  
30 such person shall be imprisoned in a county jail or penitentiary for a  
31 term of not less than thirty days.

32 2. Any registered organization or licensee, whose registration or  
33 license has been suspended pursuant to the provisions of this chapter,  
34 who sells cannabis, cannabis products, medical cannabis or hemp cannabis  
35 during the suspension period, shall be guilty of a misdemeanor, and upon  
36 conviction thereof shall be punished by a fine of not more than five  
37 thousand dollars per instance or by imprisonment in a county jail or  
38 penitentiary for a term of not more than six months, or by both such  
39 fine and imprisonment.

40 3. Any person who shall make any false statement in the application  
41 for a registration, license or a permit under this chapter shall be  
42 guilty of a misdemeanor, and upon conviction thereof shall be punishable  
43 by a fine of not more than five thousand dollars, or by imprisonment in  
44 a county jail or penitentiary for a term of not more than six months or  
45 both.

46 4. Any violation by any person of any provision of this chapter for  
47 which no punishment or penalty is otherwise provided shall be a misde-  
48 meanor.

49 § 135. Revocation of registrations, licenses and permits for cause;  
50 procedure for revocation or cancellation. 1. Any registration, license  
51 or permit issued pursuant to this chapter may be revoked, cancelled,  
52 suspended and/or subjected to the imposition of a civil penalty for  
53 cause, and must be revoked for the following causes:

54 (a) conviction of the registered organization, licensee, permittee or  
55 his or her agent or employee for selling any illegal cannabis on the  
56 premises registered, licensed or permitted; or



1 (b) for transferring, assigning or hypothecating a registration,  
2 license or permit without prior written approval of the office.

3 2. Notwithstanding the issuance of a registration, license or permit  
4 by way of renewal, the office may revoke, cancel or suspend such regis-  
5 tration, license or permit and/or may impose a civil penalty against any  
6 holder of such registration, license or permit, as prescribed by this  
7 section, for causes or violations occurring during the license period  
8 immediately preceding the issuance of such registration, license or  
9 permit.

10 3. (a) As used in this section, the term "for cause" shall also  
11 include the existence of a sustained and continuing pattern of miscon-  
12 duct, failure to adequately prevent diversion or disorder on or about  
13 the registered, licensed or permitted premises, or in the area in front  
14 of or adjacent to the registered or licensed premises, or in any parking  
15 lot provided by the registered organization or licensee for use by  
16 registered organization or licensee's patrons, which, in the judgment of  
17 the office, adversely affects or tends to affect the protection, health,  
18 welfare, safety, or repose of the inhabitants of the area in which the  
19 registered or licensed premises is located, or results in the licensed  
20 premises becoming a focal point for police attention, or is offensive to  
21 public decency.

22 (b) (i) As used in this section, the term "for cause" shall also  
23 include deliberately misleading the authority:

24 (A) as to the nature and character of the business to be operated by  
25 the registered organization, licensee or permittee; or

26 (B) by substantially altering the nature or character of such business  
27 during the registration or licensing period without seeking appropriate  
28 approvals from the office.

29 (ii) As used in this subdivision, the term "substantially altering the  
30 nature or character" of such business shall mean any significant alter-  
31 ation in the scope of business activities conducted by a registered  
32 organization, licensee or permittee that would require obtaining an  
33 alternate form of registration, license or permit.

34 4. As used in this chapter, the existence of a sustained and continu-  
35 ing pattern of misconduct, failure to adequately prevent diversion or  
36 disorder on or about the premises may be presumed upon the sixth inci-  
37 dent reported to the office by a law enforcement agency, or discovered  
38 by the office during the course of any investigation, of misconduct,  
39 diversion or disorder on or about the premises or related to the opera-  
40 tion of the premises, absent clear and convincing evidence of either  
41 fraudulent intent on the part of any complainant or a factual error with  
42 respect to the content of any report concerning such complaint relied  
43 upon by the office.

44 5. Notwithstanding any other provision of this chapter to the contra-  
45 ry, a suspension imposed under this section against the holder of a  
46 registration issued pursuant to article three of this chapter, shall  
47 only suspend the licensed activities related to the type of cannabis,  
48 medical cannabis or adult-use cannabis involved in the violation result-  
49 ing in the suspension.

50 6. Any registration, license or permit issued by the office pursuant  
51 to this chapter may be revoked, cancelled or suspended and/or be  
52 subjected to the imposition of a monetary penalty in the manner  
53 prescribed by this section and by the executive director in regulation.

54 7. The office may on its own initiative, or on complaint of any  
55 person, institute proceedings to revoke, cancel or suspend any adult-use  
56 cannabis retail dispensary license or adult-use cannabis on-site

1 consumption license and may impose a civil penalty against the licensee  
2 after a hearing at which the licensee shall be given an opportunity to  
3 be heard. Such hearing shall be held in such manner and upon such notice  
4 as may be prescribed in regulation by the executive director.

5 8. All other registrations, licenses or permits issued under this  
6 chapter may be revoked, cancelled, suspended and/or made subject to the  
7 imposition of a civil penalty by the office after a hearing to be held  
8 in such manner and upon such notice as may be prescribed in regulation  
9 by the executive director.

10 9. Where a licensee or permittee is convicted of two or more qualify-  
11 ing offenses within a five-year period, the office, upon receipt of  
12 notification of such second or subsequent conviction, shall, in addition  
13 to any other sanction or civil or criminal penalty imposed pursuant to  
14 this chapter, impose on such licensee a civil penalty not to exceed ten  
15 thousand dollars. For purposes of this subdivision, a qualifying  
16 offense shall mean the unlawful sale of cannabis to a person under the  
17 age of twenty-one. For purposes of this subdivision, a conviction of a  
18 licensee or an employee or agent of such licensee shall constitute a  
19 conviction of such licensee.

20 § 136. Lawful actions pursuant to this chapter. 1. Contracts related  
21 to the operation of registered organizations, licenses and permits under  
22 this chapter shall be lawful and shall not be deemed unenforceable on  
23 the basis that the actions permitted pursuant to the registration,  
24 license or permit are prohibited by federal law.

25 2. The following actions are not unlawful as provided under this chap-  
26 ter, shall not be an offense under any state or local law, and shall not  
27 result in any civil fine, seizure, or forfeiture of assets against any  
28 person acting in accordance with this chapter:

29 (a) Actions of a registered organization, licensee, or permittee, or  
30 the employees or agents of such registered organization, licensee or  
31 permittee, as permitted by this chapter and consistent with rules and  
32 regulations of the office, pursuant to a valid registration, license or  
33 permit issued by the office.

34 (b) Actions of those who allow property to be used by a registered  
35 organization, licensee, or permittee, or the employees or agents of such  
36 registered organization, licensee or permittee, as permitted by this  
37 chapter and consistent with rules and regulations of the office, pursu-  
38 ant to a valid registration, license or permit issued by the office.

39 (c) Actions of any person or entity, their employees, or their agents  
40 providing a service to a registered organization, licensee, permittee or  
41 a potential registered organization, licensee, or permittee, as permit-  
42 ted by this chapter and consistent with rules and regulations of the  
43 office, relating to the formation of a business.

44 (d) The purchase, possession, or consumption of cannabis, medical  
45 cannabis and hemp, as permitted by this chapter and consistent with  
46 rules and regulations of the office, obtained from a validly registered,  
47 licensed or permitted retailer.

48 § 137. Review by courts. 1. The following actions by the office, and  
49 only the following actions by the office, shall be subject to review by  
50 the supreme court in the manner provided in article seventy-eight of the  
51 civil practice law and rules:

52 (a) Refusal by the office to issue a registration, license, or a  
53 permit.

54 (b) The revocation, cancellation or suspension of a registration,  
55 license, or permit by the office.

1 (c) The failure or refusal by the office to render a decision upon any  
2 application or hearing submitted to or held by the office within sixty  
3 days after such submission or hearing.

4 (d) The transfer by the office of a registration, license, or permit  
5 to any other entity or premises, or the failure or refusal by the office  
6 to approve such a transfer.

7 (e) Refusal to approve alteration of premises.

8 (f) Refusal to approve a corporate change in stockholders, stockhold-  
9 ings, officers or directors.

10 2. No stay shall be granted pending the determination of such matter  
11 except on notice to the office and only for a period of less than thirty  
12 days. In no instance shall a stay be granted where the office has issued  
13 a summary suspension of a registration, license, or permit for the  
14 protection of the public health, safety, and welfare.

15 § 138. Illicit cannabis. 1. "Illicit cannabis" means and includes any  
16 cannabis product, medical cannabis or hemp cannabis owned, cultivated,  
17 distributed, bought, sold, packaged, rectified, blended, treated, forti-  
18 fied, mixed, processed, warehoused, possessed or transported, or on  
19 which any tax required to have been paid under any applicable state law  
20 has not been paid.

21 2. Any person who shall knowingly possess or have under his or her  
22 control any illicit cannabis is guilty of a misdemeanor.

23 3. Any person who shall knowingly barter or exchange with, or sell,  
24 give or offer to sell or to give another any illicit cannabis is guilty  
25 of a misdemeanor.

26 4. Any person who shall possess or have under his or her control or  
27 transport any illicit cannabis with intent to barter or exchange with,  
28 or to sell or give to another the same or any part thereof is guilty of  
29 a misdemeanor. Such intent is presumptively established by proof that  
30 the person knowingly possessed or had under his or her control one or  
31 more ounces of illicit cannabis. This presumption may be rebutted.

32 5. Any person who, being the owner, lessee, or occupant of any room,  
33 shed, tenement, booth or building, float or vessel, or part thereof,  
34 knowingly permits the same to be used for the cultivation, processing,  
35 distribution, purchase, sale, warehousing, transportation, or storage of  
36 any illicit cannabis, is guilty of a misdemeanor.

37 § 139. Injunction for unlawful manufacturing, sale or consumption of  
38 cannabis. 1. If any person shall engage or participate or be about to  
39 engage or participate in the cultivation, production, distribution,  
40 traffic, or sale of cannabis products, medical cannabis or hemp cannabis  
41 in this state without obtaining the appropriate registration, license,  
42 or permit therefor, or shall traffic in cannabis products, medical  
43 cannabis or hemp cannabis contrary to any provision of this chapter, or  
44 otherwise unlawfully, or shall traffic in illegal cannabis products,  
45 medical cannabis or hemp cannabis, or, operating a place for profit or  
46 pecuniary gain, with a capacity for the assemblage of twenty or more  
47 persons, shall permit a person or persons to come to such place of  
48 assembly for the purpose of consuming cannabis products without having  
49 the appropriate license or permit therefor, the office may present a  
50 verified petition or complaint to a justice of the supreme court at a  
51 special term of the supreme court of the judicial district in which such  
52 city, village or town is situated, for an order enjoining such person  
53 engaging or participating in such activity or from carrying on such  
54 business. Such petition or complaint shall state the facts upon which  
55 such application is based. Upon the presentation of the petition or  
56 complaint, the justice or court may grant an order temporarily restrain-

1 ing any person from continuing to engage in conduct as specified in the  
2 petition or complaint, and shall grant an order requiring such person to  
3 appear before such justice or court at or before a special term of the  
4 supreme court in such judicial district on the day specified therein,  
5 not more than ten days after the granting thereof, to show cause why  
6 such person should not be permanently enjoined from engaging or partic-  
7 ipating in such activity or from carrying on such business, or why such  
8 person should not be enjoined from carrying on such business contrary to  
9 the provisions of this chapter. A copy of such petition or complaint and  
10 order shall be served upon the person, in the manner directed by such  
11 order, not less than three days before the return day thereof. On the  
12 day specified in such order, the justice or court before whom the same  
13 is returnable shall hear the proofs of the parties and may, if deemed  
14 necessary or proper, take testimony in relation to the allegations of  
15 the petition or complaint. If the justice or court is satisfied that  
16 such person is about to engage or participate in the unlawful traffic in  
17 cannabis, medical cannabis or hemp cannabis or has unlawfully culti-  
18 vated, processed, or sold cannabis products, medical cannabis or hemp  
19 cannabis without having obtained a registration or license or contrary  
20 to the provisions of this chapter, or has trafficked in illegal canna-  
21 bis, or, is operating or is about to operate such place for profit or  
22 pecuniary gain, with such capacity, and has permitted or is about to  
23 permit a person or persons to come to such place of assembly for the  
24 purpose of consuming cannabis products without having such appropriate  
25 license, an order shall be granted enjoining such person from thereafter  
26 engaging or participating in or carrying on such activity or business.  
27 If, after the entry of such an order in the county clerk's office of the  
28 county in which the principal place of business of the corporation or  
29 partnership is located, or in which the individual so enjoined resides  
30 or conducts such business, and the service of a copy thereof upon such  
31 person, or such substituted service as the court may direct, such  
32 person, partnership or corporation shall, in violation of such order,  
33 cultivate, process, distribute or sell cannabis products, medical canna-  
34 bis or hemp cannabis, or illegal cannabis products, medical cannabis or  
35 hemp cannabis, or permit a person or persons to come to such place of  
36 assembly for the purpose of consuming cannabis products, such activity  
37 shall be deemed a contempt of court and be punishable in the manner  
38 provided by the judiciary law, and, in addition to any such punishment,  
39 the justice or court before whom or which the petition or complaint is  
40 heard, may, in his or its discretion, order the seizure and forfeiture  
41 of any cannabis products and any fixtures, equipment and supplies used  
42 in the operation or promotion of such illegal activity and such property  
43 shall be subject to forfeiture pursuant to law. Costs upon the applica-  
44 tion for such injunction may be awarded in favor of and against the  
45 parties thereto in such sums as in the discretion of the justice or  
46 court before whom or which the petition or complaint is heard may seem  
47 proper.

48 2. The owner, lessor and lessee of a building, erection or place where  
49 cannabis products, medical cannabis or hemp cannabis is unlawfully  
50 cultivated, processed, distributed, sold, consumed or permitted to be  
51 unlawfully cultivated, processed, distributed, sold or consumed may be  
52 made a respondent or defendant in the proceeding or action.

53 § 140. Persons forbidden to traffic cannabis; certain officials not to  
54 be interested in manufacture or sale of cannabis products. 1. The  
55 following are forbidden to traffic in cannabis:

1 (a) Except as provided in subdivision one-a of this section, a person  
2 who has been convicted of a felony, unless subsequent to such conviction  
3 such person shall have received an executive pardon therefor removing  
4 this disability, a certificate of good conduct granted by the department  
5 of corrections and community supervision, or a certificate of relief  
6 from disabilities granted by the department of corrections and community  
7 supervision or a court of this state pursuant to the provisions of arti-  
8 cle twenty-three of the correction law to remove the disability under  
9 this section because of such conviction;

10 (b) A person under the age of twenty-one years;

11 (c) A person who is not a citizen of the United States or an alien  
12 lawfully admitted for permanent residence in the United States;

13 (d) A partnership or a corporation, unless each member of the partner-  
14 ship, or each of the principal officers and directors of the corpo-  
15 ration, is a citizen of the United States or an alien lawfully admitted  
16 for permanent residence in the United States, not less than twenty-one  
17 years of age, and has not been convicted of any felony, or if so  
18 convicted has received, subsequent to such conviction, an executive  
19 pardon therefor removing this disability a certificate of good conduct  
20 granted by the department of corrections and community supervision, or a  
21 certificate of relief from disabilities granted by the department of  
22 corrections and community supervision or a court of this state pursuant  
23 to the provisions of article twenty-three of the correction law to  
24 remove the disability under this section because of such conviction;  
25 provided however that a corporation which otherwise conforms to the  
26 requirements of this section and chapter may be licensed if each of its  
27 principal officers and more than one-half of its directors are citizens  
28 of the United States or aliens lawfully admitted for permanent residence  
29 in the United States; and provided further that a corporation organized  
30 under the not-for-profit corporation law or the education law which  
31 otherwise conforms to the requirements of this section and chapter may  
32 be licensed if each of its principal officers and more than one-half of  
33 its directors are not less than twenty-one years of age and none of its  
34 directors are less than eighteen years of age; and provided further that  
35 a corporation organized under the not-for-profit corporation law or the  
36 education law and located on the premises of a college as defined by  
37 section two of the education law which otherwise conforms to the  
38 requirements of this section and chapter may be licensed if each of its  
39 principal officers and each of its directors are not less than eighteen  
40 years of age;

41 (e) A person who shall have had any registration or license issued  
42 under this chapter revoked for cause, until the expiration of two years  
43 from the date of such revocation;

44 (f) A person not registered or licensed under the provisions of this  
45 chapter, who has been convicted of a violation of this chapter, until  
46 the expiration of two years from the date of such conviction; or

47 (g) A corporation or partnership, if any officer and director or any  
48 partner, while not licensed under the provisions of this chapter, has  
49 been convicted of a violation of this chapter, or has had a registration  
50 or license issued under this chapter revoked for cause, until the expi-  
51 ration of two years from the date of such conviction or revocation.

