

STATE OF NEW YORK

8738

IN SENATE

April 6, 2022

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the cannabis law, in relation to establishing the Cannabis Community Reinvestment Act

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and cited as the "Cannabis Community
2 Reinvestment Act".

3 § 2. Section 3 of the cannabis law is amended by adding a new subdivision
4 37-a to read as follows:

5 37-a. "Operator" means a licensee that acts as a cannabis producer for
6 the cultivation of cannabis, a cannabis processor, a cannabis distribu-
7 tor and/or a cannabis retailer, provided that such business includes one
8 hundred or more employees.

9 § 3. The cannabis law is amended by adding a new section 62-a to read
10 as follows:

11 § 62-a. Applications by operators. Any application submitted by an
12 operator shall include a plan to reinvest in communities disproportionately
13 impacted by cannabis prohibition including, if applicable, the
14 community such operator is located in. The operator shall contribute at
15 least two percent of their annual profits to communities disproportionately
16 impacted pursuant to paragraph (g) of subdivision five of section
17 eighty-seven of this article. The board shall determine the necessary
18 criteria for such plan and shall establish a scoring system to determine
19 if such operators have fulfilled their obligation under this section. If
20 the board determines that an operator is failing to properly serve
21 disadvantaged communities, specifically the community they are serving,
22 if applicable, or does not possess and/or properly execute a social
23 impact program within their business model, such operator shall be noti-
24 fied and their license shall be marked for further review. The board
25 shall determine what necessary steps such operator shall take to fulfill
26 the obligations under this section and provide such information to the
27 operator within thirty days of marking such operator for further review.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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The operator will then have sixty days to take such steps. If the board determines that such steps or substantially similar steps, as determined by the board, were not taken, the board may revoke such operator's license or licenses. The board shall establish an appeals process for operators that have had their licenses revoked. If such revocation occurs, such license or licenses shall be auctioned off to another individual or business that qualifies under section eighty-seven of this article.

§ 4. This act shall take effect on the sixtieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.