AN ACT to amend the public health law, in relation to the description of marihuana, and the growing of and use of marihuana by persons twenty-one years of age or older; to amend the civil practice law and rules, in relation to removing certain references to marihuana relating to forfeiture actions; to amend the vehicle and traffic law, in relation to making technical changes regarding the definition of marihuana; to amend the penal law, in relation to the qualification of certain offenses involving marihuana and to exempt certain persons from prosecution for the use, consumption, display, production or distribution of marihuana; to amend the public health law in relation to the definition of smoking; to amend the alcoholic beverage control law, in relation to providing for the licensure of persons authorized to produce, process and sell marihuana; to amend the state finance law, in relation to establishing the New York State marihuana revenue fund, the New York State drug treatment education fund and the New York State community grants reinvestment fund; to amend the tax law, in relation to providing for the levying of an excise tax on certain sales of marihuana; to amend the criminal procedure law, the civil practice law and rules, the general business law, the state finance law, the executive law, the penal law, the vehicle and traffic law, and the family court act in relation to making conforming changes; to amend the alcoholic beverage control law, in relation to alcohol or substance use disorder training awareness programs; to amend the state finance law, in relation to a revolving loan fund; to repeal sections 221.05, 221.10, 221.15, 221.20, 221.25, 221.30, 221.35 and 221.40 of the penal law relating to the criminal possession and sale of marihuana; to repeal paragraph (f) of subdivision 2 of section 850 of the general business law relating to drug related paraphernalia; to repeal section 150.75 of the criminal procedure law relating to appearance

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.
tickets for certain marihuana offenses; and making an appropriation therefor

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 may be cited as the "marihuana regulation and taxation act".

2 § 2. Legislative findings and intent. The legislature finds that existing marihuana laws have not been beneficial to the welfare of the general public. Existing laws have been ineffective in reducing or curbing marihuana use and have instead resulted in devastating collateral consequences that inhibit an otherwise law-abiding citizen's ability to access housing, employment opportunities, and other vital services. Existing laws have also created an illicit market which represents a threat to public health and reduces the ability of the legislature to deter the accessing of marihuana by minors. Existing marihuana laws have also disproportionately impacted African-American and Latino communities.

The intent of this act is to regulate, control, and tax marihuana in a manner similar to alcohol, generate millions of dollars in new revenue, prevent access to marihuana by those under the age of twenty-one years, reduce the illegal drug market and reduce violent crime, reduce participation of otherwise law-abiding citizens in the illicit market, end the racially disparate impact of existing marihuana laws and create new industries and increase employment.

Nothing in this act is intended to limit the authority of any district government agency or office or employers to enact and enforce policies pertaining to marihuana in the workplace, to allow driving under the influence of marihuana, to allow individuals to engage in conduct that endangers others, to allow smoking marihuana in any location where smoking tobacco is prohibited, or to require any individual to engage in any conduct that violates federal law or to exempt anyone from any requirement of federal law or pose any obstacle to the federal enforcement of federal law.

Nothing in this act is intended to limit any privileges or rights of a medical marihuana patient or medical marihuana caregiver under the New York Compassionate Care Act.

It is the intent of this act that no child shall be the subject of a child neglect or abuse investigation or proceeding based solely on a parent's alleged use of marihuana. A newborn child's positive toxicology result for marihuana, is not sufficient on its own to support a finding of child neglect or abuse. Enactment of this act shall provide sufficient basis for New York state to favorably resolve open investigations and to amend and seal individuals' family court records and records of indicated child abuse or neglect reports currently in the statewide central register of child abuse and maltreatment based solely on the use of marihuana or where the reporter of suspected abuse or neglect was a law enforcement agency or staff person and the report was based solely upon the presence of a child during a marihuana-related arrest.

§ 3. Section 3302 of the public health law, as added by chapter 878 of the laws of 1972, subdivisions 1, 14, 16, 17 and 27 as amended and subdivisions 4, 5, 6, 7, 8, 11, 12, 13, 15, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29 and 30 as renumbered by chapter 537 of the laws of 1998, subdivisions 9 and 10 as amended and subdivisions 34, 35, 36, 37, 38, 39
§ 3302. Definitions of terms of general use in this article. Except where different meanings are expressly specified in subsequent provisions of this article, the following terms have the following meanings:

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

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

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

4. "Concentrated Cannabis" means
   (a) the separated resin, whether crude or purified, obtained from a plant of the genus Cannabis; or
   (b) a material, preparation, mixture, compound or other substance which contains more than two and one-half percent by weight of delta-9 tetrahydrocannabinol, or its isomer, delta-9 dibenzopyran numbering system, or delta-1 tetrahydrocannabinol or its isomer, delta-1 (6) mono-terpene numbering system.

5. "Controlled substance" means a substance or substances listed in section thirty-three hundred six of this title.


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

8. "Department" means the department of health of the state of New York.

9. "Dispense" means to deliver a controlled substance to an ultimate user or research subject by lawful means, including by means of the internet, and includes the packaging, labeling, or compounding necessary to prepare the substance for such delivery.

10. "Distribute" means to deliver a controlled substance, including by means of the internet, other than by administering or dispensing.

11. "Distributor" means a person who distributes a controlled substance.

12. "Diversion" means manufacture, possession, delivery or use of a controlled substance by a person or in a manner not specifically authorized by law.

13. "Drug" means
   (a) substances recognized as drugs in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, or any supplement to any of them;
(b) substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or animals; and

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

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

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

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

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

[18.] "Institutional dispenser" means a hospital, veterinary hospital, clinic, dispensary, maternity home, nursing home, mental hospital or similar facility approved and certified by the department as authorized to obtain controlled substances by distribution and to dispense and administer such substances pursuant to the order of a practitioner.

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

[20.] "Manufacture" means the production, preparation, propagation, compounding, cultivation, conversion or processing of a controlled substance, either directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container, except that this term does not include the preparation, compounding, packaging or labeling of a controlled substance:

(a) by a practitioner as an incident to his administering or dispensing of a controlled substance in the course of his professional practice; or

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

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

[21.] "Marihuana" means all parts of the 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. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.

[22.] "Narcotic drug" means any of the following, whether produced directly or indirectly by extraction from substances of vegetable
origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

(a) opium and opiate, and any salt, compound, derivative, or preparation of opium or opiate;
(b) any salt, compound, isomer, derivative, or preparation thereof which is chemically equivalent or identical with any of the substances referred to in [subdivision] paragraph (a) of this subdivision, but not including the isoquinoline alkaloids of opium;
(c) opium poppy and poppy straw.

"Opiate" means any substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-sustaining liability. It does not include, unless specifically designated as controlled under section [3306] thirty-three hundred six of this [article] title, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). It does include its racemic and levorotatory forms.

"Opium poppy" means the plant of the species Papaver somniferum L., except its seeds.

"Person" means individual, institution, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

"Pharmacist" means any person licensed by the state department of education to practice pharmacy.

"Pharmacy" means any place registered as such by the New York state board of pharmacy and registered with the Federal agency pursuant to the federal controlled substances act.

"Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

"Practitioner" means:
A physician, dentist, podiatrist, veterinarian, scientific investigator, or other person licensed, or otherwise permitted to dispense, administer or conduct research with respect to a controlled substance in the course of a licensed professional practice or research licensed pursuant to this article. Such person shall be deemed a "practitioner" only as to such substances, or conduct relating to such substances, as is permitted by his license, permit or otherwise permitted by law.

"Prescribe" means a direction or authorization, by prescription, permitting an ultimate user lawfully to obtain controlled substances from any person authorized by law to dispense such substances.


"Sell" means to sell, exchange, give or dispose of to another, or offer or agree to do the same.

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

"Internet" means collectively computer and telecommunications facilities which comprise the worldwide network of networks that employ a set of industry standards and protocols, or any predecessor or successor protocol to such protocol, to exchange information of all
kinds. "Internet," as used in this article, also includes other networks, whether private or public, used to transmit information by electronic means.

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

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

[37.] 35. "Electronic prescription" means a prescription issued with an electronic signature and transmitted by electronic means in accordance with regulations of the commissioner and the commissioner of education and consistent with federal requirements. A prescription generated on an electronic system that is printed out or transmitted via facsimile is not considered an electronic prescription and must be manually signed.

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

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

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

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

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

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

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

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

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

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

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

(13) [Marihuana-
Mescaline.

(14)] (14) Parahexyl. Some trade or other names: 3-Hexyl-1-hydroxy-
7,8,9,10-tetrahydro-6,6,9-trimethyl-6H-dibenzo{b,d}pyran.

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

(16) (16) N-ethyl-3-piperidyl benzilate.

(17) (17) N-methyl-3-piperidyl benzilate.

(18) (18) Psilocybin.

(19) (19) Psilocyn.

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

[\(\)] delta 1 cis or trans tetrahydrocannabinol, and their optical
isomers

[\(\)] delta 6 cis or trans tetrahydrocannabinol, and their optical
isomers (since nomenclature of these substances is not internationally
standardized, compounds of these structures, regardless of numerical
designation of atomic positions covered).

(21) (21) Ethylamine analog of phencyclidine. Some trade or other
names: N-ethyl-1-phenylcyclohexylamine, (1-phenylcyclohexyl) ethyla-
ine, N-(1-phenylcyclohexyl) ethylamine cyclohexamine, PCE.

(22) (22) Pyrrolidine analog of phencyclidine. Some trade or other
names 1-(1-phenylcyclohexyl)-pyrrolidine; PCPy, PHP.

(23) (23) Thiophene analog of phencyclidine. Some trade or other
names: 1-{1-(2-thienyl)-cyclohexyl}-piperidine, 2-thienylanalog of
phenethylamine, TPCP, TCP.

(24) (24) 3,4-methylenedioxymethamphetamine (MDMA).

(25) (25) 3,4-methylenedioxy-N-ethylamphetamine (also known as
N-ethyl-alpha-methyl-3,4 (methylenedioxy) phenethylamine, N-ethyl MDA,
MDE, MDEA).

(26) (26) N-hydroxy-3,4-methylenedioxymethamphetamine (also known as
N-hydroxy-alpha-methyl-3,4 (methylenedioxy) phenethylamine, and
N-hydroxy MDA.

(27) (27) 1-(1-(2-thienyl) cyclohexyl) pyrrolidine. Some other
names: TCPY.

(28) (28) Alpha-ethyltryptamine. Some trade or other names:
etryptamine; Monase; Alpha-ethyl-1H-indole-3-ethanamine;
3- (2-aminobutyl) indole; Alpha-ET or AET.

(29) (29) 2,5-dimethoxy-4-ethylamphetamine. Some trade or other
names: DOET.

(30) (30) 4-Bromo-2,5-dimethoxyphenethylamine. Some trade or other
names: 2-(4-bromo-2,5-dimethoxyphenyl)-1-aminoethane; alpha-desmethyl
DOB; 2C-B, Nexus.