52 1-a. Notwithstanding the provision of subdivision one of this section,  
53 a corporation holding a registration or license to traffic cannabis  
54 products or medical cannabis shall not, upon conviction of a felony be  
55 automatically forbidden to traffic in cannabis products or medical  
56 cannabis, but the application for a registered organization or license

1 by such a corporation shall be subject to denial, and the registration  
2 or license of such a corporation shall be subject to revocation or  
3 suspension by the office pursuant, consistent with the provisions of  
4 article twenty-three-A of the correction law. For any felony conviction  
5 by a court other than a court of this state, the office may request the  
6 department of corrections and community supervision to investigate and  
7 review the facts and circumstances concerning such a conviction, and  
8 such department shall, if so requested, submit its findings to the  
9 office as to whether the corporation has conducted itself in a manner  
10 such that discretionary review by the office would not be inconsistent  
11 with the public interest. The department of corrections and community  
12 supervision may charge the registered organization, licensee or appli-  
13 cant a fee equivalent to the expenses of an appropriate investigation  
14 under this subdivision. For any conviction rendered by a court of this  
15 state, the office may request the corporation, if the corporation is  
16 eligible for a certificate of relief from disabilities, to seek such a  
17 certificate from the court which rendered the conviction and to submit  
18 such a certificate as part of the office's discretionary review process.

19 2. Except as may otherwise be provided for in regulation, it shall be  
20 unlawful for any police commissioner, police inspector, captain,  
21 sergeant, roundsman, patrolman or other police official or subordinate  
22 of any police department in the state, to be either directly or indi-  
23 rectly interested in the cultivation, processing, distribution, or sale  
24 of cannabis products or to offer for sale, or recommend to any regis-  
25 tered organization or licensee any cannabis products. A person may not  
26 be denied any registration or license granted under the provisions of  
27 this chapter solely on the grounds of being the spouse of a public serv-  
28 ant described in this section. The solicitation or recommendation made  
29 to any registered organization or licensee, to purchase any cannabis  
30 products by any police official or subordinate as hereinabove described,  
31 shall be presumptive evidence of the interest of such official or subor-  
32 dinate in the cultivation, processing, distribution, or sale of cannabis  
33 products.

34 3. No elective village officer shall be subject to the limitations set  
35 forth in subdivision two of this section unless such elective village  
36 officer shall be assigned duties directly relating to the operation or  
37 management of the police department.

38 § 141. Access to criminal history information through the division of  
39 criminal justice services. In connection with the administration of  
40 this chapter, the executive director is authorized to request, receive  
41 and review criminal history information through the division of criminal  
42 justice services with respect to any person seeking a registration,  
43 license, permit or authorization to cultivate, process, distribute or  
44 sell medical cannabis, adult use cannabis or hemp cannabis. At the exec-  
45 utive director's request, each person, member, principal and/or officer  
46 of the applicant shall submit to the office his or her fingerprints in  
47 such form and in such manner as specified by the division, for the  
48 purpose of conducting a criminal history search and returning a report  
49 thereon in accordance with the procedures and requirements established  
50 by the division pursuant to the provisions of article thirty-five of the  
51 executive law, which shall include the payment of the prescribed proc-  
52 essing fees for the cost of the division's full search and retain proce-  
53 dures and a national criminal history record check. The executive direc-  
54 tor, or his or her designee, shall submit such fingerprints and the  
55 processing fee to the division. The division shall forward to the execu-  
56 tive director a report with respect to the applicant's previous criminal

1 history, if any, or a statement that the applicant has no previous crim-  
2 inal history according to its files. Fingerprints submitted to the divi-  
3 sion pursuant to this subdivision may also be submitted to the federal  
4 bureau of investigation for a national criminal history record check. If  
5 additional copies of fingerprints are required, the applicant shall  
6 furnish them upon request.

7 § 3. Intentionally omitted.

8 § 4. Section 3302 of the public health law, as added by chapter 878 of  
9 the laws of 1972, subdivisions 1, 14, 16, 17 and 27 as amended and  
10 subdivisions 4, 5, 6, 7, 8, 11, 12, 13, 15, 18, 19, 20, 21, 22, 23, 24,  
11 25, 26, 28, 29 and 30 as renumbered by chapter 537 of the laws of 1998,  
12 subdivisions 9 and 10 as amended and subdivisions 34, 35, 36, 37, 38, 39  
13 and 40 as added by chapter 178 of the laws of 2010, paragraph (a) of  
14 subdivision 20, the opening paragraph of subdivision 22 and subdivision  
15 29 as amended by chapter 163 of the laws of 1973, subdivision 31 as  
16 amended by section 4 of part A of chapter 58 of the laws of 2004, subdi-  
17 vision 41 as added by section 6 of part A of chapter 447 of the laws of  
18 2012, and subdivisions 42 and 43 as added by section 13 of part D of  
19 chapter 60 of the laws of 2014, is amended to read as follows:

20 § 3302. Definitions of terms of general use in this article. Except  
21 where different meanings are expressly specified in subsequent  
22 provisions of this article, the following terms have the following mean-  
23 ings:

24 1. "Addict" means a person who habitually uses a controlled substance  
25 for a non-legitimate or unlawful use, and who by reason of such use is  
26 dependent thereon.

27 2. "Administer" means the direct application of a controlled  
28 substance, whether by injection, inhalation, ingestion, or any other  
29 means, to the body of a patient or research subject.

30 3. "Agent" means an authorized person who acts on behalf of or at the  
31 direction of a manufacturer, distributor, or dispenser. No person may be  
32 authorized to so act if under title VIII of the education law such  
33 person would not be permitted to engage in such conduct. It does not  
34 include a common or contract carrier, public warehouseman, or employee  
35 of the carrier or warehouseman when acting in the usual and lawful  
36 course of the carrier's or warehouseman's business.

37 4. ~~["Concentrated Cannabis" means~~

38 ~~(a) the separated resin, whether crude or purified, obtained from a~~  
39 ~~plant of the genus Cannabis; or~~

40 ~~(b) a material, preparation, mixture, compound or other substance~~  
41 ~~which contains more than two and one-half percent by weight of delta-9~~  
42 ~~tetrahydrocannabinol, or its isomer, delta-8 dibenzopyran numbering~~  
43 ~~system, or delta-1 tetrahydrocannabinol or its isomer, delta-1 (6) mono-~~  
44 ~~terpene numbering system.~~

45 ~~5.]~~ "Controlled substance" means a substance or substances listed in  
46 section thirty-three hundred six of this ~~[chapter]~~ title.

47 ~~[6.]~~ 5. "Commissioner" means commissioner of health of the state of  
48 New York.

49 ~~[7.]~~ 6. "Deliver" or "delivery" means the actual, constructive or  
50 attempted transfer from one person to another of a controlled substance,  
51 whether or not there is an agency relationship.

52 ~~[8.]~~ 7. "Department" means the department of health of the state of  
53 New York.

54 ~~[9.]~~ 8. "Dispense" means to deliver a controlled substance to an ulti-  
55 mate user or research subject by lawful means, including by means of the

1 internet, and includes the packaging, labeling, or compounding necessary  
2 to prepare the substance for such delivery.

3 ~~[10.]~~ 9. "Distribute" means to deliver a controlled substance, includ-  
4 ing by means of the internet, other than by administering or dispensing.

5 ~~[11.]~~ 10. "Distributor" means a person who distributes a controlled  
6 substance.

7 ~~[12.]~~ 11. "Diversion" means manufacture, possession, delivery or use  
8 of a controlled substance by a person or in a manner not specifically  
9 authorized by law.

10 ~~[13.]~~ 12. "Drug" means

11 (a) substances recognized as drugs in the official United States Phar-  
12 macopoeia, official Homeopathic Pharmacopoeia of the United States, or  
13 official National Formulary, or any supplement to any of them;

14 (b) substances intended for use in the diagnosis, cure, mitigation,  
15 treatment, or prevention of disease in man or animals; and

16 (c) substances (other than food) intended to affect the structure or a  
17 function of the body of man or animal. It does not include devices or  
18 their components, parts, or accessories.

19 ~~[14.]~~ 13. "Federal agency" means the Drug Enforcement Administration,  
20 United States Department of Justice, or its successor agency.

21 ~~[15.]~~ 14. "Federal controlled substances act" means the Comprehensive  
22 Drug Abuse Prevention and Control Act of 1970, Public Law 91-513, and  
23 any act or acts amendatory or supplemental thereto or regulations  
24 promulgated thereunder.

25 ~~[16.]~~ 15. "Federal registration number" means such number assigned by  
26 the Federal agency to any person authorized to manufacture, distribute,  
27 sell, dispense or administer controlled substances.

28 ~~[17.]~~ 16. "Habitual user" means any person who is, or by reason of  
29 repeated use of any controlled substance for non-legitimate or unlawful  
30 use is in danger of becoming, dependent upon such substance.

31 ~~[18.]~~ 17. "Institutional dispenser" means a hospital, veterinary  
32 hospital, clinic, dispensary, maternity home, nursing home, mental  
33 hospital or similar facility approved and certified by the department as  
34 authorized to obtain controlled substances by distribution and to  
35 dispense and administer such substances pursuant to the order of a prac-  
36 titioner.

37 ~~[19.]~~ 18. "License" means a written authorization issued by the  
38 department or the New York state department of education permitting  
39 persons to engage in a specified activity with respect to controlled  
40 substances.

41 ~~[20.]~~ 19. "Manufacture" means the production, preparation, propa-  
42 gation, compounding, cultivation, conversion or processing of a  
43 controlled substance, either directly or indirectly or by extraction  
44 from substances of natural origin, or independently by means of chemical  
45 synthesis, or by a combination of extraction and chemical synthesis, and  
46 includes any packaging or repackaging of the substance or labeling or  
47 relabeling of its container, except that this term does not include the  
48 preparation, compounding, packaging or labeling of a controlled  
49 substance:

50 (a) by a practitioner as an incident to his administering or dispens-  
51 ing of a controlled substance in the course of his professional prac-  
52 tice; or

53 (b) by a practitioner, or by his authorized agent under his super-  
54 vision, for the purpose of, or as an incident to, research, teaching, or  
55 chemical analysis and not for sale; or



1 (c) by a pharmacist as an incident to his dispensing of a controlled  
2 substance in the course of his professional practice.

3 ~~[21. "Marihuana" means all parts of the plant of the genus Cannabis,~~  
4 ~~whether growing or not; the seeds thereof; the resin extracted from any~~  
5 ~~part of the plant; and every compound, manufacture, salt, derivative,~~  
6 ~~mixture, or preparation of the plant, its seeds or resin. It does not~~  
7 ~~include the mature stalks of the plant, fiber produced from the stalks,~~  
8 ~~oil or cake made from the seeds of the plant, any other compound, manu-~~  
9 ~~facture, salt, derivative, mixture, or preparation of the mature stalks~~  
10 ~~(except the resin extracted therefrom), fiber, oil, or cake, or the~~  
11 ~~sterilized seed of the plant which is incapable of germination.~~

12 ~~22.]~~ 20. "Narcotic drug" means any of the following, whether produced  
13 directly or indirectly by extraction from substances of vegetable  
14 origin, or independently by means of chemical synthesis, or by a combi-  
15 nation of extraction and chemical synthesis:

16 (a) opium and opiate, and any salt, compound, derivative, or prepara-  
17 tion of opium or opiate;

18 (b) any salt, compound, isomer, derivative, or preparation thereof  
19 which is chemically equivalent or identical with any of the substances  
20 referred to in [~~subdivision~~] paragraph (a) of this subdivision, but not  
21 including the isoquinoline alkaloids of opium;

22 (c) opium poppy and poppy straw.

23 ~~[23.]~~ 21. "Opiate" means any substance having an addiction-forming or  
24 addiction-sustaining liability similar to morphine or being capable of  
25 conversion into a drug having addiction-forming or addiction-sustaining  
26 liability. It does not include, unless specifically designated as  
27 controlled under section [~~3306~~] thirty-three hundred six of this [~~arti-~~  
28 ~~cle~~] title, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and  
29 its salts (dextromethorphan). It does include its racemic and levorota-  
30 tory forms.

31 ~~[24.]~~ 22. "Opium poppy" means the plant of the species *Papaver*  
32 *somniferum* L., except its seeds.

33 ~~[25.]~~ 23. "Person" means individual, institution, corporation, govern-  
34 ment or governmental subdivision or agency, business trust, estate,  
35 trust, partnership or association, or any other legal entity.

36 ~~[26.]~~ 24. "Pharmacist" means any person licensed by the state depart-  
37 ment of education to practice pharmacy.

38 ~~[27.]~~ 25. "Pharmacy" means any place registered as such by the New  
39 York state board of pharmacy and registered with the Federal agency  
40 pursuant to the federal controlled substances act.

41 ~~[28.]~~ 26. "Poppy straw" means all parts, except the seeds, of the  
42 opium poppy, after mowing.

43 ~~[29.]~~ 27. "Practitioner" means:

44 A physician, dentist, podiatrist, veterinarian, scientific investi-  
45 gator, or other person licensed, or otherwise permitted to dispense,  
46 administer or conduct research with respect to a controlled substance in  
47 the course of a licensed professional practice or research licensed  
48 pursuant to this article. Such person shall be deemed a "practitioner"  
49 only as to such substances, or conduct relating to such substances, as  
50 is permitted by his license, permit or otherwise permitted by law.

51 ~~[30.]~~ 28. "Prescribe" means a direction or authorization, by  
52 prescription, permitting an ultimate user lawfully to obtain controlled  
53 substances from any person authorized by law to dispense such  
54 substances.

1 [31.] 29. "Prescription" shall mean an official New York state  
2 prescription, an electronic prescription, an oral prescription[~~7~~] or  
3 out-of-state prescription[~~7~~, ~~or any one~~].

4 [32.] 30. "Sell" means to sell, exchange, give or dispose of to anothe-  
5 er, or offer or agree to do the same.

6 [33.] 31. "Ultimate user" means a person who lawfully obtains and  
7 possesses a controlled substance for his own use or the use by a member  
8 of his household or for an animal owned by him or in his custody. It  
9 shall also mean and include a person designated, by a practitioner on a  
10 prescription, to obtain such substance on behalf of the patient for whom  
11 such substance is intended.

12 [34.] 32. "Internet" means collectively computer and telecommuni-  
13 cations facilities which comprise the worldwide network of networks that  
14 employ a set of industry standards and protocols, or any predecessor or  
15 successor protocol to such protocol, to exchange information of all  
16 kinds. "Internet," as used in this article, also includes other  
17 networks, whether private or public, used to transmit information by  
18 electronic means.

19 [35.] 33. "By means of the internet" means any sale, delivery,  
20 distribution, or dispensing of a controlled substance that uses the  
21 internet, is initiated by use of the internet or causes the internet to  
22 be used.

23 [36.] 34. "Online dispenser" means a practitioner, pharmacy, or person  
24 in the United States that sells, delivers or dispenses, or offers to  
25 sell, deliver, or dispense, a controlled substance by means of the  
26 internet.

27 [37.] 35. "Electronic prescription" means a prescription issued with  
28 an electronic signature and transmitted by electronic means in accord-  
29 ance with regulations of the commissioner and the commissioner of educa-  
30 tion and consistent with federal requirements. A prescription generated  
31 on an electronic system that is printed out or transmitted via facsimile  
32 is not considered an electronic prescription and must be manually  
33 signed.

34 [38.] 36. "Electronic" means of or relating to technology having elec-  
35 trical, digital, magnetic, wireless, optical, electromagnetic or similar  
36 capabilities. "Electronic" shall not include facsimile.

37 [39.] 37. "Electronic record" means a paperless record that is  
38 created, generated, transmitted, communicated, received or stored by  
39 means of electronic equipment and includes the preservation, retrieval,  
40 use and disposition in accordance with regulations of the commissioner  
41 and the commissioner of education and in compliance with federal law and  
42 regulations.

43 [40.] 38. "Electronic signature" means an electronic sound, symbol, or  
44 process, attached to or logically associated with an electronic record  
45 and executed or adopted by a person with the intent to sign the record,  
46 in accordance with regulations of the commissioner and the commissioner  
47 of education.

48 [41.] 39. "Registry" or "prescription monitoring program registry"  
49 means the prescription monitoring program registry established pursuant  
50 to section thirty-three hundred forty-three-a of this article.

51 [42.] 40. "Compounding" means the combining, admixing, mixing, dilut-  
52 ing, pooling, reconstituting, or otherwise altering of a drug or bulk  
53 drug substance to create a drug with respect to an outsourcing facility  
54 under section 503B of the federal Food, Drug and Cosmetic Act and  
55 further defined in this section.

56 [43.] 41. "Outsourcing facility" means a facility that:

1 (a) is engaged in the compounding of sterile drugs as defined in  
2 section sixty-eight hundred two of the education law;

3 (b) is currently registered as an outsourcing facility pursuant to  
4 article one hundred thirty-seven of the education law; and

5 (c) complies with all applicable requirements of federal and state  
6 law, including the Federal Food, Drug and Cosmetic Act.

7 Notwithstanding any other provision of law to the contrary, when an  
8 outsourcing facility distributes or dispenses any drug to any person  
9 pursuant to a prescription, such outsourcing facility shall be deemed to  
10 be providing pharmacy services and shall be subject to all laws, rules  
11 and regulations governing pharmacies and pharmacy services.

12 § 5. Paragraphs 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25,  
13 26, 27, 28, 29, 30, 31 and 32 of subdivision (d) of schedule I of  
14 section 3306 of the public health law, paragraphs 13, 14, 15, 16, 17,  
15 18, 19, 20, 21, 22, 23 and 24 as added by chapter 664 of the laws of  
16 1985, paragraphs 25, 26, 27, 28, 29 and 30 as added by chapter 589 of  
17 the laws of 1996 and paragraphs 31 and 32 as added by chapter 457 of the  
18 laws of 2006, are amended to read as follows:

19 (~~13~~) [~~Marihuana-~~  
20 ~~(14)~~] Mescaline.

