STATE OF NEW YORK

5750

2025-2026 Regular Sessions

IN SENATE

February 28, 2025

Introduced by Sen. HINCHEY -- 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 the packaging of cannabis and hemp products

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

Section 1. Section 81 of the cannabis law is amended by adding a new subdivision 2-a to read as follows:

2-a. Such rules and regulations shall include requiring the board to develop strategic plans detailing the primary use of industrial hemp for packaging and labeling requirements to be used prior to the retail sale of any cannabis or cannabis product to a cannabis consumer, in accordance with this chapter. For the purposes of this section, the term "industrial hemp" means the plant Cannabis sativa L. and any part of such plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.

§ 2. The cannabis law is amended by adding a new section 103-a to read as follows:

§ 103-a. Sustainable cannabis packaging; incubator program. 1. The board, in coordination with the empire state development corporation, and after receiving input from other relevant stakeholders, shall establish and implement a sustainable cannabis packaging incubator program to encourage the use and development of sustainable cannabis packaging materials for use in the adult-use cannabis industry.

2. Such program participants shall develop compostable and biodegradable cannabis packaging materials and shall prioritize the use of industrial hemp for the creation of such packaging materials. Such compostable and biodegradable cannabis packaging materials produced through the incubator program shall be no less than thirty percent hemp.

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

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3. All participants in such program shall be required to purchase hemp products from either: (a) a New York state resident or business enterprise, including a sole proprietorship, partnership, limited liability company or corporation, that meets the small farm classification developed by the Economic Research Service of the United States Department of Agriculture, has filed a schedule F with farm receipts for the last three years, qualifies for an agriculture assessment and meets other qualifications defined in regulation by the board to demonstrate that they operate a farm operation, as defined in section three hundred one of the agriculture and markets law; or (b) a New York state resident or business enterprise, including a sole proprietorship, partnership, limited liability company or corporation, that is a small farm operator.

4. The board shall promulgate guidelines, rules and regulations as it may deem necessary to fully effectuate the provisions of this section.

5. The board shall allocate available funds to administer the program created pursuant to subdivision one of this section.

§ 3. This act shall take effect on the one hundred twentieth day after it shall have become a law.