(31) (31) 2,5-dimethoxy-4-(n)-propylthiophenethylamine (2C-T-7), its
optical isomers, salts and salts of isomers.
§ 5. Section 3382 of the public health law, as added by chapter 878 of the laws of 1972, is amended to read as follows:

§ 3382. Growing of the plant known as Cannabis by unlicensed persons. Any person who, without being licensed so to do under this article, grows the plant of the genus Cannabis or knowingly allows it to grow on his land without destroying the same, shall be guilty of a class A misdemeanor, unless the person grows in accordance with sections 221.05 and 221.05-a of the penal law.

§ 6. Paragraph (d) of subdivision 3, subdivision 3-a and paragraphs (a) and (b) of subdivision 11 of section 1311 of the civil practice law and rules, paragraph (d) of subdivision three and subdivision 3-a as added by chapter 655 of the laws of 1990 and paragraphs (a) and (b) of subdivision 11 as amended by section 47 of part A-1 of chapter 56 of the laws of 2010, are amended to read as follows:

(d) In a forfeiture action commenced by a claiming authority against a defendant, the following rebuttable presumption shall apply: all currency or negotiable instruments payable to the bearer shall be presumed to be the proceeds of a pre-conviction forfeiture crime when such currency or negotiable instruments are (i) found in close proximity to a controlled substance unlawfully possessed by the defendant in an amount sufficient to constitute a violation of section 220.18 or 220.21 of the penal law, or (ii) found in close proximity to any quantity of a controlled substance [or marihuana] unlawfully possessed by such defendant in a room, other than a public place, under circumstances evincing an intent to unlawfully mix, compound, distribute, package or otherwise prepare for sale such controlled substance [or marihuana].

3-a. Conviction of a person in a criminal action upon an accusatory instrument which includes one or more of the felonies specified in subdivision four-b of section thirteen hundred ten of this article, of any felony other than such felonies, shall not preclude a defendant, in any subsequent proceeding under this article where that conviction is at issue, from adducing evidence that the conduct underlying the conviction would not establish the elements of any of the felonies specified in such subdivision other than the one to which the criminal defendant pled guilty. If the defendant does adduce such evidence, the burden shall be upon the claiming authority to prove, by clear and convincing evidence, that the conduct underlying the criminal conviction would establish the elements of the felony specified in such subdivision. Nothing contained in this subdivision shall affect the validity of a settlement of any forfeiture action negotiated between the claiming authority and a criminal defendant contemporaneously with the taking of a plea of guilty in a criminal action to any felony defined in article two hundred twenty [or section 221.30 or 221.55] of the penal law, or to a felony conspiracy to commit the same.

(a) Any stipulation or settlement agreement between the parties to a forfeiture action shall be filed with the clerk of the court in which the forfeiture action is pending. No stipulation or settlement agreement shall be accepted for filing unless it is accompanied by an affidavit from the claiming authority that written notice of the stipulation or settlement agreement, including the terms of such, has been given to the office of victim services, the state division of criminal justice services, and in the case of a forfeiture based on a felony defined in article two hundred twenty or section 221.30 or 221.55 of the penal law, to the state division of substance abuse services.

(b) No judgment or order of forfeiture shall be accepted for filing unless it is accompanied by an affidavit from the claiming authority
that written notice of judgment or order, including the terms of such, has been given to the office of victim services, the state division of criminal justice services[; and in the case of a forfeiture based on a felony defined in article two hundred twenty or section 221.30 or 221.55 of the penal law, to the state division of substance abuse services].

§ 7. Subdivision 1 of section 3397-b of the public health law, as added by chapter 810 of the laws of 1980, is amended to read as follows:

1. ["Marijuana"] "Marihuana" means [marijuana] marihuana as defined in section thirty-three hundred two of this chapter [subdivision six of section 220.00 of the penal law and shall also include tetrahydrocannabinols or a chemical derivative of tetrahydrocannabinol.

§ 8. Section 114-a of the vehicle and traffic law, as added by chapter 163 of the laws of 1973, is amended to read as follows:

§ 114-a. Drug. The term "drug" when used in this chapter, means and includes any substance listed in section thirty-three hundred six of the public health law and marihuana and concentrated cannabis as defined in section 220.00 of the penal law.

§ 9. Subdivisions 5, 6 and 9 of section 220.00 of the penal law, subdivision 5 as amended by chapter 537 of the laws of 1998, subdivision 6 as amended by chapter 1051 of the laws of 1973 and subdivision 9 as amended by chapter 664 of the laws of 1985, are amended and two new subdivisions 21 and 22 are added to read as follows:

5. "Controlled substance" means any substance listed in schedule I, II, III, IV or V of section thirty-three hundred six of the public health law other than marihuana, but including concentrated cannabis as defined in [paragraph (a) of subdivision four of section thirty-three hundred two of such law] subdivision twenty-one of this section.

6. "Marihuana" means ["marihuana" or "concentrated cannabis" as these terms are defined in section thirty-three hundred two of the public health law] all parts of the 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. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. It does not include all parts of the plant Cannabis sativa L., whether growing or not, having no more than three-tenths of one percent tetrahydrocannabinol (THC).

9. "Hallucinogen" means any controlled substance listed in [schedule I(d)] paragraphs (5), (18), (19), (20), (21) and (22)] (17), (18), (19), (20) and (21) of subdivision (d) of schedule I of section thirty-three hundred six of the public health law.

21. "Concentrated cannabis" means:

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

(b) a material, preparation, mixture, compound or other substance which contains more than three percent by weight of delta-9 tetrahydrocannabinol, or its isomer, delta-8 dibenzopyran numbering system, or delta-1 tetrahydrocannabinol or its isomer, delta 1 (6) monoterpene numbering system.

22. "Marihuana products" means marihuana, concentrated cannabis, and marihuana-infused products containing concentrated marihuana or cannabis and other ingredients.
§ 10. Subdivision 4 of section 220.06 of the penal law, as amended by chapter 537 of the laws of 1998, is amended to read as follows:

4. one or more preparations, compounds, mixtures or substances containing concentrated cannabis as defined in paragraph (a) of subdivision four of section thirty-three hundred two of the public health law subdivision twenty-one of section 220.00 of this article and said preparations, compounds, mixtures or substances are of an aggregate weight of one-fourth ounce or more; or

§ 11. Subdivision 10 of section 220.09 of the penal law, as amended by chapter 537 of the laws of 1998, is amended to read as follows:

10. one or more preparations, compounds, mixtures or substances containing concentrated cannabis as defined in paragraph (a) of subdivision four of section thirty-three hundred two of the public health law subdivision twenty-one of section 220.00 of this article and said preparations, compounds, mixtures or substances are of an aggregate weight of one ounce or more; or

§ 12. Subdivision 3 of section 220.34 of the penal law, as amended by chapter 537 of the laws of 1998, is amended to read as follows:

3. concentrated cannabis as defined in paragraph (a) of subdivision four of section thirty-three hundred two of the public health law subdivision twenty-one of section 220.00 of this article; or

§ 13. Section 220.50 of the penal law, as amended by chapter 627 of the laws of 1990, is amended to read as follows:

§ 220.50 Criminally using drug paraphernalia in the second degree.

A person is guilty of criminally using drug paraphernalia in the second degree when he knowingly possesses or sells:

1. Diluents, dilutants or adulterants, including but not limited to, any of the following: quinine hydrochloride, mannitol, mannite, lactose or dextrose, adapted for the dilution of narcotic drugs or stimulants under circumstances evincing an intent to use, or under circumstances evincing knowledge that some person intends to use, the same for purposes of unlawfully mixing, compounding, or otherwise preparing any narcotic drug or stimulant, other than marihuana or concentrated cannabis; or

2. Gelatine capsules, glassine envelopes, vials, capsules or any other material suitable for the packaging of individual quantities of narcotic drugs or stimulants under circumstances evincing an intent to use, or under circumstances evincing knowledge that some person intends to use, the same for the purpose of unlawfully manufacturing, packaging or dispensing of any narcotic drug or stimulant, other than marihuana or concentrated cannabis; or

3. Scales and balances used or designed for the purpose of weighing or measuring controlled substances, under circumstances evincing an intent to use, or under circumstances evincing knowledge that some person intends to use, the same for purpose of unlawfully manufacturing, packaging or dispensing of any narcotic drug or stimulant, other than marihuana or concentrated cannabis.

Criminally using drug paraphernalia in the second degree is a class A misdemeanor.

§ 14. Sections 221.05, 221.10, 221.15, 221.20, 221.25, 221.30, 221.35 and 221.40 of the penal law are REPEALED.

§ 15. The penal law is amended by adding two new sections 221.05 and 221.05-a to read as follows:

§ 221.05 Personal use of marihuana.
1. Notwithstanding any other provision of this chapter, the following acts are lawful under state and local law for persons twenty-one years of age and older:

(a) possessing, using, being under the influence, displaying, purchasing, obtaining, or transporting up to two pounds of marihuana and four and one-half ounces of concentrated cannabis;

(b) transferring, without remuneration, to a person twenty-one years of age and older up to two pounds of marihuana and four and one-half ounces of concentrated cannabis;

(c) possessing, planting, cultivating, harvesting, drying, processing or transporting not more than six living marihuana plants and possessing the marihuana and concentrated cannabis produced by the plants;

(d) smoking, ingesting or otherwise consuming marihuana products;

(e) possessing, using, displaying, purchasing, obtaining, manufacturing, transporting or giving away to persons twenty-one years of age and older marihuana or concentrated cannabis paraphernalia; and

(f) assisting another person who is twenty-one years of age and older or allow property to be used in any of the acts described in paragraphs (a) through (e) of this subdivision.

2. Paragraph (e) of subdivision one of this section is intended to meet the requirements of subsection (f) of Section 863 of Title twenty-one of the United States Code (21 U.S.C. § 863 (f)) by authorizing, under state law, any person in compliance with this section to manufacture, possess, or distribute marihuana paraphernalia.

3. Marihuana products involved in any way with conduct deemed lawful by this section are not contraband nor subject to seizure or forfeiture of assets under article four hundred eighty of this chapter, section thirteen hundred eleven of the civil practice law and rules, or other applicable law, and no conduct deemed lawful by this section shall constitute the basis for approach, search, seizure, arrest, and/or detention.

4. (a) Except as provided in subdivision five of this section, none of the following shall, individually or in combination with each other, constitute reasonable suspicion of a crime or be used as evidence in any criminal proceeding:

(1) the odor of marihuana or of burnt marihuana;

(2) the possession of or the suspicion of possession of marihuana products;

(3) The possession of multiple containers of marihuana without evidence of marihuana quantity in excess of sixteen ounces or concentrated cannabis quantity in excess of four and one-half ounces; or

(4) the presence of cash or currency cannot be used as evidence in any cases involving unlicensed sale of marihuana.