21 [~~(15)~~] (~~14~~) Parahexyl. Some trade or other names: 3-Hexyl-1-hydroxy-  
22 7,8,9,10-tetra hydro-6,6,9-trimethyl-6H-dibenfo{b,d} pyran.

23 [~~(16)~~] (~~15~~) Peyote. Meaning all parts of the plant presently classi-  
24 fied botanically as Lophophora williamsii Lemaire, whether growing or  
25 not, the seeds thereof, any extract from any part of such plant, and  
26 every compound, manufacture, salts, derivative, mixture, or preparation  
27 of such plant, its seeds or extracts.

28 [~~(17)~~] (~~16~~) N-ethyl-3-piperidyl benzilate.

29 [~~(18)~~] (~~17~~) N-methyl-3-piperidyl benzilate.

30 [~~(19)~~] (~~18~~) Psilocybin.

31 [~~(20)~~] (~~19~~) Psilocyn.

32 [~~(21)~~] (~~20~~) Tetrahydrocannabinols. Synthetic tetrahydrocannabinols not  
33 derived from the cannabis plant that are equivalents of the substances  
34 contained in the plant, or in the resinous extractives of cannabis, sp.  
35 and/or synthetic substances, derivatives, and their isomers with similar  
36 chemical structure and pharmacological activity such as the following:

37 [~~△~~] delta 1 cis or trans tetrahydrocannabinol, and their optical  
38 isomers

39 [~~△~~] delta 6 cis or trans tetrahydrocannabinol, and their optical  
40 isomers

41 [~~△~~] delta 3, 4 cis or trans tetrahydrocannabinol, and its optical  
42 isomers (since nomenclature of these substances is not internationally  
43 standardized, compounds of these structures, regardless of numerical  
44 designation of atomic positions covered).

45 [~~(22)~~] (~~21~~) Ethylamine analog of phencyclidine. Some trade or other  
46 names: N-ethyl-1-phenylcyclohexylamine, (1-phenylcyclohexyl) ethyla-  
47 mine, N-(1-phenylcyclohexyl) ethylamine cyclohexamine, PCE.

48 [~~(23)~~] (~~22~~) Pyrrolidine analog of phencyclidine. Some trade or other  
49 names 1-(1-phenylcyclohexyl)-pyrrolidine; PCPy, PHP.

50 [~~(24)~~] (~~23~~) Thiophene analog of phencyclidine. Some trade or other  
51 names: 1-{1-(2-thienyl)-cyclohexyl}-piperidine, 2-thienylanalog of  
52 phencyclidine, TPCP, TCP.

53 [~~(25)~~] (~~24~~) 3,4-methylenedioxymethamphetamine (MDMA).

54 [~~(26)~~] (~~25~~) 3,4-methylenedioxy-N-ethylamphetamine (also known as  
55 N-ethyl-alpha-methyl-3,4 (methylenedioxy) phenethylamine, N-ethyl MDA,  
56 MDE, MDEA.

1 [~~(27)~~] (26). N-hydroxy-3,4-methylenedioxyamphetamine (also known as  
2 N-hydroxy-alpha-methyl-3,4 (methylenedioxy) phenethylamine, and  
3 N-hydroxy MDA.

4 [~~(28)~~] (27). 1-{1- (2-thienyl) cyclohexyl} pyrrolidine. Some other  
5 names: TCPY.

6 [~~(29)~~] (28). Alpha-ethyltryptamine. Some trade or other names: etryp-  
7 tamine; Monase; Alpha-ethyl-1H-indole-3-ethanamine; 3- (2-aminobutyl)  
8 indole; Alpha-ET or AET.

9 [~~(30)~~] (29). 2,5-dimethoxy-4-ethylamphetamine. Some trade or other  
10 names: DOET.

11 [~~(31)~~] (30). 4-Bromo-2,5-dimethoxyphenethylamine. Some trade or other  
12 names: 2-(4-bromo-2,5-dimethoxyphenyl)-1-aminoethane; alpha-desmethyl  
13 DOB; 2C-B, Nexus.

14 [~~(32)~~] (31). 2,5-dimethoxy-4-(n)-propylthiophenethylamine (2C-T-7), its  
15 optical isomers, salts and salts of isomers.

16 § 6. Title 5-A of article 33 of the public health law is REPEALED.

17 § 7. Section 3382 of the public health law, as added by chapter 878 of  
18 the laws of 1972, is amended to read as follows:

19 § 3382. Growing of the plant known as Cannabis by unlicensed persons.  
20 A person who, without being licensed so to do under this article or  
21 articles three, four or five of the cannabis law, grows the plant of the  
22 genus Cannabis or knowingly allows it to grow on his land without  
23 destroying the same, shall be guilty of a class A misdemeanor.

24 § 8. Subdivision 1 of section 3397-b of the public health law, as  
25 added by chapter 810 of the laws of 1980, is amended to read as follows:

26 1. [~~"Marijuana"~~] "Cannabis" means [~~marijuana~~] cannabis as defined in  
27 [~~section thirty-three hundred two of this chapter~~] subdivision three of  
28 section three of the cannabis law and shall also include tetrahydrocan-  
29 nabinols or a chemical derivative of tetrahydrocannabinol.

30 § 9. Subdivision 8 of section 1399-n of the public health law, as  
31 amended by chapter 13 of the laws of 2003, is amended to read as  
32 follows:

33 8. "Smoking" means the burning of a lighted cigar, cigarette, pipe or  
34 any other matter or substance which contains tobacco or cannabis.

35 § 10. Subdivisions 5, 6 and 9 of section 220.00 of the penal law,  
36 subdivision 5 as amended by chapter 537 of the laws of 1998, subdivision  
37 6 as amended by chapter 1051 of the laws of 1973 and subdivision 9 as  
38 amended by chapter 664 of the laws of 1985, are amended and a new subdi-  
39 vision 21 is added to read as follows:

40 5. "Controlled substance" means any substance listed in schedule I,  
41 II, III, IV or V of section thirty-three hundred six of the public  
42 health law other than [~~marihuana~~] cannabis as defined in subdivision six  
43 of this section, but including concentrated cannabis as defined in  
44 [~~paragraph (a) of subdivision four of section thirty-three hundred two~~  
45 ~~of such law~~] subdivision twenty-one of this section.

46 6. [~~"Marihuana"~~] "Cannabis" means [~~"marihuana" or "concentrated canna-~~  
47 ~~bis" as those terms are defined in section thirty-three hundred two of~~  
48 ~~the public health law~~] all parts of the plant of the genus cannabis,  
49 whether growing or not; the seeds thereof; and every compound, manufac-  
50 ture, salt, derivative, mixture, or preparation of the plant, or its  
51 seeds. It does not include the mature stalks of the plant, fiber  
52 produced from the stalks, oil or cake made from the seeds of the plant,  
53 any other compound, manufacture, salt, derivative, mixture, or prepara-  
54 tion of the mature stalks, fiber, oil, or cake, or the sterilized seed  
55 of the plant which is incapable of germination. It does not include all

1 parts of the plant cannabis sativa l., whether growing or not, having no  
2 more than three-tenths of one percent tetrahydrocannabinol (THC).

3 9. "Hallucinogen" means any controlled substance listed in schedule  
4 I(d) (5), [~~(18), (19), (20), (21) and (22)~~] (17), (18), (19), (20) and  
5 (21).

6 21. "Concentrated cannabis" means: (a) the separated resin, whether  
7 crude or purified, obtained from a plant of the genus cannabis; or (b) a  
8 material, preparation, mixture, compound or other substance which  
9 contains more than three percent by weight of delta-9 tetrahydrocannabi-  
10 nol, or its isomer, delta-8 dibenzopyran numbering system, or delta-1  
11 tetrahydrocannabinol or its isomer, delta 1 (6) monoterpene numbering  
12 system.

13 § 11. Subdivision 4 of section 220.06 of the penal law is REPEALED.

14 § 12. Subdivision 10 of section 220.09 of the penal law is REPEALED.

15 § 13. Subdivision 3 of section 220.34 of the penal law is REPEALED.

16 3. concentrated cannabis as defined in [~~paragraph (a) of subdivision~~  
17 ~~four of section thirty three hundred two of the public health law~~]  
18 subdivision twenty-one of section 220.00 of this article; or

19 § 14. Section 220.50 of the penal law, as amended by chapter 627 of  
20 the laws of 1990, is amended to read as follows:

21 § 220.50 Criminally using drug paraphernalia in the second degree.

22 A person is guilty of criminally using drug paraphernalia in the  
23 second degree when he knowingly possesses or sells:

24 1. Diluents, dilutants or adulterants, including but not limited to,  
25 any of the following: quinine hydrochloride, mannitol, mannite, lactose  
26 or dextrose, adapted for the dilution of narcotic drugs or stimulants  
27 under circumstances evincing an intent to use, or under circumstances  
28 evincing knowledge that some person intends to use, the same for  
29 purposes of unlawfully mixing, compounding, or otherwise preparing any  
30 narcotic drug or stimulant, other than cannabis or concentrated  
31 cannabis; or

32 2. Gelatine capsules, glassine envelopes, vials, capsules or any other  
33 material suitable for the packaging of individual quantities of narcotic  
34 drugs or stimulants under circumstances evincing an intent to use, or  
35 under circumstances evincing knowledge that some person intends to use,  
36 the same for the purpose of unlawfully manufacturing, packaging or  
37 dispensing of any narcotic drug or stimulant, other than cannabis or  
38 concentrated cannabis; or

39 3. Scales and balances used or designed for the purpose of weighing or  
40 measuring controlled substances, under circumstances evincing an intent  
41 to use, or under circumstances evincing knowledge that some person  
42 intends to use, the same for purpose of unlawfully manufacturing, pack-  
43 aging or dispensing of any narcotic drug or stimulant, other than canna-  
44 bis or concentrated cannabis.

45 Criminally using drug paraphernalia in the second degree is a class A  
46 misdemeanor.

47 § 15. Section 221.00 of the penal law, as amended by chapter 90 of the  
48 laws of 2014, is amended to read as follows:

49 § 221.00 [~~Marihuana~~] Cannabis; definitions.

50 Unless the context in which they are used clearly otherwise requires,  
51 the terms occurring in this article shall have the same meaning ascribed  
52 to them in article two hundred twenty of this chapter. Any act that is  
53 lawful under [~~title five A of article thirty three of the public health~~]  
54 articles three, four or five, of the cannabis law is not a violation of  
55 this article.

1 § 15-a. Section 221.00 of the penal law, as added by chapter 360 of  
2 the laws of 1977, is amended to read as follows:

3 § 221.00 [~~Marihuana~~] Cannabis; definitions.

4 Unless the context in which they are used clearly otherwise requires,  
5 the terms occurring in this article shall have the same meaning ascribed  
6 to them in article two hundred twenty of this chapter.

7 § 16. Section 221.05 of the penal law, as added by chapter 360 of the  
8 laws of 1977, is amended to read as follows:

9 § 221.05 Unlawful possession of [~~marihuana~~] cannabis.

10 A person is guilty of unlawful possession of [~~marihuana~~] cannabis when  
11 he or she knowingly and unlawfully possesses [~~marihuana~~]:

12 1. cannabis and is less than twenty-one years of age; or  
13 2. cannabis in a public place, as defined in section 240.00 of this  
14 part, and such cannabis is burning.

15 Unlawful possession of [~~marihuana~~] cannabis is a violation punishable  
16 only by a fine of not more than [~~one hundred~~] fifty dollars [~~-. However,~~  
17 ~~where the defendant has previously been convicted of an offense defined~~  
18 ~~in this article or article 220 of this chapter, committed within the~~  
19 ~~three years immediately preceding such violation, it shall be punishable~~  
20 ~~(a) only by a fine of not more than two hundred dollars, if the defend-~~  
21 ~~ant was previously convicted of one such offense committed during such~~  
22 ~~period, and (b) by a fine of not more than two hundred fifty dollars or~~  
23 ~~a term of imprisonment not in excess of fifteen days or both, if the~~  
24 ~~defendant was previously convicted of two such offenses committed during~~  
25 ~~such period] when such possession is by a person less than twenty-one  
26 years of age and of an aggregate weight of less than one-half of one  
27 ounce or a fine of not more than one hundred dollars when such  
28 possession is by a person less than twenty-one years of age and of an  
29 aggregate weight more than one-half of one ounce but not more than one  
30 ounce. Unlawful possession of marijuana is punishable by a fine of not  
31 more than one hundred twenty-five dollars when such possession is in a  
32 public place and such cannabis is burning. The term burning in this  
33 section shall have the same meaning as the term vaping as defined in  
34 subdivision eight of section thirteen hundred ninety-nine-n of the  
35 public health law.~~

36 § 17. Section 221.15 of the penal law, as amended by chapter 265 of  
37 the laws of 1979, the opening paragraph as amended by chapter 75 of the  
38 laws of 1995, is amended to read as follows:

39 § 221.15 Criminal possession of [~~marihuana~~] cannabis in the [~~fourth~~]  
40 third degree.

41 A person is guilty of criminal possession of [~~marihuana~~] cannabis in  
42 the [~~fourth~~] third degree when he or she knowingly and unlawfully  
43 possesses [~~one or more preparations, compounds, mixtures or substances~~  
44 ~~containing marihuana and the preparations, compounds, mixtures or~~  
45 ~~substances are of] an aggregate weight of more than [~~two ounces~~] one  
46 ounce of cannabis or more than five grams of concentrated cannabis.~~

47 Criminal possession of [~~marihuana~~] cannabis in the [~~fourth~~] third  
48 degree is a [~~class A misdemeanor~~] violation punishable by a fine of not  
49 more than one hundred twenty-five dollars. The provisions of this  
50 section shall not apply to certified patients or designated caregivers  
51 as lawfully registered under article three of the cannabis law.

52 § 18. Section 221.20 of the penal law, as amended by chapter 265 of  
53 the laws of 1979, the opening paragraph as amended by chapter 75 of the  
54 laws of 1995, is amended to read as follows:

55 § 221.20 Criminal possession of [~~marihuana~~] cannabis in the [~~third~~]  
56 second degree.



1 A person is guilty of criminal possession of [~~marihuana~~] cannabis in  
2 the [~~third~~] second degree when he or she knowingly and unlawfully  
3 possesses [~~one or more preparations, compounds, mixtures or substances~~  
4 ~~containing marihuana and the preparations, compounds, mixtures or~~  
5 ~~substances are of~~] an aggregate weight of more than [~~eight~~] two  
6 of cannabis or more than ten grams of concentrated cannabis.

7 Criminal possession of [~~marihuana~~] cannabis in the [~~third~~] second  
8 degree is a class [~~E-felony~~] A misdemeanor punishable by a fine not more  
9 than one hundred twenty-five dollars per ounce possessed in excess of  
10 two ounces. However, where the defendant has previously been convicted  
11 of an offense defined in this article or article two hundred twenty of  
12 this title, committed within the three years immediately preceding such  
13 violation, it shall be punishable (a) only by a fine of not more than  
14 two hundred dollars per ounce possessed in excess of two ounces, if the  
15 defendant was previously convicted of one such offense committed during  
16 such period, and (b) by a fine of not more than two hundred fifty  
17 dollars per ounce possessed in excess of two ounces or a term of impri-  
18 sonment not in excess of fifteen days or both, if the defendant was  
19 previously convicted of two such offenses committed during such period.  
20 The provisions of this section shall not apply to certified patients or  
21 designated caregivers as lawfully registered under article three of the  
22 cannabis law.

23 § 19. Section 221.25 of the penal law, as amended by chapter 265 of  
24 the laws of 1979, the opening paragraph as amended by chapter 75 of the  
25 laws of 1995, is amended to read as follows:

26 § 221.25 Criminal possession of [~~marihuana~~] cannabis in the [~~second~~]  
27 first degree.

28 A person is guilty of criminal possession of [~~marihuana~~] cannabis in  
29 the [~~second~~] first degree when he or she knowingly and unlawfully  
30 possesses [~~one or more preparations, compounds, mixtures or substances~~  
31 ~~containing marihuana and the preparations, compounds, mixtures or~~  
32 ~~substances are of~~] an aggregate weight of more than [~~sixteen~~] sixty-four  
33 ounces of cannabis or more than eighty grams of concentrated cannabis.

34 Criminal possession of [~~marihuana~~] cannabis in the [~~second~~] first  
35 degree is a class [~~D~~] E felony.

36 § 20. Sections 221.10 and 221.30 of the penal law are REPEALED.

37 § 21. Section 221.35 of the penal law, as amended by chapter 265 of  
38 the laws of 1979, the opening paragraph as amended by chapter 75 of the  
39 laws of 1995, is amended to read as follows:

40 § 221.35 Criminal sale of [~~marihuana~~] cannabis in the fifth degree.

41 A person is guilty of criminal sale of [~~marihuana~~] cannabis in the  
42 fifth degree when he or she knowingly and unlawfully sells, [~~without~~]  
43 for consideration [~~, one or more preparations, compounds, mixtures or~~  
44 ~~substances containing marihuana and the preparations, compounds,~~  
45 ~~mixtures or substances are~~] cannabis or cannabis concentrate of [~~an~~  
46 ~~aggregate weight of two grams or less; or one cigarette containing mari-~~  
47 ~~huana~~] any weight.

48 Criminal sale of [~~marihuana~~] cannabis in the fifth degree is a [~~class~~  
49 ~~B-misdemeanor~~] violation punishable by a fine not more than the greater  
50 of two-hundred and fifty dollars or two times the value of the sale.

51 § 22. Section 221.40 of the penal law, as added by chapter 360 of the  
52 laws of 1977, is amended to read as follows:

53 § 221.40 Criminal sale of [~~marihuana~~] cannabis in the fourth degree.

54 A person is guilty of criminal sale of [~~marihuana~~] cannabis in the  
55 fourth degree when he or she knowingly and unlawfully sells [~~marihuana~~  
56 ~~except as provided in section 221.35 of this article~~] cannabis of an

1 aggregate weight of more than one ounce or more than five grams of  
2 cannabis concentrate.

3 Criminal sale of [~~marihuana~~] cannabis in the fourth degree is a [~~class~~  
4 ~~A~~] misdemeanor punishable by a fine of not more than the greater of five  
5 hundred dollars or two times the value of the sale or a maximum of three  
6 months imprisonment, or both.

7 § 23. Section 221.45 of the penal law, as amended by chapter 265 of  
8 the laws of 1979, the opening paragraph as amended by chapter 75 of the  
9 laws of 1995, is amended to read as follows:

10 § 221.45 Criminal sale of [~~marihuana~~] cannabis in the third degree.

11 A person is guilty of criminal sale of [~~marihuana~~] cannabis in the  
12 third degree when he or she knowingly and unlawfully sells [~~one or more~~  
13 ~~preparations, compounds, mixtures or substances containing marihuana and the~~  
14 ~~preparations, compounds, mixtures or substances are of an aggregate~~  
15 ~~weight of more than twenty five grams] four ounces of cannabis or more  
16 than twenty grams of concentrated cannabis.~~

17 Criminal sale of [~~marihuana~~] cannabis in the third degree is a [~~class~~  
18 ~~E-felony~~] misdemeanor punishable by a fine of not more than the greater  
19 of one thousand dollars or two times the value of the sale or a maximum  
20 of one year imprisonment or both.

21 § 24. Section 221.50 of the penal law, as amended by chapter 265 of  
22 the laws of 1979, the opening paragraph as amended by chapter 75 of the  
23 laws of 1995, is amended to read as follows:

24 § 221.50 Criminal sale of [~~marihuana~~] cannabis in the second degree.

25 A person is guilty of criminal sale of [~~marihuana~~] cannabis in the  
26 second degree when he knowingly and unlawfully sells [~~one or more prepa-~~  
27 ~~rations, compounds, mixtures or substances containing marihuana and the~~  
28 ~~preparations, compounds, mixtures or substances are of an aggregate~~  
29 ~~weight of] more than [~~four ounces, or knowingly and unlawfully sells one~~  
30 ~~or more preparations, compounds, mixtures or substances containing mari-~~  
31 ~~huana to a person less than eighteen years of age] sixteen ounces of  
32 cannabis or more than eighty grams of concentrated cannabis or any  
33 amount of cannabis or concentrated cannabis to any person under twenty-  
34 one years of age.~~~~

35 Criminal sale of [~~marihuana~~] cannabis in the second degree is a class  
36 D felony.

37 § 25. Section 221.55 of the penal law, as amended by chapter 265 of  
38 the laws of 1979, the opening paragraph as amended by chapter 75 of the  
39 laws of 1995, is amended to read as follows:

40 § 221.55 Criminal sale of [~~marihuana~~] cannabis in the first degree.

41 A person is guilty of criminal sale of [~~marihuana~~] cannabis in the  
42 first degree when he knowingly and unlawfully sells [~~one or more prepa-~~  
43 ~~rations, compounds, mixtures or substances containing marihuana and the~~  
44 ~~preparations, compounds, mixtures or substances are of an aggregate~~  
45 ~~weight of] more than [~~sixteen~~] sixty-four ounces of cannabis or three  
46 hundred and twenty grams of cannabis concentrate.~~

47 Criminal sale of [~~marihuana~~] cannabis in the first degree is a class C  
48 felony.

49 § 26. The penal law is amended by adding a new section 221.60 to read  
50 as follows:

51 § 221.60 Licensing of cannabis production and distribution.

52 The provisions of this article and of article two hundred twenty of  
53 this title shall not apply to any person exempted from criminal penal-  
54 ties pursuant to the provisions of this chapter or possessing, manufac-  
55 turing, transporting, distributing, selling or transferring cannabis or



1 concentrated cannabis, or engaged in any other action that is in compli-  
2 ance with articles three, four or five of the cannabis law.

3 § 27. Paragraphs (i), (j) and (k) of subdivision 3 of section 160.50  
4 of the criminal procedure law, paragraphs (i) and (j) as added by chap-  
5 ter 905 of the laws of 1977, paragraph (k) as added by chapter 835 of  
6 the laws of 1977 and as relettered by chapter 192 of the laws of 1980  
7 and such subdivision as renumbered by chapter 142 of the laws of 1991,  
8 are amended to read as follows:

9 (i) prior to the filing of an accusatory instrument in a local crimi-  
10 nal court against such person, the prosecutor elects not to prosecute  
11 such person. In such event, the prosecutor shall serve a certification  
12 of such disposition upon the division of criminal justice services and  
13 upon the appropriate police department or law enforcement agency which,  
14 upon receipt thereof, shall comply with the provisions of paragraphs  
15 (a), (b), (c) and (d) of subdivision one of this section in the same  
16 manner as is required thereunder with respect to an order of a court  
17 entered pursuant to said subdivision one~~[-]~~; or

18 (j) following the arrest of such person, the arresting police agency,  
19 prior to the filing of an accusatory instrument in a local criminal  
20 court but subsequent to the forwarding of a copy of the fingerprints of  
21 such person to the division of criminal justice services, elects not to  
22 proceed further. In such event, the head of the arresting police agency  
23 shall serve a certification of such disposition upon the division of  
24 criminal justice services which, upon receipt thereof, shall comply with  
25 the provisions of paragraphs (a), (b), (c) and (d) of subdivision one of  
26 this section in the same manner as is required thereunder with respect  
27 to an order of a court entered pursuant to said subdivision one~~[-]~~; or

28 (k) (i) The accusatory instrument alleged a violation of article two  
29 hundred twenty or section 240.36 of the penal law, prior to the taking  
30 effect of article two hundred twenty-one of the penal law and the sole  
31 controlled substance involved is cannabis, or a violation of [~~article two~~  
32 ~~hundred twenty-one~~] section 221.05, 221.10 or 221.35 of the penal law;  
33 [~~(ii) the sole controlled substance involved is marijuana; (iii) the~~  
34 ~~conviction was only for a violation or violations; and (iv) at least~~  
35 ~~three years have passed since the offense occurred.~~] No defendant shall  
36 be required or permitted to waive eligibility for sealing pursuant to  
37 this paragraph as part of a plea of guilty, sentence or any agreement.

38 § 27-a. Paragraph (h) and subparagraph (ii) of paragraph (i) of subdi-  
39 vision 1 of section 440.10 of the criminal procedure law, paragraph (h)  
40 as amended by chapter 332 of the laws of 2010 and subparagraph (ii) of  
41 paragraph (i) as amended by chapter 368 of the laws of 2015, are amended  
42 and a new paragraph (j) is added to read as follows:

43 (h) The judgment was obtained in violation of a right of the defendant  
44 under the constitution of this state or of the United States; [~~or~~]

45 (ii) official documentation of the defendant's status as a victim of  
46 trafficking, compelling prostitution or trafficking in persons at the  
47 time of the offense from a federal, state or local government agency  
48 shall create a presumption that the defendant's participation in the  
49 offense was a result of having been a victim of sex trafficking, compel-  
50 ling prostitution or trafficking in persons, but shall not be required  
51 for granting a motion under this paragraph~~[-]~~; or

52 (j) The judgment occurred prior to the effective date of this para-  
53 graph and is a conviction for: (i) an offense as defined by section  
54 221.05 or 221.10 of the penal law as in effect prior to the effective  
55 date of this paragraph, provided that the accusatory instrument that

1 underlies the judgment does not include an allegation that the defendant  
2 possessed more than twenty-five grams of cannabis.

3 § 28. Paragraph (f) of subdivision 2 of section 850 of the general  
4 business law is REPEALED.

5 § 29. Paragraph (h) of subdivision 2 of section 850 of the general  
6 business law, as amended by chapter 812 of the laws of 1980, is amended  
7 to read as follows:

8 (h) Objects, used or designed for the purpose of ingesting, inhaling,  
9 or otherwise introducing [~~marihuana,~~] cocaine, hashish, or hashish oil  
10 into the human body.

11 § 30. Section 114-a of the vehicle and traffic law, as added by chap-  
12 ter 163 of the laws of 1973, is amended to read as follows:

13 § 114-a. Drug. The term "drug" when used in this chapter, means and  
14 includes any substance listed in section thirty-three hundred six of the  
15 public health law and any substance or combination of substances that  
16 impair, to any extent, physical or mental abilities.

17 § 31. The article heading of article 20-B of the tax law, as added by  
18 chapter 90 of the laws of 2014, is amended to read as follows:

19 ARTICLE 20-B

20 EXCISE TAX ON MEDICAL [~~MARIHUANA~~] CANNABIS

21 § 32. The paragraph heading and subparagraph (i) of paragraph (b) of  
22 subdivision 1 of section 1193 of the vehicle and traffic law, as amended  
23 by chapter 169 of the laws of 2013, are amended to read as follows:

24 Driving while intoxicated or while ability impaired by drugs or while  
25 ability impaired by the combined influence of drugs or of alcohol and  
26 any drug or drugs; aggravated driving while intoxicated; misdemeanor  
27 offenses. (i) A violation of subdivision two, three, or four [~~or four-a~~]  
28 of section eleven hundred ninety-two of this article shall be a misde-  
29 meanor and shall be punishable by a fine of not less than five hundred  
30 dollars nor more than one thousand dollars, or by imprisonment in a  
31 penitentiary or county jail for not more than one year, or by both such a  
32 fine and imprisonment. A violation of paragraph (a) of subdivision two-a  
33 of section eleven hundred ninety-two of this article shall be a misde-  
34 meanor and shall be punishable by a fine of not less than one thousand  
35 dollars nor more than two thousand five hundred dollars or by imprison-  
36 ment in a penitentiary or county jail for not more than one year, or by  
37 both such fine and imprisonment.

38 § 33. Paragraph (c) of subdivision 1 of section 1193 of the vehicle  
39 and traffic law, as amended by chapter 169 of the laws of 2013, is  
40 amended by adding a new subparagraph (i-a) to read as follows:

41 (i-a) A violation of subdivision four-a of section eleven hundred  
42 ninety-two of this article shall be a class E felony, and shall be  
43 punishable by a fine of not less than one thousand dollars nor more than  
44 five thousand dollars or by a period of imprisonment as provided in the  
45 penal law, or by both such fine and imprisonment.

46 § 33-a. Paragraph (b) of subdivision 1 of section 1194 of the vehicle  
47 and traffic law, as amended by chapter 406 of the laws of 1988, is  
48 amended to read as follows:

49 (b) Every person operating a motor vehicle which has been involved in  
50 an accident or which is operated in violation of any of the provisions  
51 of this chapter shall, at the request of a police officer, submit to a  
52 breath and/or saliva test to be administered by the police officer. If  
53 such test or tests indicate[s] that such operator has consumed alcohol  
54 or drug or drugs, the police officer may request such operator to submit  
55 to a chemical test in the manner set forth in subdivision two of this  
56 section.

1 § 34. Subdivision 1 of section 171-a of the tax law, as amended by  
2 section 3 of part MM of chapter 59 of the laws of 2018, is amended to  
3 read as follows:

4 1. All taxes, interest, penalties and fees collected or received by  
5 the commissioner or the commissioner's duly authorized agent under arti-  
6 cles nine (except section one hundred eighty-two-a thereof and except as  
7 otherwise provided in section two hundred five thereof), nine-A,  
8 twelve-A (except as otherwise provided in section two hundred eighty-  
9 four-d thereof), thirteen, thirteen-A (except as otherwise provided in  
10 section three hundred twelve thereof), eighteen, nineteen, twenty  
11 (except as otherwise provided in section four hundred eighty-two there-  
12 of), twenty-B, twenty-C, twenty-one, twenty-two, twenty-four, twenty-  
13 six, twenty-eight (except as otherwise provided in section eleven  
14 hundred two or eleven hundred three thereof), twenty-eight-A, twenty-  
15 nine-B, thirty-one (except as otherwise provided in section fourteen  
16 hundred twenty-one thereof), thirty-three and thirty-three-A of this  
17 chapter shall be deposited daily in one account with such responsible  
18 banks, banking houses or trust companies as may be designated by the  
19 comptroller, to the credit of the comptroller. Such an account may be  
20 established in one or more of such depositories. Such deposits shall be  
21 kept separate and apart from all other money in the possession of the  
22 comptroller. The comptroller shall require adequate security from all  
23 such depositories. Of the total revenue collected or received under such  
24 articles of this chapter, the comptroller shall retain in the comp-  
25 troller's hands such amount as the commissioner may determine to be  
26 necessary for refunds or reimbursements under such articles of this  
27 chapter out of which amount the comptroller shall pay any refunds or  
28 reimbursements to which taxpayers shall be entitled under the provisions  
29 of such articles of this chapter. The commissioner and the comptroller  
30 shall maintain a system of accounts showing the amount of revenue  
31 collected or received from each of the taxes imposed by such articles.  
32 The comptroller, after reserving the amount to pay such refunds or  
33 reimbursements, shall, on or before the tenth day of each month, pay  
34 into the state treasury to the credit of the general fund all revenue  
35 deposited under this section during the preceding calendar month and  
36 remaining to the comptroller's credit on the last day of such preceding  
37 month, (i) except that the comptroller shall pay to the state department  
38 of social services that amount of overpayments of tax imposed by article  
39 twenty-two of this chapter and the interest on such amount which is  
40 certified to the comptroller by the commissioner as the amount to be  
41 credited against past-due support pursuant to subdivision six of section  
42 one hundred seventy-one-c of this article, (ii) and except that the  
43 comptroller shall pay to the New York state higher education services  
44 corporation and the state university of New York or the city university  
45 of New York respectively that amount of overpayments of tax imposed by  
46 article twenty-two of this chapter and the interest on such amount which  
47 is certified to the comptroller by the commissioner as the amount to be  
48 credited against the amount of defaults in repayment of guaranteed  
49 student loans and state university loans or city university loans pursu-  
50 ant to subdivision five of section one hundred seventy-one-d and subdivi-  
51 sion six of section one hundred seventy-one-e of this article, (iii)  
52 and except further that, notwithstanding any law, the comptroller shall  
53 credit to the revenue arrearage account, pursuant to section  
54 ninety-one-a of the state finance law, that amount of overpayment of tax  
55 imposed by article nine, nine-A, twenty-two, thirty, thirty-A, thirty-B  
56 or thirty-three of this chapter, and any interest thereon, which is

1 certified to the comptroller by the commissioner as the amount to be  
 2 credited against a past-due legally enforceable debt owed to a state  
 3 agency pursuant to paragraph (a) of subdivision six of section one  
 4 hundred seventy-one-f of this article, provided, however, he shall cred-  
 5 it to the special offset fiduciary account, pursuant to section ninety-  
 6 one-c of the state finance law, any such amount creditable as a liabil-  
 7 ity as set forth in paragraph (b) of subdivision six of section one  
 8 hundred seventy-one-f of this article, (iv) and except further that the  
 9 comptroller shall pay to the city of New York that amount of overpayment  
 10 of tax imposed by article nine, nine-A, twenty-two, thirty, thirty-A,  
 11 thirty-B or thirty-three of this chapter and any interest thereon that  
 12 is certified to the comptroller by the commissioner as the amount to be  
 13 credited against city of New York tax warrant judgment debt pursuant to  
 14 section one hundred seventy-one-l of this article, (v) and except  
 15 further that the comptroller shall pay to a non-obligated spouse that  
 16 amount of overpayment of tax imposed by article twenty-two of this chap-  
 17 ter and the interest on such amount which has been credited pursuant to  
 18 section one hundred seventy-one-c, one hundred seventy-one-d, one  
 19 hundred seventy-one-e, one hundred seventy-one-f or one hundred seven-  
 20 ty-one-l of this article and which is certified to the comptroller by  
 21 the commissioner as the amount due such non-obligated spouse pursuant to  
 22 paragraph six of subsection (b) of section six hundred fifty-one of this  
 23 chapter; and (vi) the comptroller shall deduct a like amount which the  
 24 comptroller shall pay into the treasury to the credit of the general  
 25 fund from amounts subsequently payable to the department of social  
 26 services, the state university of New York, the city university of New  
 27 York, or the higher education services corporation, or the revenue  
 28 arrearage account or special offset fiduciary account pursuant to  
 29 section ninety-one-a or ninety-one-c of the state finance law, as the  
 30 case may be, whichever had been credited the amount originally withheld  
 31 from such overpayment, and (vii) with respect to amounts originally  
 32 withheld from such overpayment pursuant to section one hundred seventy-  
 33 one-l of this article and paid to the city of New York, the comptroller  
 34 shall collect a like amount from the city of New York.

35 § 35. Section 490 of the tax law, as added by chapter 90 of the laws  
 36 of 2014, is amended to read as follows:

37 § 490. [~~Definitions~~] Excise tax on medical cannabis. 1. (a) [~~All~~  
 38 ~~definitions of terms applicable to title five-A of article thirty-three~~  
 39 ~~of the public health law shall apply to this article.~~] For purposes of  
 40 this article, the terms "medical cannabis," "registered organization,"  
 41 "certified patient," and "designated caregiver" shall have the same  
 42 definitions as in section three of the cannabis law.