(b) The possession of not more than two pounds of marihuana or not more than four and one-half ounces of concentrated cannabis cannot be used as evidence in any cases involving unlicensed sale of marihuana.

5. Subdivision four of this section shall not apply when a law enforcement officer is investigating whether a person is operating or in physical control of a vehicle or watercraft while intoxicated, under the influence of, or impaired by alcohol or a drug or any combination thereof in violation of section eleven hundred ninety-two of the vehicle and traffic law.

6. Possession of greater than two pounds of marihuana and greater than four and one-half ounces of concentrated cannabis is a violation punishable by a fine of not more than one hundred twenty-five dollars per offense.
§ 221.05-a Personal cultivation of marihuana.

1. Personal cultivation of marihuana under paragraph (c) of subdivision one of section 221.05 of this article is subject to the following restrictions:
   (a) a person shall plant, cultivate, harvest, dry, or process plants in accordance with local ordinances, if any, adopted in accordance with subdivision two of this section;
   (b) the living plants and any marihuana produced by the plants in excess of two pounds are kept within the person's private residence, or upon the grounds of that private residence (e.g., in an outdoor garden area), are in a locked space, and are not visible by normal unaided vision from a public place; and
   (c) not more than six living plants may be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence, at one time.

2. (a) A town, city or village may enact and enforce reasonable regulations to reasonably regulate the actions and conduct in paragraph (c) of subdivision one of section 221.05 of this article, provided that a violation of such a regulation is only subject to an infraction and fine.
   (b) Notwithstanding paragraph (a) of this subdivision, no town, city or village may completely prohibit persons engaging in the actions and conduct under paragraph (c) of subdivision one of section 221.05 of this article.

3. A violation of subdivision one or two of this section is a violation punishable by a fine of not more than one hundred twenty-five dollars per offense.

§ 16. Section 221.45 of the penal law, as amended by chapter 265 of the laws of 1979, the opening paragraph as amended by chapter 75 of the laws of 1995, is amended to read as follows:

§ 221.45 [Criminal] Unlicensed sale of marihuana in the third degree.

A person is guilty of [criminal] unlicensed sale of marihuana in the third degree when he knowingly and unlawfully sells one or more preparations, compounds, mixtures or substances containing marihuana and the preparations, compounds, mixtures or substances are of an aggregate weight of more than twenty-five grams with remuneration not more than two pounds of marihuana or not more than four and one-half ounces of concentrated cannabis, not including the weight of any other ingredient combined with marihuana to prepare topical or oral administrations, food, drink, or other product.

[Criminal] Unlicensed sale of marihuana in the third degree is [a class E felony] subject to the following:

1. A violation punishable by a fine of not more than one hundred twenty-five dollars, for a first offense;
2. A violation punishable by a fine of not more than two hundred fifty dollars for a second offense;
3. A class B misdemeanor and a fine of not more than five hundred dollars for a third or subsequent offense.

§ 17. Section 221.50 of the penal law, as amended by chapter 265 of the laws of 1979, the opening paragraph as amended by chapter 75 of the laws of 1995, is amended to read as follows:

§ 221.50 [Criminal] Unlicensed sale of marihuana in the second degree.

A person twenty-one years of age and older is guilty of [criminal] unlicensed sale of marihuana in the second degree when he knowingly and unlawfully sells one or more preparations, compounds, mixtures or substances containing marihuana and the preparations, compounds,
mixtures or substances are of an aggregate weight of more than four ounces, or knowingly and unlawfully sells one or more preparations, compounds, mixtures or substances containing marihuana to a person less than [eighteen] twenty-one years of age. [Criminal] Unlicensed sale of marihuana in the second degree is a class [D] E felony.

§ 18. Section 221.55 of the penal law, as amended by chapter 265 of the laws of 1979, the opening paragraph as amended by chapter 75 of the laws of 1995, is amended to read as follows:

§ 221.55 [Criminal] Unlicensed sale of marihuana in the first degree. A person is guilty of [criminal] unlicensed sale of marihuana in the first degree when he knowingly and unlawfully sells to a person less than twenty-one years of age one or more preparations, compounds, mixtures or substances containing marihuana and the preparations, compounds, mixtures or substances are of an aggregate weight of more than sixteen ounces. [Criminal] Unlicensed sale of marihuana in the first degree is a class C E felony.

§ 19. The penal law is amended by adding a new section 221.60 to read as follows:

§ 221.60 Licensing of marihuana production and distribution. The provisions of this article and of article two hundred twenty of this title shall not apply to any person exempted from criminal penalties pursuant to the provisions of this chapter or possessing, manufacturing, transporting, distributing, selling or transferring marihuana or concentrated cannabis, or engaged in any other action that is in compliance with article eleven of the alcoholic beverage control law.

§ 20. Subdivision 8 of section 1399-n of the public health law, as amended by chapter 13 of the laws of 2003, is amended to read as follows:

8. "Smoking" means the burning of a lighted cigar, cigarette, pipe or any other matter or substance which contains tobacco or marihuana; provided that it does not include the use of an electronic smoking device that creates an aerosol or vapor, unless local or state statutes extend prohibitions on smoking to electronic smoking devices.

§ 21. Section 2 of the alcoholic beverage control law, as amended by chapter 406 of the laws of 2014, is amended to read as follows:

§ 2. Policy of state and purpose of chapter. It is hereby declared as the policy of the state that it is necessary to regulate and control the manufacture, sale and distribution within the state of alcoholic beverages and marihuana products for the purpose of fostering and promoting temperance in their consumption and respect for and obedience to law; for the primary purpose of promoting the health, welfare and safety of the people of the state, promoting temperance in the consumption of alcoholic beverages and marihuana products; and, to the extent possible, supporting economic growth, job development, and the state's alcoholic beverage production industries, marihuana production industries and its tourism and recreation industry; and which promotes the conservation and enhancement of state agricultural lands; provided that such activities do not conflict with the primary regulatory objectives of this chapter.

It is hereby declared that such policies will best be carried out by empowering the liquor authority of the state to determine whether public convenience and advantage will be promoted by the issuance of licenses to traffic in alcoholic beverages and marihuana products, the increase or decrease in the number thereof and the location of premises licensed thereby, subject only to the right of judicial review provided for in
this chapter. It is the purpose of this chapter to carry out these poli-

gies in the public interest.

§ 22. Subdivisions 20-a, 20-b, 20-c, 20-d, 20-e, 20-f, and 20-g of
section 3 of the alcoholic beverage control law are renumbered subdivi-
sions 20-j, 20-k, 20-l, 20-m, 20-n, 20-o, and 20-p and ten new subdivi-
sions 7-e, 20-a, 20-b, 20-c, 20-d, 20-e, 20-f, 20-g, 20-h and 20-i are
added to read as follows:

7-e. "Concentrated cannabis" means: (a) the separated resin, whether

  crude or purified, obtained from a plant of the genus Cannabis; or

  (b) a material, preparation, mixture, compound or other substance

  which contains more than three percent by weight of delta-9 tetrahydro-
  cannabinol, or its isomer, delta-8 dibenzopyran numbering system, or
  delta-1 tetrahydrocannabinol or its isomer, delta 1 (6) monoterpeno
  numbering system.

20-a. "Marihuana" means all parts of the 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. It does not
  include the mature stalks of the plant, fiber produced from the stalks,
  oil or cake made from the seeds of the plant, any other compound, manu-
  facture, salt, derivative, mixture, or preparation of the mature stalks
  (except the resin extracted therefrom), fiber, oil, or cake, or the
  sterilized seed of the plant which is incapable of germination. It does
  not include all parts of the plant Cannabis sativa L., whether growing
  or not, having no more than three-tenths of one percent tetrahydrocanna-
  binol (THC).

20-b. "Marihuana consumer" means a person twenty-one years of age or

  older who purchases marihuana or marihuana products for personal use by
  persons twenty-one years of age or older, but not for resale to others.

20-c. "Marihuana processor" means a person licensed by the bureau to

  purchase marihuana and concentrated cannabis from marihuana producers,
  to process marihuana, concentrated cannabis, and marihuana infused
  products, package and label marihuana, concentrated cannabis and mari-
  huana infused products for sale in retail outlets, and sell marihuana,
  concentrated cannabis and marihuana infused products at wholesale to
  marihuana retailers.

20-d. "Marihuana producer" means a person licensed by the bureau to

  produce, process, and sell marihuana and concentrated cannabis at whole-
  sale to marihuana processors, marihuana retailers, or other marihuana
  producers, but not to consumers.

20-e. "Marihuana products" means marihuana, concentrated cannabis, and

  marihuana-infused products.

20-f. "Marihuana-infused products" means products that contain mari-

  huana, or concentrated cannabis and are intended for human use or
  consumption, such as, but not limited to, edible products, ointments,
  and tinctures.

20-g. "Marihuana retailer" means a person licensed by the bureau to

  purchase marihuana, concentrated cannabis, and marihuana-infused
  products from marihuana producers and marihuana processors and sell
  marihuana, marihuana infused products, and concentrated cannabis in a
  retail outlet.

20-h. "Marihuana retailer for on-premises consumption" means a person

  licensed by the bureau to purchase marihuana, concentrated cannabis, and
  marihuana infused products from marihuana producers, marihuana retail-
  ers, and marihuana processors and sell marihuana products for a customer
  to consume while the customer is within a facility.
20-i. "Unreasonably impracticable" means that the measures necessary to comply with the regulations require such a high investment of risk, money, time or other resource or asset that the operation of a marihuana establishment is not worthy of being carried out by a reasonably prudent businessperson.

§ 23. Section 65-b of the alcoholic beverage control law, as amended by chapter 519 of the laws of 1999, paragraphs (b) and (c) of subdivision 3 as amended by chapter 257 of the laws of 2013 and the opening paragraph of subdivision 6 as amended by chapter 503 of the laws of 2000, is amended to read as follows:

§ 65-b. Offense for one under age of twenty-one years to purchase or attempt to purchase an alcoholic beverage or marihuana products through fraudulent means. 1. As used in this section: (a) "A device capable of deciphering any electronically readable format" or "device" shall mean any commercial device or combination of devices used at a point of sale or entry that is capable of reading the information encoded on the magnetic strip or bar code of a driver's license or non-driver identification card issued by the commissioner of motor vehicles;
(b) "Card holder" means any person presenting a driver's license or non-driver identification card to a licensee, or to the agent or employee of such licensee under this chapter; and
(c) "Transaction scan" means the process involving a device capable of deciphering any electronically readable format by which a licensee, or agent or employee of a licensee under this chapter reviews a driver's license or non-driver identification card presented as a precondition for the purchase of an alcoholic beverage or marihuana products as required by subdivision two of this section or as a precondition for admission to an establishment licensed for the on-premises sale of alcoholic beverages or marihuana products where admission is restricted to persons twenty-one years or older.

2. (a) No person under the age of twenty-one years shall present or offer to any licensee under this chapter, or to the agent or employee of such licensee, any written evidence of age which is false, fraudulent or not actually his or her own, for the purpose of purchasing or attempting to purchase any alcoholic beverage or marihuana products.
(b) No licensee, or agent or employee of such licensee shall accept as written evidence of age by any such person for the purchase of any alcoholic beverage or marihuana products, any documentation other than: (i) a valid driver's license or non-driver identification card issued by the commissioner of motor vehicles, the federal government, any United States territory, commonwealth or possession, the District of Columbia, a state government within the United States or a provincial government of the dominion of Canada, or (ii) a valid passport issued by the United States government or any other country, or (iii) an identification card issued by the armed forces of the United States. Upon the presentation of such driver's license or non-driver identification card presented by a governmental entity, such licensee or agent or employee thereof may perform a transaction scan as a precondition to the sale of any alcoholic beverage. Nothing in this section shall prohibit a licensee or agent or employee from performing such a transaction scan on any of the other documents listed in this subdivision if such documents include a bar code or magnetic strip that may be scanned by a device capable of deciphering any electronically readable format.
(c) In instances where the information deciphered by the transaction scan fails to match the information printed on the driver's license or non-driver identification card presented by the card holder, or if the
transaction scan indicates that the information is false or fraudulent, the attempted purchase of the alcoholic beverage or marihuana products shall be denied.

3. A person violating the provisions of paragraph (a) of subdivision two of this section shall be guilty of a violation and shall be sentenced in accordance with the following:

(a) For a first violation, the court shall order payment of a fine of not more than one hundred dollars and/or an appropriate amount of community service not to exceed thirty hours. In addition, the court may order completion of an alcohol awareness program established pursuant to section 19.25 of the mental hygiene law or of a marihuana awareness program.

(b) For a second violation, the court shall order payment of a fine of not less than fifty dollars nor more than three hundred fifty dollars and/or an appropriate amount of community service not to exceed sixty hours. The court also shall order completion of an alcohol awareness program as referenced in paragraph (a) of this subdivision if such program has not previously been completed by the offender, unless the court determines that attendance at such program is not feasible due to the lack of availability of such program within a reasonably close proximity to the locality in which the offender resides or matriculates, as appropriate.

(c) For third and subsequent violations, the court shall order payment of a fine of not less than fifty dollars nor more than seven hundred fifty dollars and/or an appropriate amount of community service not to exceed ninety hours. The court also shall order that such person submit to an evaluation by an appropriate agency certified or licensed by the office of alcoholism and substance abuse services to determine whether the person suffers from the disease of alcoholism or alcohol abuse, unless the court determines that under the circumstances presented such an evaluation is not necessary, in which case the court shall state on the record the basis for such determination. Payment for such evaluation shall be made by such person. If, based on such evaluation, a need for treatment is indicated, such person may choose to participate in a treatment plan developed by an agency certified or licensed by the office of alcoholism and substance abuse services. If such person elects to participate in recommended treatment, the court shall order that payment of such fine and community service be suspended pending the completion of such treatment.

(d) Evaluation procedures. For purposes of this subdivision, the following shall apply:

(i) The contents of an evaluation pursuant to paragraph (c) of this subdivision shall be used for the sole purpose of determining if such person suffers from the disease of alcoholism or alcohol abuse or cannabis use disorder, unless the court determines that under the circumstances presented such an evaluation is not necessary, in which case the court shall state on the record the basis for such determination. Payment for such evaluation shall be made by such person. If, based on such evaluation, a need for treatment is indicated, such person may choose to participate in a treatment plan developed by an agency certified or licensed by the office of alcoholism and substance abuse services. If such person elects to participate in recommended treatment, the court shall order that payment of such fine and community service be suspended pending the completion of such treatment.

(ii) The agency designated by the court to perform such evaluation shall conduct the evaluation and return the results to the court within thirty days, subject to any state or federal confidentiality law, rule or regulation governing the confidentiality of alcohol and substance abuse treatment records.

(iii) The office of alcoholism and substance abuse services shall make available to each supreme court law library in this state, or, if no supreme court law library is available in a certain county, to the county court law library of such county, a list of agencies certified to
perform evaluations as required by subdivision (f) of section 19.07 of
the mental hygiene law.
(iv) All evaluations required under this subdivision shall be in writ-
ing and the person so evaluated or his or her counsel shall receive a
copy of such evaluation prior to its use by the court.
(v) A minor evaluated under this subdivision shall have, and shall be
informed by the court of, the right to obtain a second opinion regarding
his or her need for [alcoholism] treatment of an alcohol or other
substance use disorder.
4. A person violating the provisions of paragraph (b) of subdivision
two of this section shall be guilty of a violation punishable by a fine
of not more than one hundred dollars, and/or an appropriate amount of
community service not to exceed thirty hours. In addition, the court may
order completion of an alcohol or substance use disorder training aware-
ness program established pursuant to subdivision twelve of section
seventeen of this chapter where such program is located within a reason-
ably close proximity to the locality in which the offender is employed
or resides.
5. No determination of guilt pursuant to this section shall operate as
a disqualification of any such person subsequently to hold public
office, public employment, or as a forfeiture of any right or privilege
or to receive any license granted by public authority; and no such
person shall be denominated a criminal by reason of such determination.
6. In addition to the penalties otherwise provided in subdivision
three of this section, if a determination is made sustaining a charge of
illegally purchasing or attempting to illegally purchase an alcoholic
beverage or marihuana products, the court may suspend such person's
license to drive a motor vehicle and the privilege of an unlicensed
person of obtaining such license, in accordance with the following and
for the following periods, if it is found that a driver's license was
used for the purpose of such illegal purchase or attempt to illegally
purchase; provided, however, that where a person is sentenced pursuant
to paragraph (b) or (c) of subdivision three of this section, the court
shall impose such license suspension if it is found that a driver's
license was used for the purpose of such illegal purchase or attempt to
illegally purchase:
(a) For a first violation of paragraph (a) of subdivision two of this
section, a three month suspension.
(b) For a second violation of paragraph (a) of subdivision two of this
section, a six month suspension.
(c) For a third or subsequent violation of paragraph (a) of subdivi-
sion two of this section, a suspension for one year or until the holder
reaches the age of twenty-one, whichever is the greater period of time.
Such person may thereafter apply for and be issued a restricted use
license in accordance with the provisions of section five hundred thirty
of the vehicle and traffic law.
7. (a) In any proceeding pursuant to subdivision one of section
sixty-five of this article, it shall be an affirmative defense that such
person had produced a driver's license or non-driver identification card
apparently issued by a governmental entity, successfully completed the
transaction scan, and that the alcoholic beverage or marihuana products
had been sold, delivered or given to such person in reasonable reliance
upon such identification and transaction scan. In evaluating the appli-
cability of such affirmative defense, the liquor authority shall take
into consideration any written policy adopted and implemented by the
seller to carry out the provisions of this chapter. Use of a transaction
scan shall not excuse any licensee under this chapter, or agent or employee of such licensee, from the exercise of reasonable diligence otherwise required by this section. Notwithstanding the above provisions, any such affirmative defense shall not be applicable in any other civil or criminal proceeding, or in any other forum.

(b) A licensee or agent or employee of a licensee may electronically or mechanically record and maintain only the information from a transaction scan necessary to effectuate the purposes of this section. Such information shall be limited to the following: (i) name, (ii) date of birth, (iii) driver's license or non-driver identification number, and (iv) expiration date. The liquor authority and the state commissioner of motor vehicles shall jointly promulgate any regulation necessary to govern the recording and maintenance of these records by a licensee under this chapter. The liquor authority and the commissioner of health shall jointly promulgate any regulations necessary to ensure quality control in the use of transaction scan devices.

8. A licensee or agent or employee of such licensee shall only use the information recorded and maintained through the use of such devices for the purposes contained in paragraph (a) of subdivision seven of this section, and shall only use such devices for the purposes contained in subdivision two of this section. No licensee or agent or employee of a licensee shall resell or disseminate the information recorded during such scan to any third person. Such prohibited resale or dissemination includes, but is not limited to, any advertising, marketing or promotional activities. Notwithstanding the restrictions imposed by this subdivision, such records may be released pursuant to a court ordered subpoena or pursuant to any other statute that specifically authorizes the release of such information. Each violation of this subdivision shall be punishable by a civil penalty of not more than one thousand dollars.

§ 24. Section 65-c of the alcoholic beverage control law, as added by chapter 592 of the laws of 1989, paragraph (a) of subdivision 2 as amended by chapter 409 of the laws of 2016 and subdivision 3 as amended by chapter 137 of the laws of 2001, is amended to read as follows:

§ 65-c. Unlawful possession of an alcoholic beverage or marihuana product with the intent to consume by persons under the age of twenty-one years. 1. Except as hereinafter provided, no person under the age of twenty-one years shall possess any alcoholic beverage or marihuana product, as defined in this chapter, with the intent to consume such beverage or marihuana product.

2. A person under the age of twenty-one years may possess any alcoholic beverage or marihuana product with intent to consume if the alcoholic beverage or marihuana product is given:

(a) to a person who is a student in a curriculum licensed or registered by the state education department and the student is required to taste or imbibe alcoholic beverages or marihuana products in on-campus or off-campus courses which are a part of the required curriculum, provided such alcoholic beverages or marihuana products are used only for instructional purposes during class conducted pursuant to such curriculum; or

(b) to the person under twenty-one years of age by that person's parent or guardian.

3. Any person who unlawfully possesses an alcoholic beverage or marihuana product with intent to consume may be summoned before and examined by a court having jurisdiction of that charge; provided, however, that nothing contained herein shall authorize, or be construed to authorize,
a peace officer as defined in subdivision thirty-three of section 1.20
of the criminal procedure law or a police officer as defined in subdivi-
sion thirty-four of section 1.20 of such law to arrest a person who
unlawfully possesses an alcoholic beverage or marihuana product with
intent to consume. If a determination is made sustaining such charge the
court may impose a fine not exceeding fifty dollars and/or completion of
an alcohol or drug awareness program established pursuant to section
19.25 of the mental hygiene law and/or an appropriate amount of communi-
ty service not to exceed thirty hours.

4. No such determination shall operate as a disqualification of any
such person subsequently to hold public office, public employment, or as
a forfeiture of any right or privilege or to receive any license granted
by public authority; and no such person shall be denominated a criminal
by reason of such determination, nor shall such determination be deemed
a conviction.

5. Whenever a peace officer as defined in subdivision thirty-three of
section 1.20 of the criminal procedure law or police officer as defined
in subdivision thirty-four of section 1.20 of the criminal procedure law
shall observe a person under twenty-one years of age openly in
possession of an alcoholic beverage or marihuana product as defined in
this chapter, with the intent to consume such beverage or product in
violation of this section, said officer may seize the beverage or prod-
duct, and shall deliver it to the custody of his or her department.