43 (b) As used in this section, where not otherwise specifically defined  
 44 and unless a different meaning is clearly required "gross receipt" means  
 45 the amount received in or by reason of any sale, conditional or other-  
 46 wise, of medical [~~marihuana~~] cannabis or in or by reason of the furnish-  
 47 ing of medical [~~marihuana~~] cannabis from the sale of medical [~~marihuana~~]  
 48 cannabis provided by a registered organization to a certified patient or  
 49 designated caregiver. Gross receipt is expressed in money, whether paid  
 50 in cash, credit or property of any kind or nature, and shall be deter-  
 51 mined without any deduction therefrom on account of the cost of the  
 52 service sold or the cost of materials, labor or services used or other  
 53 costs, interest or discount paid, or any other expenses whatsoever.  
 54 "Amount received" for the purpose of the definition of gross receipt, as  
 55 the term gross receipt is used throughout this article, means the amount  
 56 charged for the provision of medical [~~marihuana~~] cannabis.

1 2. There is hereby imposed an excise tax on the gross receipts from  
2 the sale of medical [~~marihuana~~] cannabis by a registered organization to  
3 a certified patient or designated caregiver, to be paid by the regis-  
4 tered organization, at the rate of seven percent. The tax imposed by  
5 this article shall be charged against and be paid by the registered  
6 organization and shall not be added as a separate charge or line item on  
7 any sales slip, invoice, receipt or other statement or memorandum of the  
8 price given to the retail customer.

9 3. The commissioner may make, adopt and amend rules, regulations,  
10 procedures and forms necessary for the proper administration of this  
11 article.

12 4. Every registered organization that makes sales of medical [~~marihua-~~  
13 ~~na~~] cannabis subject to the tax imposed by this article shall, on or  
14 before the twentieth date of each month, file with the commissioner a  
15 return on forms to be prescribed by the commissioner, showing its  
16 receipts from the retail sale of medical [~~marihuana~~] cannabis during the  
17 preceding calendar month and the amount of tax due thereon. Such returns  
18 shall contain such further information as the commissioner may require.  
19 Every registered organization required to file a return under this  
20 section shall, at the time of filing such return, pay to the commission-  
21 er the total amount of tax due on its retail sales of medical [~~marihua-~~  
22 ~~na~~] cannabis for the period covered by such return. If a return is not  
23 filed when due, the tax shall be due on the day on which the return is  
24 required to be filed.

25 5. Whenever the commissioner shall determine that any moneys received  
26 under the provisions of this article were paid in error, he may cause  
27 the same to be refunded, with interest, in accordance with such rules  
28 and regulations as he may prescribe, except that no interest shall be  
29 allowed or paid if the amount thereof would be less than one dollar.  
30 Such interest shall be at the overpayment rate set by the commissioner  
31 pursuant to subdivision twenty-sixth of section one hundred seventy-one  
32 of this chapter, or if no rate is set, at the rate of six percent per  
33 annum, from the date when the tax, penalty or interest to be refunded  
34 was paid to a date preceding the date of the refund check by not more  
35 than thirty days. Provided, however, that for the purposes of this  
36 subdivision, any tax paid before the last day prescribed for its payment  
37 shall be deemed to have been paid on such last day. Such moneys received  
38 under the provisions of this article which the commissioner shall deter-  
39 mine were paid in error, may be refunded out of funds in the custody of  
40 the comptroller to the credit of such taxes provided an application  
41 therefor is filed with the commissioner within two years from the time  
42 the erroneous payment was made.

43 6. The provisions of article twenty-seven of this chapter shall apply  
44 to the tax imposed by this article in the same manner and with the same  
45 force and effect as if the language of such article had been incorpo-  
46 rated in full into this section and had expressly referred to the tax  
47 imposed by this article, except to the extent that any provision of such  
48 article is either inconsistent with a provision of this article or is  
49 not relevant to this article.

50 7. All taxes, interest and penalties collected or received by the  
51 commissioner under this article shall be deposited and disposed of  
52 pursuant to the provisions of section one hundred seventy-one-a of this  
53 chapter, provided that an amount equal to one hundred percent collected  
54 under this article less any amount determined by the commissioner to be  
55 reserved by the comptroller for refunds or reimbursements shall be paid  
56 by the comptroller to the credit of the medical [~~marihuana~~] cannabis



1 trust fund established by section eighty-nine-h of the state finance  
2 law.

3 8. A registered organization that dispenses medical [~~marihuana~~] canna-  
4 bis shall provide to the department information on where the medical  
5 [~~marihuana~~] cannabis was dispensed and where the medical [~~marihuana~~]  
6 cannabis was manufactured. A registered organization that obtains [~~mari-~~  
7 ~~huana~~] cannabis from another registered organization shall obtain from  
8 such registered organization information on where the medical [~~marihua-~~  
9 ~~na~~] cannabis was manufactured.

10 § 36. Section 491 of the tax law, as added by chapter 90 of the laws  
11 of 2014, subdivision 1 as amended by section 1 of part II of chapter 60  
12 of the laws of 2016, is amended to read as follows:

13 § 491. Returns to be secret. 1. Except in accordance with proper judi-  
14 cial order or as in this section or otherwise provided by law, it shall  
15 be unlawful for the commissioner, any officer or employee of the depart-  
16 ment, or any officer or person who, pursuant to this section, is permit-  
17 ted to inspect any return or report or to whom a copy, an abstract or a  
18 portion of any return or report is furnished, or to whom any information  
19 contained in any return or report is furnished, or any person engaged or  
20 retained by such department on an independent contract basis or any  
21 person who in any manner may acquire knowledge of the contents of a  
22 return or report filed pursuant to this article to divulge or make known  
23 in any manner the contents or any other information relating to the  
24 business of a distributor, owner or other person contained in any return  
25 or report required under this article. The officers charged with the  
26 custody of such returns or reports shall not be required to produce any  
27 of them or evidence of anything contained in them in any action or  
28 proceeding in any court, except on behalf of the state, [~~the state~~  
29 ~~department of health~~] office of cannabis management, or the commissioner  
30 in an action or proceeding under the provisions of this chapter or on  
31 behalf of the state or the commissioner in any other action or proceed-  
32 ing involving the collection of a tax due under this chapter to which  
33 the state or the commissioner is a party or a claimant or on behalf of  
34 any party to any action or proceeding under the provisions of this arti-  
35 cle, when the returns or the reports or the facts shown thereby are  
36 directly involved in such action or proceeding, or in an action or  
37 proceeding relating to the regulation or taxation of medical [~~marihuana~~]  
38 cannabis on behalf of officers to whom information shall have been  
39 supplied as provided in subdivision two of this section, in any of which  
40 events the court may require the production of, and may admit in  
41 evidence so much of said returns or reports or of the facts shown there-  
42 by as are pertinent to the action or proceeding and no more. Nothing  
43 herein shall be construed to prohibit the commissioner, in his or her  
44 discretion, from allowing the inspection or delivery of a certified copy  
45 of any return or report filed under this article or of any information  
46 contained in any such return or report by or to a duly authorized offi-  
47 cer or employee of the [~~state department of health~~] office of cannabis  
48 management; or by or to the attorney general or other legal represen-  
49 tatives of the state when an action shall have been recommended or  
50 commenced pursuant to this chapter in which such returns or reports or  
51 the facts shown thereby are directly involved; or the inspection of the  
52 returns or reports required under this article by the comptroller or  
53 duly designated officer or employee of the state department of audit and  
54 control, for purposes of the audit of a refund of any tax paid by a  
55 registered organization or other person under this article; nor to  
56 prohibit the delivery to a registered organization, or a duly authorized

1 representative of such registered organization, a certified copy of any  
2 return or report filed by such registered organization pursuant to this  
3 article, nor to prohibit the publication of statistics so classified as  
4 to prevent the identification of particular returns or reports and the  
5 items thereof. This section shall also not be construed to prohibit the  
6 disclosure, for tax administration purposes, to the division of the  
7 budget and the office of the state comptroller, of information aggre-  
8 gated from the returns filed by all the registered organizations making  
9 sales of, or manufacturing, medical [~~marihuana~~] cannabis in a specified  
10 county, whether the number of such registered organizations is one or  
11 more. Provided further that, notwithstanding the provisions of this  
12 subdivision, the commissioner may, in his or her discretion, permit the  
13 proper officer of any county entitled to receive an allocation, follow-  
14 ing appropriation by the legislature, pursuant to this article and  
15 section eighty-nine-h of the state finance law, or the authorized repre-  
16 sentative of such officer, to inspect any return filed under this arti-  
17 cle, or may furnish to such officer or the officer's authorized repre-  
18 sentative an abstract of any such return or supply such officer or such  
19 representative with information concerning an item contained in any such  
20 return, or disclosed by any investigation of tax liability under this  
21 article.

22 2. The commissioner, in his or her discretion and pursuant to such  
23 rules and regulations as he or she may adopt, may permit [~~the commis-~~  
24 ~~sioner of internal revenue of the United States, or~~] the appropriate  
25 officers of any other state which regulates or taxes medical [~~marihuana~~]  
26 cannabis, or the duly authorized representatives of such [~~commissioner~~  
27 ~~or of any such~~] officers, to inspect returns or reports made pursuant to  
28 this article, or may furnish to such [~~commissioner or~~] other officers,  
29 or duly authorized representatives, a copy of any such return or report  
30 or an abstract of the information therein contained, or any portion  
31 thereof, or may supply [~~such commissioner or~~] any such officers or such  
32 representatives with information relating to the business of a regis-  
33 tered organization making returns or reports hereunder. The commissioner  
34 may refuse to supply information pursuant to this subdivision [~~to the~~  
35 ~~commissioner of internal revenue of the United States or~~] to the offi-  
36 cers of any other state if the statutes [~~of the United States, or~~] of  
37 the state represented by such officers, do not grant substantially simi-  
38 lar privileges to the commissioner, but such refusal shall not be manda-  
39 tory. Information shall not be supplied to [~~the commissioner of internal~~  
40 ~~revenue of the United States or~~] the appropriate officers of any other  
41 state which regulates or taxes medical [~~marihuana~~] cannabis, or the duly  
42 authorized representatives [~~of such commissioner or~~] of any of such  
43 officers, unless such [~~commissioner,~~] officer or other representatives  
44 shall agree not to divulge or make known in any manner the information  
45 so supplied, but such officers may transmit such information to their  
46 employees or legal representatives when necessary, who in turn shall be  
47 subject to the same restrictions as those hereby imposed upon such  
48 [~~commissioner,~~] officer or other representatives.

49 3. (a) Any officer or employee of the state who willfully violates the  
50 provisions of subdivision one or two of this section shall be dismissed  
51 from office and be incapable of holding any public office in this state  
52 for a period of five years thereafter.

53 (b) Cross-reference: For criminal penalties, see article thirty-seven  
54 of this chapter.

55 § 37. The tax law is amended by adding a new article 20-C to read as  
56 follows:

ARTICLE 20-C

TAX ON ADULT-USE CANNABIS PRODUCTS

Section 492. Definitions.

493. Tax on cannabis.

494. Registration and renewal.

495. Returns and payment of tax.

496. Returns to be kept secret.

§ 492. Definitions. For purposes of this article, the following definitions shall apply:

(a) "Cannabis" means all parts of a plant of the genus cannabis, 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 the plant, its seeds or resin. For purposes of this article, cannabis does not include medical cannabis or hemp as defined in section three of the cannabis law.

(b) "Cannabis flower" means the flower of a plant of the genus cannabis that has been harvested, dried, and cured, and prior to any processing whereby the plant material is transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients. Cannabis flower excludes leaves and stem.

(c) "Cannabis trim" means all parts of a plant of the genus cannabis other than cannabis flowers that have been harvested, dried, and cured, and prior to any processing whereby the plant material is transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis and other ingredients.

(d) "Adult-use cannabis product" means a cannabis product as defined in section three of the cannabis law. For purposes of this article, under no circumstances shall adult-use cannabis product include medical cannabis or hemp cannabis as defined in section three of the cannabis law.

(e) "Person" means every individual, partnership, limited liability company, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, referee, and any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, and any combination of the foregoing.

(f) "Wholesaler" means any person that sells or transfers adult-use cannabis products to a retail dispensary licensed pursuant to section seventy-two of the cannabis law. Where the cultivator or processor is also the retail dispensary, the retail dispensary shall be the wholesaler for purposes of this article.

(g) "Cultivation" has the same meaning as described in subdivision two of section sixty-eight of the cannabis law.

(h) "Retail dispensary" means a dispensary licensed to sell adult-use cannabis products pursuant to section seventy-two of the cannabis law.

(i) "Transfer" means to grant, convey, hand over, assign, sell, exchange or barter, in any manner or by any means, with or without consideration.

(j) "Sale" means any transfer of title, possession or both, exchange or barter, rental, lease or license to use or consume, conditional or otherwise, in any manner or by any means whatsoever for a consideration or any agreement therefor.

(k) "Processor" has the same meaning as described in subdivision two of section sixty-nine of the cannabis law.



1 § 493. Tax on cannabis. (a) There is hereby imposed and shall be paid  
2 a tax on the cultivation of cannabis flower and cannabis trim at the  
3 rate of one dollar per dry-weight gram of cannabis flower and twenty-  
4 five cents per dry-weight gram of cannabis trim. Where the wholesaler is  
5 not the cultivator, such tax shall be collected from the cultivator by  
6 the wholesaler at the time such flower or trim is transferred to the  
7 wholesaler. Where the wholesaler is the cultivator, such tax shall be  
8 paid by the wholesaler and shall accrue at the time of sale or transfer  
9 to a retail dispensary. Where the cultivator is also the retail dispen-  
10 sary, such tax shall accrue at the time of the sale to the retail  
11 customer.

12 (b) In addition to the tax imposed by subdivision (a) of this section,  
13 there is hereby imposed a tax on the sale or transfer by a wholesaler to  
14 a retail dispensary of adult-use cannabis products, to be paid by such  
15 wholesaler. Where the wholesaler is not the retail dispensary, such tax  
16 shall be at the rate of twenty percent of the invoice price charged by  
17 the wholesaler to a retail dispensary, and shall accrue at the time of  
18 such sale. Where the wholesaler is the retail dispensary, such tax shall  
19 be at the rate of twenty percent of the price charged to the retail  
20 customer and shall accrue at the time of such sale.

21 (c) In addition to the taxes imposed by subdivisions (a) and (b) of  
22 this section, there is hereby imposed a tax on the sale or transfer by a  
23 wholesaler to a retail dispensary of adult-use cannabis products, in  
24 trust for and on account of the county in which the retail dispensary is  
25 located. Such tax shall be paid by the wholesaler and shall accrue at  
26 the time of such sale. Where the wholesaler is not the retail dispen-  
27 sary, such tax shall be at the rate of two percent of the invoice price  
28 charged by the wholesaler to a retail dispensary. Where the wholesaler  
29 is the retail dispensary, such tax shall be at the rate of two percent  
30 of the price charged to the retail customer.

31 (d) Notwithstanding any other provision of law to the contrary, the  
32 taxes imposed by article twenty of this chapter shall not apply to any  
33 product subject to tax under this article.

34 § 494. Registration and renewal. (a) Every wholesaler must file with  
35 the commissioner a properly completed application for a certificate of  
36 registration before engaging in business. In order to apply for such  
37 certificate of registration, such person must first be in possession of  
38 a valid license from the office of cannabis management. An application  
39 for a certificate of registration must be submitted electronically, on a  
40 form prescribed by the commissioner, and must be accompanied by a non-  
41 refundable application fee of six hundred dollars. A certificate of  
42 registration shall not be assignable or transferable and shall be  
43 destroyed immediately upon such person ceasing to do business as speci-  
44 fied in such certificate, or in the event that such business never  
45 commenced.

46 (b) The commissioner shall refuse to issue a certificate of registra-  
47 tion to any applicant and shall revoke the certificate of registration  
48 of any such person who does not possess a valid license from the office  
49 of cannabis management. The commissioner may refuse to issue a certif-  
50 icate of registration to any applicant where such applicant: (1) has a  
51 past-due liability as that term is defined in section one hundred seven-  
52 ty-one-v of this chapter; (2) has had a certificate of registration  
53 under this article, a license from the office of cannabis management, or  
54 any license or registration provided for in this chapter revoked within  
55 one year from the date on which such application was filed; (3) has been  
56 convicted of a crime provided for in this chapter within one year from

1 the date on which such application was filed of the certificate's issu-  
2 ance; (4) willfully fails to file a report or return required by this  
3 article; (5) willfully files, causes to be filed, gives or causes to be  
4 given a report, return, certificate or affidavit required by this arti-  
5 cle which is false; or (6) willfully fails to collect or truthfully  
6 account for or pay over any tax imposed by this article.

7 (c) A certificate of registration shall be valid for the period speci-  
8 fied thereon, unless earlier suspended or revoked. Upon the expiration  
9 of the term stated on a certificate of registration, such certificate  
10 shall be null and void.

11 (d) Every holder of a certificate of registration must notify the  
12 commissioner of changes to any of the information stated on the certifi-  
13 cate, or of changes to any information contained in the application for  
14 the certificate of registration. Such notification must be made on or  
15 before the last day of the month in which a change occurs and must be  
16 made electronically on a form prescribed by the commissioner.