6. Any alcoholic beverage or marihuana product seized in violation of
this section is hereby declared a nuisance. The official to whom the
beverage or product has been delivered shall, no earlier than three days
following the return date for initial appearance on the summons, dispose
of or destroy the alcoholic beverage or marihuana product seized or
cause it to be disposed of or destroyed. Any person claiming ownership
of an alcoholic beverage or marihuana product seized under this section
may, on the initial return date of the summons or earlier on five days
notice to the official or department in possession of the beverage or
product, apply to the court for an order preventing the destruction or
disposal of the alcoholic beverage or marihuana product seized and
ordering the return of that beverage or product. The court may order
the beverage or product returned if it is determined that return of the
beverage or product would be in the interest of justice or that the
beverage or product was improperly seized.

§ 25. The alcoholic beverage control law is amended by adding a new
section 65-e to read as follows:

§ 65-e. Restrictions on personal consumption of marihuana. 1. Nothing
in sections 221.05 and 221.05-a of the penal law shall be construed to
permit any person to:
   (a) smoke marihuana in public;
   (b) smoke marihuana products in a location where smoking tobacco is
       prohibited pursuant to section thirteen hundred ninety-nine-o of the
       public health law;
   (c) possess, smoke or ingest marihuana products in or upon the grounds
       of any school property used for school purposes which is owned by or
       leased to any elementary or secondary school or school board while chil-
       dren are present; or
   (d) smoke or ingest marihuana products while driving, operating a
       motor vehicle, boat, vessel, aircraft, or other vehicle used for trans-
       portation.

2. For purposes of this section:
(a) "Smoke" means to inhale, exhale, burn, or carry any lighted or heated device or pipe, or any other lighted or heated marihuana or concentrated cannabis product intended for inhalation, whether natural or synthetic, in any manner or in any form.
(b) "Smoke" does not include the use of an electronic smoking device that creates an aerosol or vapor, unless local or state statutes extend prohibitions on smoking to electronic smoking devices.
3. Violations of the restrictions under this section are subject to a fine not exceeding twenty-five dollars or an appropriate amount of community service not to exceed twenty hours.

§ 26. Section 140 of the alcoholic beverage control law, as amended by chapter 810 of the laws of 1981, is amended to read as follows:
§ 140. Applicability of chapter before local option. Until such time as it shall become unlawful to sell alcoholic beverages or marihuana products in any town or city by the vote of the voters in such town or city in the manner provided in this article, all of the provisions of this chapter shall apply throughout the entire state. This article shall not apply to the Whiteface mountain ski center, owned by the state and located in the town of Wilmington, county of Essex.

§ 27. Section 141 of the alcoholic beverage control law, as amended by chapter 319 of the laws of 2007, is amended to read as follows:
§ 141. Local option for towns. 1. Not less than sixty days nor more than seventy-five days before the general election in any town at which the submission of the questions hereinafter stated is authorized by this article, a petition signed by electors of the town to a number amounting to twenty-five per centum of the votes cast in the town for governor at the then last preceding gubernatorial election, acknowledged by the signers or authenticated by witnesses as provided in the election law in respect of a nominating petition, requesting the submission at such election to the electors of the town of one or more of the following questions, may be filed with the town clerk:
Question 1. Tavern alcoholic beverage license. Shall a person be allowed to obtain a license to operate a tavern with a limited-service menu (sandwiches, salads, soups, etc.) which permits the tavern operator to sell alcoholic beverages for a customer to drink while the customer is within the tavern. In addition, unopened containers of beer (such as six-packs and kegs) may be sold "to go" for the customer to open and drink at another location (such as, for example, at his home)?
Question 2. Restaurant alcoholic beverage license. Shall the operator of a full-service restaurant be allowed to obtain a license which permits the restaurant operator to sell alcoholic beverages for a customer to drink while the customer is within the restaurant. In addition, unopened containers of beer (such as six-packs and kegs) may be sold "to go" for the customer to open and drink at another location (such as, for example, at his home)?
Question 3. Year-round hotel alcoholic beverage license. Shall the operator of a year-round hotel with a full-service restaurant be allowed to obtain a license which permits the year-round hotel to sell alcoholic beverages for a customer to drink while the customer is within the hotel. In addition, unopened containers of beer (such as six-packs and kegs) may be sold "to go" for the customer to open and drink at another location (such as, for example, at his home)?
Question 4. Summer hotel alcoholic beverage license. Shall the operator of a summer hotel with a full-service restaurant, open for business only within the period from May first to October thirty-first in each year, be allowed to obtain a license which permits the summer hotel to
sell alcoholic beverages for a customer to drink while the customer is
within the hotel. In addition, unopened containers of beer (such as
six-packs and kegs) may be sold "to go" for the customer to open and
drink at another location (such as, for example, at his home)?

Question 5. Retail package liquor or wine store license. Shall a
person be allowed to obtain a license to operate a retail package
liquor-and-wine or wine-without-liquor store, to sell "to go" unopened
bottles of liquor or wine to a customer to be taken from the store for
the customer to open and drink at another location (such as, for exam-
p,le, at his home)?

Question 6. Off-premises beer and wine cooler license. Shall the oper-
ator of a grocery store, drugstore or supply ship operating in the
harbors of Lake Erie be allowed to obtain a license which permits the
operator to sell "to go" unopened containers of beer (such as six-packs
and kegs) and wine coolers with not more than 6% alcohol to a customer
to be taken from the store for the customer to open and drink at another
location (such as, for example, at his home)?

Question 7. Baseball park, racetrack, athletic field or stadium
license. Shall a person be allowed to obtain a license which permits
the sale of beer for a patron's consumption while the patron is within a
baseball park, racetrack, or other athletic field or stadium where
admission fees are charged?

Question 8. Marihuana retailer license. Shall a person be allowed to
obtain a license to operate a retail marihuana store, to sell unopened
marihuana products to a customer to be taken from the store for the
customer to open and consume at another location (such as, for example,
at his home)?

Question 9. On-premises marihuana retailer licenses. Shall a person be
allowed to obtain a license to operate a facility where the service of
food is only incidental and permits the facility operator to sell mari-
huana products for a customer to consume while the customer is within
the facility?

2. Upon the due filing of such petition complying with the foregoing
provisions, such questions shall be submitted in accordance therewith.
3. The town clerk shall, within five days from the filing of such
petition in his office, prepare and file in the office of the board of
elections, as defined by the election law, of the county, a certified
copy of such petition. Such questions may be submitted only at the time
of a general election. At least ten days before such general election,
the board of elections shall cause to be printed and posted in at least
four public places in such town, a notice of the fact that all of the
local option questions will be voted on at such general election; and
the said notice shall also be published at least five days before the
vote is to be taken once in a newspaper published in the county in which
such town is situated, which shall be a newspaper published in the town,
if there be one. Whenever such questions are to be submitted under the
provisions of this article the board of elections shall cause the proper
ballot labels to be printed and placed on all voting machines used in
the town in which such questions are to be submitted, in the form
prescribed by the election law in respect of other propositions or ques-
tions, upon the face of which shall be printed in full the said ques-
tions. Any elector qualified to vote for state officers shall be en-
titled to vote upon such local option questions. As soon as the election
shall be held, a return of the votes cast and counted shall be made as
provided by law and the returns canvassed by the inspectors of election.
If a majority of the votes cast shall be in the negative on all or any
of the questions, no person shall, after such election, sell alcoholic beverages or marihuana products in such town contrary to such vote or to the provisions of this chapter; provided, however, that the result of such vote shall not shorten the term for which any license may have been lawfully issued under this chapter or affect the rights of the licensee thereunder; and no person shall after such vote apply for or receive a license to sell alcoholic beverages or marihuana products at retail in such town contrary to such vote, until, by referendum as hereinafter provided for, such sale shall again become lawful.

§ 28. Subdivision 3 of section 142 of the alcoholic beverage control law is amended to read as follows:

3. If a majority of the votes cast shall be in the negative on any or all of the questions, no person shall, after such election, sell alcoholic beverages or marihuana products in such city contrary to such vote or to the provisions of this chapter; provided, however, that the result of such vote shall not shorten the term for which any license may have been lawfully issued under this chapter or affect the rights of the licensee thereunder; and no person shall after such vote apply for or receive a license to sell alcoholic beverages or marihuana products at retail in such city contrary to such vote, until, by referendum as hereinafter provided for, such sale shall again become lawful.

§ 29. Subdivision 2 of section 147 of the alcoholic beverage control law is amended to read as follows:

2. If at the time of any subsequent submission of such questions it shall be lawful to sell alcoholic beverages or marihuana products and a majority of the votes cast shall be in the negative on such questions, then all of the provisions of this article applicable thereto shall become effective.

§ 30. Article 11 and sections 160, 161, 162, 163 and 164 of the alcoholic beverage control law, article 11 and sections 160, 161, 162 and 163 as renumbered by chapter 725 of the laws of 1954, are renumbered article 12 and sections 200, 201, 202, 203, and 204.

§ 31. The alcoholic beverage control law is amended by adding a new article 11 to read as follows:

ARTICLE 11
PROVISIONS RELATING TO MARIHUANA

Section 165. Definitions.
166. Bureau of marihuana policy.
167. Administration of the bureau of marihuana policy.
168. Authority to promulgate rules and regulations.
169. Licenses issued.
170. Licensing limits.
171. Actions taken pursuant to a valid license are lawful.
172. General prohibitions and restrictions.
173. Certain officials not to be interested in the manufacture or sale of marihuana.
175. Provisions governing marihuana producers.
177. Provisions governing marihuana retailers.
178. Provisions governing marihuana on-site consumption licenses.
179. Advertising and forms for the issuance of licenses.
180. Packaging of marihuana products.
181. Labeling of marihuana products.
182. Seed to sale tracking.
183. Renewals of licenses and permits.
184. Information to be provided by applicants.
185. Notification to towns, cities or villages.
186. Licenses, publication, general provisions.
187. Revocation of licenses for cause.
188. Procedure for revocation or cancellation.
189. Decisions of the bureau of marihuana policy and review by the courts.
190. Minority and women-owned businesses and incubator program.
191. Disposition of moneys received for license fees.
192. Persons forbidden to traffic in marihuana.
193. Surrender of license; notice to police officials.
194. Protections for the use of marihuana.
195. Discrimination protections for the use of marihuana or medical marihuana.
196. Employment protections.
197. Protections for persons under state supervision.
198. Professional and medical record keeping.