17 (e) Every holder of a certificate of registration under this article  
18 shall be required to reapply prior to such certificate's expiration,  
19 during a reapplication period established by the commissioner. Such  
20 reapplication period shall not occur more frequently than every two  
21 years. Such reapplication shall be subject to the same requirements and  
22 conditions, including grounds for refusal, as an initial application,  
23 including the payment of the application fee.

24 (f) Penalties. A person to whom adult-use cannabis products have been  
25 transferred or who sells adult-use cannabis products without a valid  
26 certificate of registration pursuant to subdivision (a) of this section  
27 shall be subject to a penalty of five hundred dollars for each month or  
28 part thereof during which such person continues to possess adult-use  
29 cannabis products that have been transferred to such person or who sells  
30 such products after the expiration of the first month after which such  
31 person operates without a valid certificate of registration, not to  
32 exceed ten thousand dollars in the aggregate.

33 § 495. Returns and payment of tax. (a) 1. Every wholesaler shall, on  
34 or before the twentieth date of the month, file with the commissioner a  
35 return on forms to be prescribed by the commissioner, showing the total  
36 weight of cannabis flower and cannabis trim subject to tax pursuant to  
37 subdivision (a) of section four hundred ninety-three of this article and  
38 the total amount of tax due thereon in the preceding calendar month, and  
39 the total amount of tax due under subdivisions (b) and (c) of such  
40 section on its sales to a retail dispensary during the preceding calen-  
41 dar month, along with such other information as the commissioner may  
42 require. Every person required to file a return under this section  
43 shall, at the time of filing such return, pay to the commissioner the  
44 total amount of tax due for the period covered by such return. If a  
45 return is not filed when due, the tax shall be due on the day on which  
46 the return is required to be filed.

47 2. The wholesaler shall maintain such records in such form as the  
48 commissioner may require regarding such items as: where the wholesaler  
49 is not the cultivator, the weight of the cannabis flower and cannabis  
50 trim transferred to it by a cultivator or, where the wholesaler is the  
51 cultivator, the weight of such flower and trim produced by it; the  
52 geographic location of every retail dispensary to which it sold adult-  
53 use cannabis products; and any other record or information required by  
54 the commissioner. This information must be kept by such person for a  
55 period of three years after the return was filed.

1 (b) The provisions of article twenty-seven of this chapter shall apply  
2 to the tax imposed by this article in the same manner and with the same  
3 force and effect as if the language of such article had been incorpo-  
4 rated in full into this section and had expressly referred to the tax  
5 imposed by this article, except to the extent that any provision of such  
6 article is either inconsistent with a provision of this article or is  
7 not relevant to this article.

8 (c) 1. All taxes, interest, and penalties collected or received by the  
9 commissioner under this article shall be deposited and disposed of  
10 pursuant to the provisions of section one hundred seventy-one-a of this  
11 chapter, provided that an amount equal to one hundred percent collected  
12 under this article less any amount determined by the commissioner to be  
13 reserved by the comptroller for refunds or reimbursements shall be paid  
14 by the comptroller to the credit of the cannabis revenue fund estab-  
15 lished by section ninety-nine-ff of the state finance law. Of the total  
16 revenue collected or received under this article, the comptroller shall  
17 retain such amount as the commissioner may determine to be necessary for  
18 refunds. The commissioner is authorized and directed to deduct from the  
19 registration fees under subdivision (a) of section four hundred ninety-  
20 four of this article, before deposit into the cannabis revenue fund  
21 designated by the comptroller, a reasonable amount necessary to effectu-  
22 ate refunds of appropriations of the department to reimburse the depart-  
23 ment for the costs incurred to administer, collect, and distribute the  
24 taxes imposed by this article.

25 2. Notwithstanding the foregoing, the commissioner shall certify to  
26 the comptroller the total amount of tax, penalty and interest received  
27 by him or her on account of the tax imposed by subdivision (c) of  
28 section four hundred ninety-three of this article in trust for and on  
29 account of each county in which a retail dispensary is located. On or  
30 before the twelfth day of each month, the comptroller, after reserving  
31 such refund fund, shall pay to the appropriate fiscal officer of each  
32 such county the taxes, penalties and interest received and certified by  
33 the commissioner for the preceding calendar month.

34 § 496. Returns to be kept secret. (a) Except in accordance with proper  
35 judicial order or as in this section or otherwise provided by law, it  
36 shall be unlawful for the commissioner, any officer or employee of the  
37 department, or any officer or person who, pursuant to this section, is  
38 permitted to inspect any return or report or to whom a copy, an abstract  
39 or a portion of any return or report is furnished, or to whom any infor-  
40 mation contained in any return or report is furnished, or any person who  
41 in any manner may acquire knowledge of the contents of a return or  
42 report filed pursuant to this article to divulge or make known in any  
43 manner the content or any other information related to the business of  
44 the wholesaler contained in any return or report required under this  
45 article. The officers charged with the custody of such returns or  
46 reports shall not be required to produce any of them or evidence of  
47 anything contained in them in any action or proceeding in any court,  
48 except on behalf of the state, the office of cannabis management, or the  
49 commissioner in an action or proceeding involving the collection of tax  
50 due under this chapter to which the state or the commissioner is a party  
51 or a claimant or on behalf of any party to any action or proceeding  
52 under the provisions of this article, when the returns or the reports or  
53 the facts shown thereby are directly involved in such action or proceed-  
54 ing, or in an action or proceeding related to the regulation or taxation  
55 of adult-use cannabis products on behalf of officers to whom information  
56 shall have been supplied as provided in this section, in any of which

1 events the courts may require the production of, and may admit in  
2 evidence so much of said returns or reports or of the facts shown there-  
3 by as are pertinent to the action or proceeding and no more. Nothing  
4 herein shall be construed to prohibit the commissioner, in his or her  
5 discretion, from allowing the inspection or delivery of a certified copy  
6 of any return or report filed under this article or of any information  
7 contained in any such return or report by or to a duly authorized offi-  
8 cer or employee of the office of cannabis management or by or to the  
9 attorney general or other legal representatives of the state when an  
10 action shall have been recommended or commenced pursuant to this chapter  
11 in which such returns or reports or the facts shown thereby are directly  
12 involved; or the inspection of the returns or reports required under  
13 this article by the comptroller or duly designated officer or employee  
14 of the state department of audit and control, for purposes of the audit  
15 of a refund of any tax paid by the wholesaler under this article; nor to  
16 prohibit the delivery to such person or a duly authorized representative  
17 of such person, a certified copy of any return or report filed by such  
18 person pursuant to this article, nor to prohibit the publication of  
19 statistics so classified as to prevent the identification of particular  
20 returns or reports and the items thereof. This section shall also not be  
21 construed to prohibit the disclosure, for tax administration purposes,  
22 to the division of the budget and the office of the state comptroller,  
23 of information aggregated from the returns filed by all wholesalers  
24 purchasing and selling such products in the state, whether the number of  
25 such persons is one or more. Provided further that, notwithstanding the  
26 provisions of this subdivision, the commissioner may in his or her  
27 discretion, permit the proper officer of any county entitled to receive  
28 any distribution of the monies received on account of the tax imposed by  
29 subdivision (c) of section four hundred ninety-three of this article, or  
30 the authorized representative of such officer, to inspect any return  
31 filed under this article, or may furnish to such officer or the offi-  
32 cer's authorized representative an abstract of any such return or supply  
33 such officer or representative with information concerning an item  
34 contained in any such return, or disclosed by any investigation of tax  
35 liability under this article.

36 (b) The commissioner, in his or her discretion, may permit the appro-  
37 priate officers of any other state that regulates or taxes cannabis or  
38 the duly authorized representatives of such commissioner or of any such  
39 officers, to inspect returns or reports made pursuant to this article,  
40 or may furnish to the commissioner or other officer, or duly authorized  
41 representatives, a copy of any such return or report or an abstract of  
42 the information therein contained, or any portion thereof, or may supply  
43 such commissioner or any such officers or such representatives with  
44 information relating to the business of a wholesaler making returns or  
45 reports hereunder solely for purposes of tax administration. The commis-  
46 sioner may refuse to supply information pursuant to this subdivision to  
47 the officers of any other state if the statutes of the state represented  
48 by such officers do not grant substantially similar privileges to the  
49 commissioner, but such refusal shall not be mandatory. Information shall  
50 not be supplied to the appropriate officers of any state that regulates  
51 or taxes cannabis, or the duly authorized representatives of such  
52 commissioner or of any such officers, unless such commissioner, officer,  
53 or other representatives shall agree not to divulge or make known in any  
54 manner the information so supplied, but such officers may transmit such  
55 information to their employees or legal representatives when necessary,

1 who in turn shall be subject to the same restrictions as those hereby  
2 imposed upon such commissioner, officer or other representatives.

3 (c) 1. Any officer or employee of the state who willfully violates the  
4 provisions of subdivision one or two of this section shall be dismissed  
5 from office and be incapable of holding any public office in the state  
6 for a period of five years thereafter.

7 2. For criminal penalties, see article thirty-seven of this chapter.

8 § 38. Subdivision (a) of section 1115 of the tax law is amended by  
9 adding a new paragraph 3-b to read as follows:

10 (3-b) Adult-use cannabis products as defined by article twenty-C of  
11 this chapter.

12 § 39. Section 1825 of the tax law, as amended by section 3 of part NNN  
13 of chapter 59 of the laws of 2018, is amended to read as follows:

14 § 1825. Violation of secrecy provisions of the tax law.--Any person  
15 who violates the secrecy provisions of [~~subdivision (b) of section twen-~~  
16 ~~ty one, subdivision one of section two hundred two, subdivision eight of~~  
17 ~~section two hundred eleven, subdivision (a) of section three hundred~~  
18 ~~fourteen, subdivision one or two of section four hundred thirty seven,~~  
19 ~~section four hundred eighty seven, subdivision one or two of section~~  
20 ~~five hundred fourteen, subsection (e) of section six hundred ninety sev-~~  
21 ~~en, subsection (a) of section nine hundred ninety four, subdivision (a)~~  
22 ~~of section eleven hundred forty six, section twelve hundred eighty sev-~~  
23 ~~en, section twelve hundred ninety six, section twelve hundred ninety-~~  
24 ~~nine F, subdivision (a) of section fourteen hundred eighteen, subdivi-~~  
25 ~~sion (a) of section fifteen hundred eighteen, subdivision (a) of section~~  
26 ~~fifteen hundred fifty five of]~~ this chapter, [~~and~~] or subdivision (e) of  
27 section 11-1797 of the administrative code of the city of New York shall  
28 be guilty of a misdemeanor.

29 § 40. Section 12 of chapter 90 of the laws of 2014 amending the public  
30 health law, the tax law, the state finance law, the general business  
31 law, the penal law and the criminal procedure law relating to medical  
32 use of marihuana, is amended to read as follows:

33 § 12. This act shall take effect immediately [~~and~~]; provided, however  
34 that sections one, three, five, six, seven-a, eight, nine, ten and elev-  
35 en of this act shall expire and be deemed repealed seven years after  
36 such date; provided that the amendments to section 171-a of the tax law  
37 made by section seven of this act shall take effect on the same date and  
38 in the same manner as section 54 of part A of chapter 59 of the laws of  
39 2014 takes effect and shall not expire and be deemed repealed; and  
40 provided, further, that the amendments to subdivision 5 of section  
41 410.91 of the criminal procedure law made by section eleven of this act  
42 shall not affect the expiration and repeal of such section and shall  
43 expire and be deemed repealed therewith.

44 § 41. The office of cannabis management, in consultation with the  
45 division of the budget, the department of taxation and finance, the  
46 department of health, office of alcoholism and substance abuse services,  
47 office of mental health, New York state police and the division of crim-  
48 inal justice services, shall conduct a study of the effectiveness of  
49 this act. Such study shall examine all aspects of this act, including  
50 economic and fiscal impacts, the impact on the public health and safety  
51 of New York residents and the progress made in achieving social justice  
52 goals and toward eliminating the illegal market for cannabis products in  
53 New York. The office shall make recommendations regarding the appropri-  
54 ate level of taxation of adult-use cannabis, as well as changes, if any,  
55 necessary to improve and protect the public health and safety of New  
56 Yorkers. Such study shall be conducted two years after the effective



1 date of this act and shall be presented to the governor, the majority  
2 leader of the senate and the speaker of the assembly, no later than  
3 October 1, 2022.

4 § 42. Section 102 of the alcoholic beverage control law is amended by  
5 adding a new subdivision 8 to read as follows:

6 8. No alcoholic beverage retail licensee shall sell cannabis, nor have  
7 or possess a license or permit to sell cannabis, on the same premises  
8 where alcoholic beverages are sold.

9 § 43. Subdivisions 1, 4, 5, 6, 7 and 13 of section 12-102 of the  
10 general obligations law, as added by chapter 406 of the laws of 2000,  
11 are amended to read as follows:

12 1. "Illegal drug" means any controlled substance [~~or marijuana~~] the  
13 possession of which is an offense under the public health law or the  
14 penal law.

15 4. "Grade one violation" means possession of one-quarter ounce or  
16 more, but less than four ounces, or distribution of less than one ounce  
17 of an illegal drug [~~other than marijuana, or possession of one pound or~~  
18 ~~twenty five plants or more, but less than four pounds or fifty plants,~~  
19 ~~or distribution of less than one pound of marijuana~~].

20 5. "Grade two violation" means possession of four ounces or more, but  
21 less than eight ounces, or distribution of one ounce or more, but less  
22 than two ounces, of an illegal drug [~~other than marijuana, or possession~~  
23 ~~of four pounds or more or fifty plants or distribution of more than one~~  
24 ~~pound but less than ten pounds of marijuana~~].

25 6. "Grade three violation" means possession of eight ounces or more,  
26 but less than sixteen ounces, or distribution of two ounces or more, but  
27 less than four ounces, of a specified illegal drug [~~or possession of~~  
28 ~~eight pounds or more or seventy five plants or more, but less than~~  
29 ~~sixteen pounds or one hundred plants, or distribution of more than five~~  
30 ~~pounds but less than ten pounds of marijuana~~].

31 7. "Grade four violation" means possession of sixteen ounces or more  
32 or distribution of four ounces or more of a specified illegal drug [~~or~~  
33 ~~possession of sixteen pounds or more or one hundred plants or more or~~  
34 ~~distribution of ten pounds or more of marijuana~~].

35 13. "Drug trafficker" means a person convicted of a class A or class B  
36 felony controlled substance [~~or marijuana offense~~] who, in connection  
37 with the criminal conduct for which he or she stands convicted,  
38 possessed, distributed, sold or conspired to sell a controlled substance  
39 [~~or marijuana~~] which, by virtue of its quantity, the person's prominent  
40 role in the enterprise responsible for the sale or distribution of such  
41 controlled substance and other circumstances related to such criminal  
42 conduct indicate that such person's criminal possession, sale or  
43 conspiracy to sell such substance was not an isolated occurrence and was  
44 part of an ongoing pattern of criminal activity from which such person  
45 derived substantial income or resources and in which such person played  
46 a leadership role.

47 § 44. Paragraph (g) of subdivision 1 of section 488 of the social  
48 services law, as added by section 1 of part B of chapter 501 of the laws  
49 of 2012, is amended to read as follows:

50 (g) "Unlawful use or administration of a controlled substance," which  
51 shall mean any administration by a custodian to a service recipient of:  
52 a controlled substance as defined by article thirty-three of the public  
53 health law, without a prescription; or other medication not approved for  
54 any use by the federal food and drug administration, except for the  
55 administration of medical cannabis when such administration is in  
56 accordance with article three of the cannabis law and any regulations

1 promulgated thereunder as well as the rules, regulations, policies, or  
 2 procedures of the state oversight agency or agencies governing such  
 3 custodians. It also shall include a custodian unlawfully using or  
 4 distributing a controlled substance as defined by article thirty-three  
 5 of the public health law, at the workplace or while on duty.

6 § 45. Paragraphs (e) and (f) of subdivision 1 of section 490 of the  
 7 social services law, as added by section 1 of part B of chapter 501 of  
 8 the laws of 2012, are amended and a new paragraph (g) is added to read  
 9 as follows:

10 (e) information regarding individual reportable incidents, incident  
 11 patterns and trends, and patterns and trends in the reporting and  
 12 response to reportable incidents is shared, consistent with applicable  
 13 law, with the justice center, in the form and manner required by the  
 14 justice center and, for facilities or provider agencies that are not  
 15 state operated, with the applicable state oversight agency which shall  
 16 provide such information to the justice center; ~~and~~

17 (f) incident review committees are established; provided, however,  
 18 that the regulations may authorize an exemption from this requirement,  
 19 when appropriate, based on the size of the facility or provider agency  
 20 or other relevant factors. Such committees shall be composed of members  
 21 of the governing body of the facility or provider agency and other  
 22 persons identified by the director of the facility or provider agency,  
 23 including some members of the following: direct support staff, licensed  
 24 health care practitioners, service recipients and representatives of  
 25 family, consumer and other advocacy organizations, but not the director  
 26 of the facility or provider agency. Such committee shall meet regularly  
 27 to: (i) review the timeliness, thoroughness and appropriateness of the  
 28 facility or provider agency's responses to reportable incidents; (ii)  
 29 recommend additional opportunities for improvement to the director of  
 30 the facility or provider agency, if appropriate; (iii) review incident  
 31 trends and patterns concerning reportable incidents; and (iv) make  
 32 recommendations to the director of the facility or provider agency to  
 33 assist in reducing reportable incidents. Members of the committee shall  
 34 be trained in confidentiality laws and regulations, and shall comply  
 35 with section seventy-four of the public officers law~~[-]; and~~

36 (g) safe storage, administration, and diversion prevention policies  
 37 regarding controlled substances and medical marihuana.