§ 165. Definitions. Whenever used in this chapter, unless the context requires otherwise:
1. "Applicant" means an owner applying for a license pursuant to this article.
2. "Bureau" means the bureau of marihuana policy within the authority.
3. "Commercial marihuana activity" means the production, processing, possession, storing, laboratory testing, packaging, labeling, transportation, delivery, or sale of marihuana and marihuana products as provided for in this article.
4. "Customer" means a natural person twenty-one years of age or older.
5. "Delivery" means a licensee that delivers retail marihuana and marihuana products to customers. Retailer licensees and microbusiness licensees are permitted to deliver retail marihuana and marihuana products to customers without obtaining an additional distributor license.
6. "Distribution" means the procurement, sale, and transport of marihuana and marihuana products between entities licensed pursuant to this article.
7. "Distributor" means a licensee for the distribution of marihuana and marihuana products between entities licensed pursuant to this article. Producer licensees, processor licensees, and microbusiness licensees are permitted to distribute marihuana and marihuana products between entities licensed pursuant to this article without obtaining an additional distributor license.
8. "Labeling" means any label or other written, printed, or graphic matter upon a marihuana product, or upon its container or wrapper, or that accompanies any marihuana product.
9. "License" means a state license issued under this article. Each license issued pursuant to this article corresponds to a single place of business.
10. "Licensee" means any person or entity holding a license under this article.
11. "Marihuana" means all parts of the 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. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manu-
facture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. It does not include all parts of the plant Cannabis Sativa L., whether growing or not, having no more than three-tenths of one percent tetrahydrocannabinol (THC).


13. "Marihuana-infused products" means products that contain marihuana, or concentrated cannabis and are intended for human use or consumption, such as, but not limited to, edible products, ointments, and tinctures.

14. "Microbusiness" means a licensee that may act as a marihuana producer for the cultivation of marihuana on an area less than ten thousand square feet, a marihuana processor, and a marihuana retailer under this article, provided such licensee complies with all requirements imposed by this article on licensed producers, processors, and retailers to the extent the licensee engages in such activities. A "microbusiness" may distribute marihuana and marihuana products to other licensed marihuana businesses and may deliver marihuana and marihuana products to customers.

15. "Nursery" means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of marihuana.

16. "Onsite consumption" means a marihuana retail licensee or a marihuana microbusiness that permits the consumption of marihuana and marihuana products at the licensee's place of business.

17. "Owner" means an individual with an aggregate ownership interest of twenty percent or more in a marihuana business licensed pursuant to this article, unless such interest is solely a security, lien, or encumbrance, or an individual that will be participating in the direction, control, or management of the licensed marihuana business.

18. "Package" means any container or receptacle used for holding marihuana or marihuana products.

19. "Processor" means a licensee that compounds, blends, extracts, infuses, or otherwise makes or prepares marihuana products, but not the production of the marihuana contained in the marihuana product. A "processor" may also distribute marihuana and marihuana products to other licensed marihuana businesses.

20. "Producer" means a licensee that plants, grows, harvests, dries, cures, grades, or trims marihuana. A "producer" may also distribute marihuana to other licensed marihuana businesses.

21. "Retailer" means a licensee that sells marihuana or marihuana products directly to customers. A "retailer" may deliver marihuana and marihuana products to customers.

22. "Testing facility" means a licensee that tests marihuana and marihuana products.

§ 166. Bureau of marihuana policy. There is hereby established in the authority a bureau of marihuana policy. The bureau shall consist of three members. The members of the bureau shall be appointed by the governor by and with the advice and consent of the senate. Not more than two members of the bureau shall belong to the same political party. The chairman of the bureau of marihuana policy heretofore appointed and designated by the governor and the remaining members of such board heretofore appointed by the governor shall continue to serve as chairman and members of the bureau until the expiration of the respective terms for
which they were appointed. Upon the expiration of such respective terms
the successors of such chairman and members shall be appointed to serve
for a term of three years each and until their successors have been
appointed and qualified. The commissioners shall, when performing the
work of the bureau, be compensated at a rate of two hundred sixty
dollars per day, together with an allowance for actual and necessary
expenses incurred in the discharge of their duties.
§ 167. Administration of the bureau of marihuana policy. 1. The
bureau established in section one hundred sixty-six of this article
shall heretofore have the power, duty, purpose, responsibility, and
jurisdiction to regulate commercial marihuana activity as provided in
the Marihuana Regulation and Taxation Act.
2. The bureau shall have the exclusive authority to create, issue,
renew, discipline, suspend, or revoke licenses for commercial marihuana
activities in accordance with the state administrative procedure act.
(a) The bureau shall consult with the department of agriculture and
markets regarding rules, regulations, and licenses for the cultivation
of marihuana.
(b) The bureau shall notify the public of all licensing rules and
regulations promulgated pursuant to the Marihuana Regulation and Taxa-
tion Act, which shall include instructional materials. In addition, the
bureau shall hold public forums in all regions of the state, as deter-
mined by the department of economic development, to help the public
understand and navigate the licensing process.
(c) The bureau shall begin issuing licenses not later than eighteen
months following the effective date of the Marihuana Regulation and
Taxation Act.
(i) The bureau shall begin accepting applications no more than fifteen
months following the effective date of the Marihuana Regulation and
Taxation Act.
(ii) Pursuant to section one hundred eighty-five of this article, the
bureau shall notify any town, city or village of any applications for
license.
(iii) The bureau shall issue an annual license to the applicant
between forty-five and ninety days after receipt of an application
unless the bureau finds the applicant is not in compliance with regu-
lations enacted pursuant to section one hundred seventy-four of this
article or the department is notified by the relevant town, city or
village that the applicant is not in compliance with such regulations.
(d) The bureau shall have the authority to collect fees in connection
with activities they regulate concerning marihuana pursuant to section
one hundred ninety-one of this article.
3. (a) Not later than ten months following the enactment of this arti-
cle, each town, city or village may enact an ordinance or regulation
specifying the entity within the town, city or village that is responsi-
bale for processing applications submitted for a license to operate a
marihuana establishment within the boundaries of the town, city or
village and for the issuance of such licenses should the issuance by the
town, city or village become necessary because of a failure by the
bureau to adopt regulations pursuant to section one hundred seventy-four
of this article or because of a failure by the bureau to process and
issue licenses as required by subdivision two of this section.
(b) A town, city or village may enact ordinances or regulations, not
in conflict with this section or with regulations or legislation enacted
pursuant to this section, governing the time, place, manner and number
of marihuana establishment operations; establishing procedures for the
issuance, suspension, and revocation of a license issued by the munici-
pality in accordance with paragraphs (c) and (d) of this subdivision,
such procedures to be subject to all requirements of the state adminis-
trative procedure act or any successor provision, establishing a sched-
ule of annual operating, licensing, and application fees for marihuana
establishments, provided, the application fee shall only be due if an
application is submitted to a town, city or village in accordance with
paragraph (d) of this subdivision and a licensing fee shall only be due
if a license is issued by a municipality in accordance with paragraph
(c) or (d) of this subdivision; and establishing civil penalties for
violation of an ordinance or regulation governing the time, place, and
manner of a marihuana establishment that may operate in such a town,
city or village. A town, city or village may prohibit the operation of
marihuana production facilities, marihuana processing facilities, mari-
huana retail stores, marihuana microbusinesses, or marihuana testing
facilities through the enactment of an ordinance.

(c) If the bureau does not issue a license to an applicant within
ninety days of receipt of the application filed in accordance with
subdivision two and does not notify the applicant of the specific reason
for its denial, in writing and within such time period, or if the bureau
has adopted regulations pursuant to section one hundred seventy-four of
this article but has not issued any licenses within eighteen months of
the effective date of this article, for any town, city or village enact-
ing an ordinance providing for local processing of applications, the
applicant may resubmit its application directly to the town, city or
village pursuant to paragraph (a) of this subdivision, and the town,
city or village may issue an annual license to the applicant. A town,
city or village issuing a license to an applicant shall do so within
ninety days of receipt of the resubmitted application unless the town,
city or village finds and notifies the applicant that the applicant is
not in compliance with the ordinances and regulations made pursuant to
paragraph (b) of this subdivision in effect at the time the application
is resubmitted and the town, city or village shall notify the bureau if
an annual license has been issued to the applicant. If an application is
submitted to a town, city or village under this paragraph, the bureau
shall forward to the town, city or village the application fee paid by
the applicant to the bureau upon request by the town, city or village. A
license issued by a town, city or village in accordance with this para-
graph shall have the same force and effect as a license issued by the
bureau in accordance with subdivision two of this section and the holder
of such license shall not be subject to regulation or enforcement by the
bureau during the term of that license. A subsequent or renewed license
may be issued under this paragraph on an annual basis only upon resub-
mission to the town, city or village of a new application submitted to
the bureau pursuant to subdivision two of this section. Nothing in this
paragraph shall limit such relief as may be available to an aggrieved
party under section four hundred one of the state administrative proce-
dure act or any successor provision.

(d) If the bureau does not adopt regulations required by section one
hundred seventy-four of this article, an applicant may submit an appli-
cation directly to a town, city or village fifteen months following the
effective date of this article and the town, city or village may issue
an annual license to the applicant. A town, city or village issuing a
license to an applicant shall do so within ninety days of receipt of the
application unless it finds and notifies the applicant that the appli-
cant is not in compliance with ordinances and regulations made pursuant
to paragraph (b) of this subdivision in effect at the time of applica-
tion and shall notify the bureau if an annual license has been issued to
the applicant. A license issued by a town, city or village in accordance
with this paragraph shall have the same force and effect as a license
issued by the bureau in accordance with subdivision two of this section
and the licensee shall not be subject to regulation or enforcement by
the bureau during the term of that license. A subsequent or renewed
license may be issued under this paragraph on an annual basis if the
bureau has not adopted regulations required by section one hundred
seventy-four of this article at least ninety days prior to the date upon
which such subsequent or renewed license would be effective or if the
department has adopted regulations pursuant to section one hundred
seventy-four of this article but has not, at least ninety days after the
adoption of such regulations, issued licenses pursuant to subdivision
two of this section.

4. The bureau may limit the total amount of marihuana produced in New
York based on the demand for marihuana and marihuana products and in an
effort to reduce illicit marihuana markets.

§ 168. Authority to promulgate rules and regulations. The bureau shall
promulgate and implement all rules and regulations as it deems necessary
to carry out the requirements, purpose and intent of this article.

§ 169. Licenses issued. The following kinds of licenses shall be
issued by the bureau for the manufacture, production, processing, test-
ing, retail sale and delivery of marihuana:

1. marihuana nursery license;
2. marihuana producer license;
3. marihuana processor license;
4. marihuana distributor license;
5. marihuana retailer license;
6. marihuana microbusiness license;
7. marihuana on-site consumption license;
8. marihuana delivery license;
9. marihuana testing license; and
10. any other type of licenses allowed by the bureau.

§ 170. Licensing limits. 1. All licenses issued under this article
shall bear a clear designation indicating that the license is for
commercial marihuana activity as distinct from medical marihuana manu-
factured, produced and sold for medical use pursuant to title five-A of
article thirty-three of the public health law.

2. An owner of a marihuana retail store shall not hold a license in
another license category of section one hundred sixty-nine of this arti-
cle, shall not own or have ownership interest in an entity licensed
pursuant to title five-A of article thirty-three of the public health
law, and shall hold not more than three retail licenses.

3. An owner of a marihuana microbusiness shall not hold a license in
another license category of section one hundred sixty-nine of this arti-
cle, shall not own or have ownership interest in a facility licensed
pursuant to title five-A of article thirty-three of the public health
law, and shall hold not more than one microbusiness license.

4. An owner of a marihuana testing facility shall not hold a license
in another license category of section one hundred sixty-nine of this arti-
cle and shall not own or have ownership interest in a facility
licensed pursuant to title five-A of article thirty-three of the public
health law.

5. Only a marihuana retail licensee may be issued an on-site consump-
tion license.
6. Only a marihuana retail licensee, marihuana microbusiness licensee, or marihuana delivery licensee may be permitted to deliver marihuana directly to customers.

7. Only a marihuana producer licensee, marihuana processor licensee, marihuana microbusiness licensee, or marihuana distributor licensee may distribute marihuana and marihuana products to other licensed marihuana businesses.

8. No marihuana delivery owner may hold more than one marihuana delivery license.

9. No marihuana distributor owner may hold more than one marihuana distributor license.

10. The bureau shall issue a series of producer licenses distinguished by canopy size and type of lighting used, natural/outdoor light, indoor light, or mixed-light.

11. No marihuana producer owner may hold more than one marihuana producer and one marihuana processor license.

12. No marihuana processor owner may hold more than three marihuana processor licenses.

13. An owner of a marihuana nursery may hold a marihuana producer or marihuana processor license but shall not hold another license category of section one hundred sixty-nine of this article, shall not own or have ownership interest in a facility licensed pursuant to title five-A of article thirty-three of the public health law, and shall hold not more than one nursery license. Licensing limits imposed by subdivisions eleven and twelve of this section shall apply.

§ 171. Actions taken pursuant to a valid license are lawful. No contracts related to the operation of licenses under this chapter shall be deemed unenforceable on the basis that the actions permitted pursuant to the license are prohibited by federal law. The following actions are not unlawful as provided under this chapter, shall not be an offense under any state or local law, and shall not result in any civil fine, seizure, or forfeiture of assets against any person acting in accordance with this chapter:

1. Actions of a licensee, its employees, and its agents, as permitted by this chapter and consistent with rules and regulations of the bureau, pursuant to a valid license issued by the bureau.

2. Actions of those who allow property to be used by a licensee, its employees, and its agents, as permitted by this chapter and consistent with rules and regulations of the bureau, pursuant to a valid license issued by the bureau.

3. Actions of any person or entity, their employees, or their agents providing a service to a licensee or potential licensee, as permitted by this chapter and consistent with rules and regulations of the bureau, relating to the formation of a business.

4. The purchase, possession, or consumption of marihuana, as permitted by this chapter and consistent with rules and regulations of the bureau, obtained from a validly licensed retailer.

§ 172. General prohibitions and restrictions. 1. No marihuana products may be imported into or exported from New York state.

2. No person may be issued a license under section one hundred sixty-nine of this article if they have been convicted of an offense related to the functions, or duties of owning and operating a business within three years of the application date, except that if the bureau determines that the owner or licensee is otherwise suitable to be issued a license, and granting the license would not compromise public safety, the bureau shall conduct a thorough review of the nature of the crime.
conviction, circumstances, and evidence of rehabilitation of the owner,
and shall evaluate the suitability of the owner or licensee to be issued
a license based on the evidence found through the review. In determining
which offenses are substantially related to the functions or duties of
owning and operating a business, the bureau shall include, but not be
limited to, the following:
(a) A felony conviction involving fraud, money laundering, forgery and
other unlawful conduct related to owning and operating a business.
(b) A felony conviction for hiring, employing, or using a minor in
transporting, carrying, selling, giving away, preparing for sale, or
peddling, any controlled substance to a minor; or selling, offering to
sell, furnishing, offering to furnish, administering, or giving any
controlled substance to a minor.
3. No license of any kind may be issued to a person under the age of
twenty-one years, nor shall any licensee employ anyone under the age of
twenty-one years.
§ 173. Certain officials not to be interested in the manufacture or
sale of marihuana. 1. Except as otherwise provided in section one
hundred twenty-eight-a of this chapter, it shall be unlawful for any
police commissioner, police inspector, captain, sergeant, roundsman,
patrolman or other police official or subordinate of any police depart-
ment in the state, to be either directly or indirectly interested in the
manufacture or sale of marihuana or to offer for sale, or recommend to
any licensee any marihuana. A person may not be denied any license
granted under the provisions of sections fifty-four, fifty-five, fifty-
ine, sixty-three, sixty-four, seventy-nine, eighty-one, or article
seven of this chapter solely on the grounds of being the spouse of a
public servant described in this subdivision. The solicitation or recom-
mendation made to any licensee, to purchase any marihuana by any police
official or subordinate as described in this subdivision, shall be
presumptive evidence of the interest of such official or subordinate in
the manufacture or sale of marihuana.
2. No elective village officer shall be subject to the limitations set
forth in subdivision one of this section unless such elective village
officer shall be assigned duties directly relating to the operation or
management of the police department.
§ 174. Provisions governing initial rulemaking. 1. Within two hundred
forty days after the effective date of this article, the bureau shall
perform such acts, prescribe such forms and make such rules, regulations
and orders as it may deem necessary or proper to fully effectuate the
provisions of this article.
2. The bureau shall promulgate necessary rules and regulations govern-
ing the licensing of marihuana producers, marihuana processors, marihua-
na retailers and marihuana retailers for consumption on-site, including:
(a) prescribing forms and establishing application, reinstatement, and
renewal fees;
(b) the qualifications for licensure;
(c) the books and records to be created and maintained by licensees,
the reports to be made thereon to the bureau, and inspection of the
books and records;
(d) methods of producing, processing, and packaging marihuana, mari-
huana-infused products, and concentrated cannabis; conditions of sanita-
tion, and standards of ingredients, quality, and identity of marihuana
products produced, processed, packaged, or sold by licensees; and
3. The bureau shall promulgate rules and regulations that are calculated to:
   (a) prevent the distribution of marihuana to persons under twenty-one years of age;
   (b) prevent the revenue from the sale of marihuana from going to organized criminal enterprises and cartels;
   (c) prevent the diversion of marihuana from this state to other states;
   (d) prevent marihuana activity that is legal under state law from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
   (e) prevent violence and the use of firearms in the cultivation and distribution of marihuana;
   (f) prevent impaired driving and the exacerbation of other adverse public health consequences associated with the use of marihuana;
   (g) prevent the growing of marihuana on public lands and the attendant public safety and environmental dangers posed by marihuana production on public lands; and
   (h) prevent the possession and use of marihuana on federal property.

4. Rules and regulations promulgated by the bureau pursuant to subdivision three of this section shall not prohibit the operation of marihuana establishments either expressly or through regulations that make their operation unreasonably impracticable.

5. The bureau, in consultation with the department of agriculture and markets and the department of environmental conservation, shall promulgate necessary rules and regulations governing the safe production of marihuana, including restrictions on the use of pesticides, insecticides and herbicides.

§ 175. Provisions governing marihuana producers. 1. No producer shall sell, or agree to sell or deliver in the state any marihuana products, as the case may be, except in sealed containers containing quantities in accordance with size standards pursuant to rules adopted by the bureau. Such containers shall have affixed thereto such labels as may be required by the rules of the bureau, together with all necessary New York state excise tax stamps, as required by law.

2. No producer shall deliver any marihuana products, except in vehicles owned and operated by such producer, or hired and operated by such producer from a trucking or transportation company registered with the bureau, and shall only make deliveries at the licensed premises of the purchaser.

3. Each producer shall keep and maintain upon the licensed premises, adequate books and records of all transactions involving the producer and sale of his or its products, which shall include all information required by rules promulgated by the bureau. Each sale shall be recorded separately on a numbered invoice, which shall have printed thereon the number, the name of the licensee, the address of the licensed premises, and the current license number. Such producer shall deliver to the purchaser a true duplicate invoice stating the name and address of the purchaser, the quantity purchased, description and the price of the product, and a true, accurate and complete statement of the terms and conditions on which such sale is made. Such books, records and invoices shall be kept for a period of two years and shall be available for inspection by any authorized representative of the bureau.
4. No producer shall furnish or cause to be furnished to any licensee, any exterior or interior sign, printed, painted, electric or otherwise, except as authorized by the bureau. The bureau may make such rules as it deems necessary to carry out the purpose and intent of this subdivision.

§ 176. Provisions governing processors. 1. No processor shall be engaged in any other business on the premises to be licensed; except that nothing contained in this chapter shall prevent a marihuana producer and a marihuana processor from operating on the same premises and from a person holding both licenses.

2. No processor shall sell, or agree to sell or deliver in the state any marihuana products, except in a sealed package containing quantities in accordance with size standards pursuant to rules adopted by the bureau. Such containers shall have affixed thereto such labels as may be required by the rules of the bureau, together with all necessary New York state excise tax stamps, as required by law.

3. No processor shall deliver any products, except in vehicles owned and operated by such processor, or hired and operated by such processor from a trucking or transportation company registered with the bureau, and shall only make deliveries at the licensed premises of the purchaser.

4. Each processor shall keep and maintain upon the licensed premises, adequate books and records of all transactions involving the business transacted by such processor, which shall show the amount of marihuana products, purchased by such processor together with the names, license numbers and places of business of the persons from whom the same was purchased and the amount involved in such purchases, as well as the amount of marihuana products sold by such processor together with the names, addresses, and license numbers of such purchasers. Each sale shall be recorded separately on a numbered invoice, which shall have printed thereon the number, the name of the licensee, the address of the licensed premises, and the current license number. Such processor shall deliver to the purchaser a true duplicate invoice stating the name and address of the purchaser, quantity purchased, description and the price of the product, and a true, accurate and complete statement of the terms and conditions on which such sale is made. Such books, records and invoices shall be kept for a period of two years and shall be available for inspection by any authorized representative of the bureau.

§ 177. Provisions governing marihuana retailers. 1. No retail license shall be granted for any premises, unless the applicant shall be the owner thereof, or shall be in possession of said premises under a lease, management agreement or other agreement giving the applicant control over the premises, in writing, for a term not less than the license period.

2. No premises shall be licensed to sell marihuana products, unless said premises shall be located in a store, the principal entrance to which shall be from the street level and located on a public thoroughfare in premises which may be occupied, operated or conducted for business, trade or industry or on an arcade or sub-surface thoroughfare leading to a railroad terminal. There may be not more than one additional entrance which shall be from the street level and located on and giving access to and from a public or private parking lot or parking area having space for not less than five automobiles.