38 § 46. Subdivision 1 of section 505 of the agriculture and markets law,  
 39 as added by chapter 524 of the laws of 2014, is amended to read as  
 40 follows:

41 1. "Industrial hemp" means the plant Cannabis sativa L. and any part  
 42 of such plant, including the seeds thereof and all derivatives,  
 43 extracts, cannabinoids, isomers, acids, salts, and salts of isomers,  
 44 whether growing or not, with a delta-9 tetrahydrocannabinol concen-  
 45 tration of not more than 0.3 percent on a dry weight basis.

46 § 47. Section 506 of the agriculture and markets law, as amended by  
 47 section 1 of part 00 of chapter 58 of the laws of 2017, is amended to  
 48 read as follows:

49 § 506. Growth, sale, distribution, transportation and processing of  
 50 industrial hemp and products derived from such hemp permitted. [~~Notwith-~~  
 51 ~~standing any provision of law to the contrary, industrial~~] 1. Industrial  
 52 hemp and products derived from such hemp are agricultural products which  
 53 may be grown, produced [~~and~~], possessed [~~in the state, and~~], sold,  
 54 distributed, transported [~~or~~] and/or processed [~~either~~] in [~~or out of~~]  
 55 state [~~as part of agricultural pilot programs pursuant to authorization~~  
 56 ~~under federal law and the provisions of this article~~] pursuant to

1 authorization under federal law, the provisions of this article and/or  
 2 the the cannabis law. [~~Notwithstanding any provision of law to the~~  
 3 ~~contrary restricting the growing or cultivating, sale, distribution,~~  
 4 ~~transportation or processing of industrial hemp and products derived~~  
 5 ~~from such hemp, and subject to authorization under federal law, the]~~

6 2. The commissioner may authorize the growing or cultivating of indus-  
 7 trial hemp as part of agricultural pilot programs conducted by the  
 8 department and/or an institution of higher education to study the growth  
 9 and cultivation, sale, distribution, transportation and processing of  
 10 such hemp and products derived from such hemp provided that the sites  
 11 and programs used for growing or cultivating industrial hemp are certi-  
 12 fied by, and registered with, the department.

13 3. In addition to the department's licensing authority hereinafter  
 14 provided in this article, the office of cannabis management shall  
 15 license and regulate the growth, extraction, processing and/or manufac-  
 16 turing of hemp for derivatives, extracts, cannabinoids, isomers, acids,  
 17 salts and salts or isomers and/or hemp products for human or animal  
 18 consumption or use (except for those food and/or food ingredients that  
 19 are generally recognized as safe).

20 4. Nothing in this section shall limit the jurisdiction of the depart-  
 21 ment under any other article of the agriculture and markets law.

22 § 48. Section 507 of the agriculture and markets law is REPEALED and a  
 23 new section 507 is added to read as follows:

24 § 507. Licensing; fees. 1. No person shall: (a) grow industrial hemp  
 25 in the state and/or sell or distribute industrial hemp grown in the  
 26 state unless licensed biennially by the commissioner or (b) grow, proc-  
 27 ess and/or produce industrial hemp and products derived from hemp in the  
 28 state or sell or distribute unless authorized by the commissioner as  
 29 part of an agricultural research pilot program established under this  
 30 article.

31 2. Application for a license to grow industrial hemp shall be made  
 32 upon a form prescribed by the commissioner, accompanied by a non-refund-  
 33 able application fee of five hundred dollars.

34 3. The applicant shall furnish evidence of his or her good character,  
 35 experience and competency, that the applicant has adequate facilities,  
 36 equipment, process controls, testing capability and security to grow  
 37 hemp.

38 4. Growers who intend to cultivate hemp for cannabinoids shall also be  
 39 required to obtain a license from the office of cannabis management.

40 5. A renewal application shall be submitted to the commissioner at  
 41 least thirty days prior to the commencement of the next license period.

42 § 49. Section 508 of the agriculture and markets law is REPEALED and a  
 43 new section 508 is added to read as follows:

44 § 508. Compliance action plan. If the commissioner determines, after  
 45 notice and an opportunity for hearing, that a licensee has negligently  
 46 violated a provision of this article, that licensee shall be required to  
 47 comply with a corrective action plan established by the commissioner to  
 48 correct the violation by a reasonable date and to periodically report to  
 49 the commissioner with respect to the licensee's compliance with this  
 50 article for a period of no less than the next two calendar years follow-  
 51 ing the commencement date of the compliance action plan. The provisions  
 52 of this section shall not be applicable to research partners conducting  
 53 hemp research pursuant to a research partner agreement, the terms of  
 54 which shall control.

55 § 50. Section 509 of the agriculture and markets law is REPEALED and a  
 56 new section 509 is added to read as follows:



1 § 509. Granting, suspending or revoking licenses. The commissioner  
2 may decline to grant a new license, may decline to renew a license, may  
3 suspend or revoke a license already granted after due notice and oppor-  
4 tunity for hearing whenever he or she finds that:

5 (1) any statement contained in an application for an applicant or  
6 licensee is or was false or misleading;

7 (2) the applicant or licensee does not have good character, the  
8 required experience and/or competency, adequate facilities, equipment,  
9 process controls, testing capability and/or security to produce hemp or  
10 products derived from hemp;

11 (3) the applicant or licensee has failed or refused to produce any  
12 records or provide any information demanded by the commissioner reason-  
13 ably related to the administration and enforcement of this article; or

14 (4) the applicant or licensee, or any officer, director, partner,  
15 holder of ten percent of the voting stock, or any other person exercis-  
16 ing any position of management or control has failed to comply with any  
17 of the provisions of this article or rules and regulations promulgated  
18 pursuant thereto.

19 § 51. Section 510 of the agriculture and markets law is REPEALED and a  
20 new section 510 is added to read as follows:

21 § 510. Regulations. The commissioner may develop regulations consist-  
22 ent with the provisions of this article for the growing and cultivation,  
23 sale, distribution, and transportation of industrial hemp grown in the  
24 state, including:

25 (a) the authorization or licensing of any person who may: acquire or  
26 possess hemp plants or seeds; grow or cultivate hemp plants; and/or  
27 sell, purchase, distribute, or transport such plants, plant parts, or  
28 seeds;

29 (b) maintaining relevant information regarding land on which indus-  
30 trial hemp is produced within the state, including the legal description  
31 of the land, for a period of not less than three calendar years;

32 (c) the procedure for testing of industrial hemp produced in the state  
33 for delta-9 tetrahydrocannabinol levels, using post decarboxylation or  
34 other similarly reliable methods;

35 (d) the procedure for effective disposal of industrial hemp plants or  
36 products derived from hemp that are produced in violation of this arti-  
37 cle;

38 (e) a procedure for conducting at least a random sample of industrial  
39 hemp producers to verify that hemp is not produced in violation of this  
40 article;

41 (f) any required security measures; and

42 (g) such other and further regulation as the commissioner deems appro-  
43 priate or necessary.

44 § 52. Section 511 of the agriculture and markets law is REPEALED and a  
45 new section 511 is added to read as follows:

46 § 511. Prohibitions. Except as authorized by state law, and regu-  
47 lations promulgated thereunder, the growth, cultivation, processing,  
48 sale, and/or distribution of industrial hemp is prohibited.

49 § 53. Section 512 of the agriculture and markets law is REPEALED and a  
50 new section 512 is added to read as follows:

51 § 512. Industrial hemp data collection and best farming practices.  
52 The commissioner shall have the power to collect and publish data and  
53 research concerning, among other things, the growth, cultivation,  
54 production and processing methods of industrial hemp and products  
55 derived from industrial hemp and work with the cornell cooperative  
56 extension to promote best farming practices for industrial hemp which

1 are compatible with state water quality and other environmental objec-  
2 tives.

3 § 54. Sections 513 and 514 of the agriculture and markets law are  
4 REPEALED and a new section 513 is added to read as follows:

5 § 513. Access to criminal history information through the division of  
6 criminal justice services. In connection with the administration of  
7 this article, the commissioner is authorized to request, receive and  
8 review criminal history information through the division of criminal  
9 justice services (division) with respect to any person seeking a license  
10 or authorization to undertake a hemp pilot project. At the commission-  
11 er's request, each researcher, principal and/or officer of the applicant  
12 shall submit to the department his or her fingerprints in such form and  
13 in such manner as specified by the division, for the purpose of conduct-  
14 ing a criminal history search and returning a report thereon in accord-  
15 ance with the procedures and requirements established by the division  
16 pursuant to the provisions of article thirty-five of the executive law,  
17 which shall include the payment of the prescribed processing fees for  
18 the cost of the division's full search and retain procedures and a  
19 national criminal history record check. The commissioner, or his or her  
20 designee, shall submit such fingerprints and the processing fee to the  
21 division. The division shall forward to the commissioner a report with  
22 respect to the applicant's previous criminal history, if any, or a  
23 statement that the applicant has no previous criminal history according  
24 to its files. Fingerprints submitted to the division of criminal justice  
25 services pursuant to this subdivision may also be submitted to the  
26 federal bureau of investigation for a national criminal history record  
27 check. If additional copies of fingerprints are required, the applicant  
28 shall furnish them upon request.

29 § 55. Sections 179.00, 179.05, 179.10, 179.11 and 179.15 of the penal  
30 law, as added by chapter 90 of the laws of 2014, are amended to read as  
31 follows:

32 § 179.00 Criminal diversion of medical [~~marihuana~~] cannabis; defi-  
33 nitions.

34 The following definitions are applicable to this article:

35 1. "Medical [~~marihuana~~] cannabis" means medical [~~marihuana~~] cannabis  
36 as defined in [~~subdivision eight of section thirty-three hundred sixty~~  
37 ~~of the public health law~~] section three of the cannabis law.

38 2. "Certification" means a certification, made under section [~~thirty-~~  
39 ~~three hundred sixty one of the public health law~~] thirty of the cannabis  
40 law.

41 § 179.05 Criminal diversion of medical [~~marihuana~~] cannabis; limita-  
42 tions.

43 The provisions of this article shall not apply to:

44 1. a practitioner authorized to issue a certification who acted in  
45 good faith in the lawful course of his or her profession; or

46 2. a registered organization as that term is defined in [~~subdivision~~  
47 ~~nine of section thirty-three hundred sixty of the public health law~~]  
48 section thirty-four of the cannabis law who acted in good faith in the  
49 lawful course of the practice of pharmacy; or

50 3. a person who acted in good faith seeking treatment for a medical  
51 condition or assisting another person to obtain treatment for a medical  
52 condition.

53 § 179.10 Criminal diversion of medical [~~marihuana~~] cannabis in the first  
54 degree.

55 A person is guilty of criminal diversion of medical [~~marihuana~~] canna-  
56 bis in the first degree when he or she is a practitioner, as that term

1 is defined in [~~subdivision twelve of section thirty three hundred sixty~~  
2 ~~of the public health law~~] section three of the cannabis law, who issues  
3 a certification with knowledge of reasonable grounds to know that (i)  
4 the recipient has no medical need for it, or (ii) it is for a purpose  
5 other than to treat a serious condition as defined in [~~subdivision seven~~  
6 ~~of section thirty three hundred sixty of the public health law~~] section  
7 three of the cannabis law.

8 Criminal diversion of medical [~~marihuana~~] cannabis in the first degree  
9 is a class E felony.

10 § 179.11 Criminal diversion of medical [~~marihuana~~] cannabis in the  
11 second degree.

12 A person is guilty of criminal diversion of medical [~~marihuana~~] canna-  
13 bis in the second degree when he or she sells, trades, delivers, or  
14 otherwise provides medical [~~marihuana~~] cannabis to another with know-  
15 ledge or reasonable grounds to know that the recipient is not registered  
16 under [~~title five A of article thirty three of the public health law~~]  
17 article three of the cannabis law.

18 Criminal diversion of medical [~~marihuana~~] cannabis in the second  
19 degree is a class B misdemeanor.

20 § 179.15 Criminal retention of medical [~~marihuana~~] cannabis.

21 A person is guilty of criminal retention of medical [~~marihuana~~] canna-  
22 bis when, being a certified patient or designated caregiver, as those  
23 terms are defined in [~~subdivisions three and five of section thirty-~~  
24 ~~three hundred sixty of the public health law, respectively~~] section  
25 three of the cannabis law, he or she knowingly obtains, possesses,  
26 stores or maintains an amount of [~~marihuana~~] cannabis in excess of the  
27 amount he or she is authorized to possess under the provisions of [~~title~~  
28 ~~five A of article thirty three of the public health law~~] article three  
29 of the cannabis law.

30 Criminal retention of medical [~~marihuana~~] cannabis is a class A misde-  
31 meanor.

32 § 56. Section 220.78 of the penal law, as added by chapter 154 of the  
33 laws of 2011, is amended to read as follows:

34 § 220.78 Witness or victim of drug or alcohol overdose.

35 1. A person who, in good faith, seeks health care for someone who is  
36 experiencing a drug or alcohol overdose or other life threatening  
37 medical emergency shall not be charged or prosecuted for a controlled  
38 substance offense under article two hundred twenty or a [~~marihuana~~]  
39 cannabis offense under article two hundred twenty-one of this title,  
40 other than an offense involving sale for consideration or other benefit  
41 or gain, or charged or prosecuted for possession of alcohol by a person  
42 under age twenty-one years under section sixty-five-c of the alcoholic  
43 beverage control law, or for possession of drug paraphernalia under  
44 article thirty-nine of the general business law, with respect to any  
45 controlled substance, [~~marihuana~~] cannabis, alcohol or paraphernalia  
46 that was obtained as a result of such seeking or receiving of health  
47 care.

48 2. A person who is experiencing a drug or alcohol overdose or other  
49 life threatening medical emergency and, in good faith, seeks health care  
50 for himself or herself or is the subject of such a good faith request  
51 for health care, shall not be charged or prosecuted for a controlled  
52 substance offense under this article or a [~~marihuana~~] cannabis offense  
53 under article two hundred twenty-one of this title, other than an  
54 offense involving sale for consideration or other benefit or gain, or  
55 charged or prosecuted for possession of alcohol by a person under age  
56 twenty-one years under section sixty-five-c of the alcoholic beverage

1 control law, or for possession of drug paraphernalia under article thirty-nine of the general business law, with respect to any substance, 2 [marihuana] cannabis, alcohol or paraphernalia that was obtained as a 3 result of such seeking or receiving of health care. 4

5 3. Definitions. As used in this section the following terms shall have 6 the following meanings:

7 (a) "Drug or alcohol overdose" or "overdose" means an acute condition 8 including, but not limited to, physical illness, coma, mania, hysteria 9 or death, which is the result of consumption or use of a controlled 10 substance or alcohol and relates to an adverse reaction to or the quantity 11 of the controlled substance or alcohol or a substance with which 12 the controlled substance or alcohol was combined; provided that a 13 patient's condition shall be deemed to be a drug or alcohol overdose if 14 a prudent layperson, possessing an average knowledge of medicine and 15 health, could reasonably believe that the condition is in fact a drug or 16 alcohol overdose and (except as to death) requires health care.

17 (b) "Health care" means the professional services provided to a person 18 experiencing a drug or alcohol overdose by a health care professional 19 licensed, registered or certified under title eight of the education law 20 or article thirty of the public health law who, acting within his or her 21 lawful scope of practice, may provide diagnosis, treatment or emergency 22 services for a person experiencing a drug or alcohol overdose.

23 4. It shall be an affirmative defense to a criminal sale controlled 24 substance offense under this article or a criminal sale of [marihuana] 25 cannabis offense under article two hundred twenty-one of this title, not 26 covered by subdivision one or two of this section, with respect to any 27 controlled substance or [marihuana] cannabis which was obtained as a 28 result of such seeking or receiving of health care, that:

29 (a) the defendant, in good faith, seeks health care for someone or for 30 him or herself who is experiencing a drug or alcohol overdose or other 31 life threatening medical emergency; and

32 (b) the defendant has no prior conviction for the commission or 33 attempted commission of a class A-I, A-II or B felony under this article. 34

35 5. Nothing in this section shall be construed to bar the admissibility 36 of any evidence in connection with the investigation and prosecution of 37 a crime with regard to another defendant who does not independently 38 qualify for the bar to prosecution or for the affirmative defense; nor 39 with regard to other crimes committed by a person who otherwise qualifies 40 under this section; nor shall anything in this section be construed 41 to bar any seizure pursuant to law, including but not limited to pursuant 42 to section thirty-three hundred eighty-seven of the public health 43 law.

44 6. The bar to prosecution described in subdivisions one and two of 45 this section shall not apply to the prosecution of a class A-I felony 46 under this article, and the affirmative defense described in subdivision 47 four of this section shall not apply to the prosecution of a class A-I 48 or A-II felony under this article.

49 § 57. Subdivision 1 of section 260.20 of the penal law, as amended by 50 chapter 362 of the laws of 1992, is amended as follows:

51 1. He knowingly permits a child less than eighteen years old to enter 52 or remain in or upon a place, premises or establishment where sexual 53 activity as defined by article one hundred thirty, two hundred thirty or 54 two hundred sixty-three of this [chapter] part or activity involving 55 controlled substances as defined by article two hundred twenty of this 56 [~~chapter or involving marihuana as defined by article two hundred twen-~~

1 ~~ty one of this chapter~~] part is maintained or conducted, and he knows or  
2 has reason to know that such activity is being maintained or conducted;  
3 or

4 § 58. Section 89-h of the state finance law, as added by chapter 90 of  
5 the laws of 2014, is amended to read as follows:

6 § 89-h. Medical [~~marihuana~~] cannabis trust fund. 1. There is hereby  
7 established in the joint custody of the state comptroller and the  
8 commissioner of taxation and finance a special fund to be known as the  
9 "medical [~~marihuana~~] cannabis trust fund."

10 2. The medical [~~marihuana~~] cannabis trust fund shall consist of all  
11 moneys required to be deposited in the medical [~~marihuana~~] cannabis  
12 trust fund pursuant to the provisions of section four hundred ninety of  
13 the tax law.

14 3. The moneys in the medical [~~marihuana~~] cannabis trust fund shall be  
15 kept separate and shall not be commingled with any other moneys in the  
16 custody of the commissioner of taxation and finance and the state comp-  
17 troller.

18 4. The moneys of the medical [~~marihuana~~] cannabis trust fund, follow-  
19 ing appropriation by the legislature, shall be allocated upon a certif-  
20 icate of approval of availability by the director of the budget as  
21 follows: (a) Twenty-two and five-tenths percent of the monies shall be  
22 transferred to the counties in New York state in which the medical  
23 [~~marihuana~~] cannabis was manufactured and allocated in proportion to the  
24 gross sales originating from medical [~~marihuana~~] cannabis manufactured  
25 in each such county; (b) twenty-two and five-tenths percent of the  
26 moneys shall be transferred to the counties in New York state in which  
27 the medical [~~marihuana~~] cannabis was dispensed and allocated in propor-  
28 tion to the gross sales occurring in each such county; (c) five percent  
29 of the monies shall be transferred to the office of alcoholism and  
30 substance abuse services, which shall use that revenue for additional  
31 drug abuse prevention, counseling and treatment services; and (d) five  
32 percent of the revenue received by the department shall be transferred  
33 to the division of criminal justice services, which shall use that  
34 revenue for a program of discretionary grants to state and local law  
35 enforcement agencies that demonstrate a need relating to [~~title five-A~~  
36 ~~of article thirty three of the public health law~~] article three of the  
37 cannabis law; said grants could be used for personnel costs of state and  
38 local law enforcement agencies. For purposes of this subdivision, the  
39 city of New York shall be deemed to be a county.

40 § 59. Intentionally omitted.

41 § 60. The state finance law is amended by adding a new section 99-ff  
42 to read as follows:

43 § 99-ff. New York state cannabis revenue fund. 1. There is hereby  
44 established in the joint custody of the state comptroller and the  
45 commissioner of taxation and finance a special fund to be known as the  
46 "New York state cannabis revenue fund" (the "fund").

47 2. Monies in the fund shall be kept separate from and shall not be  
48 commingled with any other monies in the custody of the comptroller or  
49 the commissioner of taxation and finance. Provided, however that any  
50 monies of the fund not required for immediate use may, at the discretion  
51 of the comptroller, in consultation with the director of the budget, be  
52 invested by the comptroller in obligations of the United States or the  
53 state. The proceeds of any such investment shall be retained by the fund  
54 as assets to be used for purposes of the fund.

55 3. Except as set forth in subdivisions two and four of this section,  
56 monies from the fund shall not be used to make payments for any purpose



1 other than the purposes set forth in subdivisions two and four of this  
2 section.

3 4. The "New York state cannabis revenue fund" shall consist of monies  
4 received by the commissioner of taxation and finance pursuant to subdivi-  
5 visions (a) and (b) of section four hundred ninety-three of the tax law  
6 and all other monies credited or transferred thereto from any other fund  
7 or source. Monies of such fund shall be expended for the following  
8 purposes: administration of the regulated cannabis program, data gather-  
9 ing, monitoring and reporting, the governor's traffic safety committee,  
10 small business development and loans, substance abuse, harm reduction  
11 and mental health treatment and prevention, public health education and  
12 intervention, research on cannabis uses and applications, program evalu-  
13 ation and improvements, and any other identified purpose recommended by  
14 the executive director of the office of cannabis management and approved  
15 by the director of the budget.

16 § 61. Subdivision 2 of section 3371 of the public health law, as  
17 amended by chapter 90 of the laws of 2014, is amended to read as  
18 follows:

19 2. The prescription monitoring program registry may be accessed, under  
20 such terms and conditions as are established by the department for  
21 purposes of maintaining the security and confidentiality of the informa-  
22 tion contained in the registry, by:

23 (a) a practitioner, or a designee authorized by such practitioner  
24 pursuant to paragraph (b) of subdivision two of section thirty-three  
25 hundred forty-three-a or section thirty-three hundred sixty-one of this  
26 article, for the purposes of: (i) informing the practitioner that a  
27 patient may be under treatment with a controlled substance by another  
28 practitioner; (ii) providing the practitioner with notifications of  
29 controlled substance activity as deemed relevant by the department,  
30 including but not limited to a notification made available on a monthly  
31 or other periodic basis through the registry of controlled substances  
32 activity pertaining to his or her patient; (iii) allowing the practi-  
33 tioner, through consultation of the prescription monitoring program  
34 registry, to review his or her patient's controlled substances history  
35 as required by section thirty-three hundred forty-three-a [~~or section~~  
36 ~~thirty-three hundred sixty-one~~] of this article; and (iv) providing to  
37 his or her patient, or person authorized pursuant to paragraph (j) of  
38 subdivision one of this section, upon request, a copy of such patient's  
39 controlled substance history as is available to the practitioner through  
40 the prescription monitoring program registry; or

41 (b) a pharmacist, pharmacy intern or other designee authorized by the  
42 pharmacist pursuant to paragraph (b) of subdivision three of section  
43 thirty-three hundred forty-three-a of this article, for the purposes of:  
44 (i) consulting the prescription monitoring program registry to review  
45 the controlled substances history of an individual for whom one or more  
46 prescriptions for controlled substances or certifications for marihuana  
47 is presented to the pharmacist, pursuant to section thirty-three hundred  
48 forty-three-a of this article; and (ii) receiving from the department  
49 such notifications of controlled substance activity as are made avail-  
50 able by the department; or

51 (c) an individual employed by a registered organization for the  
52 purpose of consulting the prescription monitoring program registry to  
53 review the controlled substances history of an individual for whom one  
54 or more certifications for [~~marihuana~~ **cannabis**] is presented to that  
55 registered organization[, ~~pursuant to section thirty-three hundred~~  
56 ~~sixty-four of this article~~]. Unless otherwise authorized by this arti-

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1 cle, an individual employed by a registered organization will be  
2 provided access to the prescription monitoring program in the sole  
3 discretion of the commissioner.

4 § 62. Subdivision 3 of section 853 of the general business law, as  
5 added by chapter 90 of the laws of 2014, is amended to read as follows:

6 3. This article shall not apply to any sale, furnishing or possession  
7 which is for a lawful purpose under [~~title five A of article thirty-~~  
8 ~~three of the public health law~~] the cannabis law.

9 § 63. Subdivision 5 of section 410.91 of the criminal procedure law,  
10 as amended by chapter 90 of the laws of 2014, is amended to read as  
11 follows:

12 5. For the purposes of this section, a "specified offense" is an  
13 offense defined by any of the following provisions of the penal law:  
14 burglary in the third degree as defined in section 140.20, criminal  
15 mischief in the third degree as defined in section 145.05, criminal  
16 mischief in the second degree as defined in section 145.10, grand larceny  
17 in the fourth degree as defined in subdivision one, two, three, four,  
18 five, six, eight, nine or ten of section 155.30, grand larceny in the  
19 third degree as defined in section 155.35 (except where the property  
20 consists of one or more firearms, rifles or shotguns), unauthorized use  
21 of a vehicle in the second degree as defined in section 165.06, criminal  
22 possession of stolen property in the fourth degree as defined in subdi-  
23 vision one, two, three, five or six of section 165.45, criminal  
24 possession of stolen property in the third degree as defined in section  
25 165.50 (except where the property consists of one or more firearms,  
26 rifles or shotguns), forgery in the second degree as defined in section  
27 170.10, criminal possession of a forged instrument in the second degree  
28 as defined in section 170.25, unlawfully using slugs in the first degree  
29 as defined in section 170.60, criminal diversion of medical [~~marihuana~~]  
30 cannabis in the first degree as defined in section 179.10 or an attempt  
31 to commit any of the aforementioned offenses if such attempt constitutes  
32 a felony offense; or a class B felony offense defined in article two  
33 hundred twenty where a sentence is imposed pursuant to paragraph (a) of  
34 subdivision two of section 70.70 of the penal law; or any class C, class  
35 D or class E controlled substance [~~or marihuana~~] cannabis felony offense  
36 as defined in article two hundred twenty or two hundred twenty-one.

37 § 63-a. Subdivision 5 of section 410.91 of the criminal procedure law,  
38 as amended by section 8 of part AAA of chapter 56 of the laws of 2009,  
39 is amended to read as follows:

40 5. For the purposes of this section, a "specified offense" is an  
41 offense defined by any of the following provisions of the penal law:  
42 burglary in the third degree as defined in section 140.20, criminal  
43 mischief in the third degree as defined in section 145.05, criminal  
44 mischief in the second degree as defined in section 145.10, grand larceny  
45 in the fourth degree as defined in subdivision one, two, three, four,  
46 five, six, eight, nine or ten of section 155.30, grand larceny in the  
47 third degree as defined in section 155.35 (except where the property  
48 consists of one or more firearms, rifles or shotguns), unauthorized use  
49 of a vehicle in the second degree as defined in section 165.06, criminal  
50 possession of stolen property in the fourth degree as defined in subdi-  
51 vision one, two, three, five or six of section 165.45, criminal  
52 possession of stolen property in the third degree as defined in section  
53 165.50 (except where the property consists of one or more firearms,  
54 rifles or shotguns), forgery in the second degree as defined in section  
55 170.10, criminal possession of a forged instrument in the second degree  
56 as defined in section 170.25, unlawfully using slugs in the first degree

1 as defined in section 170.60, or an attempt to commit any of the afore-  
2 mentioned offenses if such attempt constitutes a felony offense; or a  
3 class B felony offense defined in article two hundred twenty where a  
4 sentence is imposed pursuant to paragraph (a) of subdivision two of  
5 section 70.70 of the penal law; or any class C, class D or class E  
6 controlled substance or [marihuana] cannabis felony offense as defined  
7 in article two hundred twenty or two hundred twenty-one.

8 § 63-b. The criminal procedure law is amended by adding a new section  
9 440.46-a to read as follows:

10 § 440.46-a motion for resentencing; persons convicted of certain mari-  
11 huana offenses. 1. A person currently serving a sentence for a  
12 conviction, whether by trial or by open or negotiated plea, who would  
13 not have been guilty of an offense or who would have been guilty of a  
14 lesser offense on and after the effective date of this section had this  
15 section been in effect at the time of his or her conviction may petition  
16 for a recall or dismissal of sentence before the trial court that  
17 entered the judgment of conviction in his or her case to request resen-  
18 ting or dismissal in accordance with article two hundred twenty-one  
19 of the penal law. 2. Upon receiving a motion under subdivision one of  
20 this section the court shall presume the movant satisfies the criteria  
21 in subdivision one of this section unless the party opposing the motion  
22 proves by clear and convincing evidence that the movant does not satisfy  
23 the criteria. If the movant satisfies the criteria in subdivision one of  
24 this section, the court shall grant the motion to vacate the sentence or  
25 to resentence because it is legally invalid. In exercising its  
26 discretion, the court may consider, but shall not be limited to, the  
27 following: a) the movant's criminal conviction history, including the  
28 type of crimes committed, the extent of injury to victims, the length of  
29 prior prison commitments, and the remoteness of the crimes. (b) the  
30 movant's disciplinary record and record of rehabilitation while incar-  
31 cerated. 3. A person who is serving a sentence and resented pursuant  
32 to subdivision two of this section shall be given credit for any time  
33 already served and shall be subject to supervision for one year follow-  
34 ing completion of his or her time in custody or shall be subject to  
35 whatever supervision time he or she would have otherwise been subject to  
36 after release, whichever is shorter, unless the court, in its  
37 discretion, as part of its resentencing order, releases the person from  
38 supervision. Such person is subject to parole supervision under section  
39 60.04 of the penal law or post-release supervision under section 70.45  
40 of the penal law by the designated agency and the jurisdiction of the  
41 court in the county in which the offender is released or resides, or in  
42 which an alleged violation of supervision has occurred, for the purpose  
43 of hearing petitions to revoke supervision and impose a term of custody.  
44 4. Under no circumstances may resentencing under this section result in  
45 the imposition of a term longer than the original sentence, or the rein-  
46 statement of charges dismissed pursuant to a negotiated plea agreement.  
47 5. A person who has completed his or her sentence for a conviction under  
48 the former article two hundred twenty-one of the penal law, whether by  
49 trial or open or negotiated plea, who would not have been guilty of an  
50 offense or who would have been guilty of a lesser offense on and after  
51 the effective date of this section had this section been in effect at  
52 the time of his or her conviction, may file an application before the  
53 trial court that entered the judgment of conviction in his or her case  
54 to have the conviction, in accordance with article two hundred twenty-  
55 one of the penal law:(a) dismissed because the prior conviction is now  
56 legally invalid and sealed in accordance with section 160.50 of this



1 chapter;(b) redesignated (or "reclassified") as a violation and sealed  
2 in accordance with section 160.50 of this chapter; or(c) redesignated  
3 (reclassified) as a misdemeanor. 6. The court shall presume the peti-  
4 tioner satisfies the criteria in subdivision five unless the party  
5 opposing the application proves by clear and convincing evidence that  
6 the petitioner does not satisfy the criteria in subdivision five. Once  
7 the applicant satisfies the criteria in subdivision five, the court  
8 shall redesignate (or "reclassify") the conviction as a misdemeanor,  
9 redesignate (reclassify) the conviction as a violation and seal the  
10 conviction, or dismiss and seal the conviction as legally invalid under  
11 this section had this section been in effect at the time of his or her  
12 conviction. 7. Unless requested by the applicant, no hearing is neces-  
13 sary to grant or deny an application filed under subdivision five of  
14 this section. 8. Any felony conviction that is vacated and resentenced  
15 under subdivision two or designated as a misdemeanor or violation under  
16 subdivision six of this section shall be considered a misdemeanor or  
17 violation for all purposes. Any misdemeanor conviction that is vacated  
18 and resentenced under subdivision two of this section or designated as a  
19 violation under subdivision six of this section shall be considered a  
20 violation for all purposes. 9. If the court that originally sentenced  
21 the movant is not available, the presiding judge shall designate another  
22 judge to rule on the petition or application. 10. Nothing in this  
23 section is intended to diminish or abrogate any rights or remedies  
24 otherwise available to the petitioner or applicant. 11. Nothing in this  
25 and related sections is intended to diminish or abrogate the finality of  
26 judgements in any case not falling within the purview of this section.  
27 12. The provisions of this section shall apply equally to juvenile  
28 delinquency adjudications and dispositions under section five hundred  
29 one-e of the executive law if the juvenile would not have been guilty of  
30 an offense or would have been guilty of a lesser offense under this  
31 section had this section been in effect at the time of his or her  
32 conviction. 13. The office of court administration shall promulgate and  
33 make available all necessary forms to enable the filing of the petitions  
34 and applications provided in this section no later than sixty days  
35 following the effective date of this section.

36 § 64. This act shall take effect immediately; provided, however that  
37 sections thirty-seven and thirty-eight of this act shall take effect on  
38 April 1, 2020, and shall apply on and after such date: (a) to the culti-  
39 vation of cannabis flower and cannabis trim transferred by a cultivator  
40 who is not a wholesaler; (b) to the cultivation of cannabis flower and  
41 cannabis trim sold or transferred to a retail dispensary by a cultivator  
42 who is a wholesaler; and (c) to the sale or transfer of adult use canna-  
43 bis products to a retail dispensary; provided, further, that the amend-  
44 ments to article 179 of the penal law made by section fifty-five of this  
45 act shall not affect the repeal of such article and shall be deemed to  
46 be repealed therewith; provided further, that the amendments to section  
47 89-h of the state finance law made by section fifty-eight of this act  
48 shall not affect the repeal of such section and shall be deemed repealed  
49 therewith; provided further, that the amendments to section 221.00 of  
50 the penal law made by section fifteen of this act shall be subject to  
51 the expiration of such section when upon such date the provisions of  
52 section fifteen-a of this act shall take effect; provided, however, that  
53 the amendments to subdivision 2 of section 3371 of the public health law  
54 made by section sixty-one of this act shall not affect the expiration of  
55 such subdivision and shall be deemed to expire therewith; provided  
56 further, that the amendments to subdivision 3 of section 853 of the

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1 general business law made by section sixty-two of this act shall not  
2 affect the repeal of such subdivision and shall be deemed to be repealed  
3 therewith; and provided further, that the amendments to subdivision 5 of  
4 section 410.91 of the penal law made by section sixty-three of this act  
5 shall be subject to the expiration and reversion of such subdivision  
6 when upon such date the provisions of section sixty-three-a of this act  
7 shall take effect.