3. No marihuana retail license shall be granted for any premises which a license would not be allowed to sell at retail for consumption of alcohol off the premises based on its proximity to a building occupied
exclusively as a school, church, synagogue or other place of worship
pursuant to the provisions of section one hundred five of this chapter.

4. No marihuana retail licensee shall offer for sale any marihuana
products in any other container, except in the original sealed package,
as received from the producer, distributor or processor. Such containers
shall have affixed thereto such labels as may be required by the rules
of the bureau, together with all New York state excise tax stamps, as
required by law. Such containers shall not be opened nor its contents
consumed on the premises where sold.

5. No marihuana retail licensee shall sell or transfer marihuana
products to any person under the age of twenty-one years.

6. No marihuana retail licensee shall sell alcoholic beverages on the
same premises where marihuana products are sold.

7. No sign of any kind printed, painted or electric, advertising any
brand shall be permitted on the exterior or interior of such premises,
except by permission of the bureau.

8. No retail licensee shall deliver any marihuana products except in
vehicles owned and operated by such licensee, or hired and operated by
such licensee from a trucking or transportation company registered with
the bureau, and shall only make such deliveries at the premises of the
purchaser.

9. No retail licensee shall keep or permit to be kept upon the
licensed premises, any marihuana products in any unsealed container.

10. No premises licensed as a marihuana retailer shall be permitted to
remain open during a time when a premises licensed to sell liquor and/or
wine for off-premises consumption is not permitted to remain open pursuant
to the provisions of section one hundred five of this chapter.

11. Each marihuana retail licensee shall keep and maintain upon the
licensed premises, adequate books and records of all transactions
involving the business transacted by such licensee, which shall show the
amount of marihuana products, purchased by such licensee together with
the names, license numbers and places of business of the persons from
whom the same were purchased, and the amount involved in such purchases,
as well as the amount of marihuana products, sold by such licensee, and
the amount involved in each sale. Such books and records shall be available for inspection by any authorized representative of the bureau.

12. All premises licensed under this section shall be subject to
inspection by any peace officer described in subdivision four of section
2.10 of the criminal procedure law acting pursuant to his or her special
duties, or police officer or any duly authorized representative of the
bureau, during the hours when the said premises are open for the trans-
action of business.

§ 178. Provisions governing marihuana on-site consumption licenses. 1.
No marihuana retailer or microbusiness shall be granted a marihuana
on-site consumption license for a premises located in whole or in part
inside the boundaries of any city, village or town, unless the local
legislative body of such city, village or town, by resolution, expressly
authorizes the licensing of such facilities in such city, village or
town. The local legislative body may direct an appropriate officer,
board or body of such city, village or town as the local licensing
authority to authorize individual marihuana facility license applica-
tions. In cities of one million or more residents, should the local
legislative body authorize such license, no marihuana retailer license
for consumption on-site shall be granted unless the community board
established pursuant to section twenty-eight hundred of the New York
city charter with jurisdiction over the area in which the premises will be located shall also authorize such license.

2. No marihuana retailer or microbusiness shall be granted a marihuana on-site consumption license for any premises, unless the applicant shall be the owner thereof, or shall be in possession of said premises under a lease, in writing, for a term not less than the license period except, however, that such license may thereafter be renewed without the requirement of a lease as herein provided. This subdivision shall not apply to premises leased from government agencies, as defined under subdivision twelve-c of section three of this chapter; provided, however, that the appropriate administrator of such government agency provides some form of written documentation regarding the terms of occupancy under which the applicant is leasing said premises from the government agency for presentation to the bureau at the time of the license application. Such documentation shall include the terms of occupancy between the applicant and the government agency, including, but not limited to, any short-term leasing agreements or written occupancy agreements.

3. No marihuana retailer or microbusiness shall be granted a marihuana on-site consumption license for any premises where a license would not be allowed to sell at retail for consumption of alcohol on the premises based on its proximity to a building occupied exclusively as a school, church, synagogue or other place of worship pursuant to the provisions of section one hundred five of this chapter.

4. The bureau may consider any or all of the following in determining whether public convenience and advantage and the public interest will be promoted by the granting of licenses and permits for a marihuana on-site consumption license at a particular unlicensed location:
   (a) The number, classes and character of licenses in proximity to the location and in the particular town, city or village or subdivision thereof.
   (b) Evidence that all necessary licenses and permits have been obtained from the state and all other governing bodies.
   (c) Effect of the grant of the license on vehicular traffic and parking in proximity to the location.
   (d) The existing noise level at the location and any increase in noise level that would be generated by the proposed premises.
   (e) Any other factors specified by law or regulation that are relevant to determine the public convenience and advantage and public interest of the community.

5. If the bureau shall disapprove an application for a license or permit, it shall state and file in its offices the reasons therefor and shall notify the applicant thereof. Such applicant may thereupon apply to the bureau for a review of such action in a manner to be prescribed by the rules of the bureau. A hearing upon notice to the applicant shall thereupon be held by the bureau or by one of its members at its office most conveniently situated to the office of its duly authorized representative in a manner to be prescribed in its rules; and on such hearing proof may be taken by oral testimony or by affidavit relative thereto. After such hearing, if the bureau confirms such disapproval, it shall endorse such application accordingly and shall send notice to the applicant of its action in such form as the bureau may prescribe. If the bureau does not confirm the disapproval action it may grant such application and issue such license.

6. No marihuana on-site consumption licensee, except persons or corporations operating a hotel, as defined in subdivision fourteen of section...
three of this chapter, for exclusive use in the furnishing of room
service in the manner prescribed by rule or regulation of the bureau,
shall keep upon the licensed premises any marihuana products, except
those purchased from a licensed producer, and in containers approved by
the bureau. Such containers shall have affixed thereto such labels as
may be required by the rules of the bureau, together with all necessary
excise stamps as required by law. No marihuana retail licensee for
on-site consumption shall reuse, refill, tamper with, adulterate, dilute
or fortify the contents of any container of marihuana products as
received from the manufacturer or wholesaler.

7. No marihuana on-site consumption licensee shall sell, deliver or
give away, or cause or permit or procure to be sold, delivered or given
away any marihuana for consumption on the premises where sold in a
container or package containing more than one gram of marihuana.

8. Except where a permit to do so is obtained pursuant to section
405.10 of the penal law, no marihuana on-site consumption licensee shall
suffer, permit, or promote an event on its premises wherein any person
shall use, explode, or cause to explode, any fireworks or other pyro-
technics in a building as defined in paragraph e of subdivision one of
section 405.10 of the penal law, that is covered by such license or
possess such fireworks or pyrotechnics for such purpose. In addition to
any other penalty provided by law, a violation of this subdivision shall
constitute an adequate ground for instituting a proceeding to suspend,
cancel, or revoke the license of the violator in accordance with the
applicable procedures specified in section one hundred nineteen of this
chapter; provided however, if more than one licensee is participating in
a single event, upon approval by the bureau, only one licensee must
obtain such permit.

9. No restaurant and no premises licensed to sell marihuana products
for on-site consumption under paragraph (a) of subdivision six of
section sixty-four-a of this chapter shall be permitted to have any
opening or means of entrance or passageway for persons or things between
the licensed premises and any other room or place in the building
containing the licensed premises, or any adjoining or abutting premises,
unless ingress and egress is restricted by an employee, agent of the
licensee, or other approved method of controlling access to the facili-
ty, or unless such premises are a bona fide restaurant with such access
for patrons and guests from any part of such building or adjoining or
abutting premises as shall serve public convenience in a reasonable and
suitable manner; or unless such licensed premises are in a building
owned or operated by any town, city, village or public authority or
agency, in a park or other similar place of public accommodation. All
glass in any window or door on said licensed premises shall be clear and
shall not be opaque, colored, stained or frosted.

10. A vessel licensed to sell marihuana products for on-site consump-
tion shall not be permitted to sell any marihuana products, while said
vessel is moored to a pier or dock, except that vessels sailing on
established schedules shall be permitted to sell marihuana products for
a period of three hours prior to the regular advertised sailing time.

11. Each marihuana on-site consumption licensee shall keep and main-
tain upon the licensed premises, adequate records of all transactions
involving the business transacted by such licensee which shall show the
amount of marihuana products, in an applicable metric measurement,
purchased by such licensee together with the names, license numbers and
places of business of the persons from whom the same were purchased, the
amount involved in such purchases, as well as the sales of marihuana
products made by such licensee. The bureau is hereby authorized to
promulgate rules and regulations permitting an on-site licensee operat-
ing two or more premises separately licensed to sell marihuana products
for on-site consumption to inaugurate or retain in this state methods or
practices of centralized accounting, bookkeeping, control records,
reporting, billing, invoicing or payment respecting purchases, sales or
deliveries of marihuana products, or methods and practices of central-
ized receipt or storage of marihuana products within this state without
segregation or earmarking for any such separately licensed premises.
wherever such methods and practices assure the availability, at such
licensee’s central or main office in this state, of data reasonably
needed for the enforcement of this chapter. Such records shall be avail-
able for inspection by any authorized representative of the bureau.

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

13. A marihuana on-site consumption licensee shall not provide mari-
huana products to any person under the age of twenty-one.

§ 179. Advertising and forms for the issuance of licenses. 1. The
bureau is hereby authorized to promulgate rules and regulations govern-
the advertising of marihuana producers, marihuana processors, mari-
huana retailers, and any marihuana related products or services.

2. The bureau shall promulgate explicit rules prohibiting advertising
that:
(a) is false, deceptive, or misleading;
(b) promotes overconsumption;
(c) depicts consumption by children or other minors;
(d) is designed in any way to appeal to children or other minors;
(e) is within two hundred feet of the perimeter of a playground, child
care center, public park, library or school grounds;
(f) is in public transit vehicles and stations;
(g) is in the form of an unsolicited internet pop-up; or
(h) is on publicly owned or operated property.

3. The bureau shall promulgate explicit rules prohibiting all market-
ing strategies and implementation including, but not limited to, brand-
ing, packaging, labeling, location of marihuana retailers and marihuana
microbusinesses, and advertisements that are designed to:
(a) appeal to persons less than twenty-one years of age; or
(b) disseminate false or misleading information to customers.

4. The bureau shall promulgate explicit rules requiring that:
(a) all advertisements and marketing accurately and legibly identify
the licensee responsible for its content; and
(b) any broadcast, cable, radio, print and digital communications
advertisements only be placed where the audience is reasonably expected
to be twenty-one years of age or older, as determined by reliable,
up-to-date audience composition data.

§ 180. Packaging of marihuana products. 1. The bureau is hereby
authorized to promulgate rules and regulations governing the packaging
of marihuana products, sold or possessed for sale in New York state.

2. Such regulations shall include requiring that:
(a) packaging meets requirements similar to the federal "poison
(b) all marihuana-infused products shall have a separate packaging for
each serving:
(c) prior to delivery or sale at a retailer, marihuana and marihuana products shall be labeled and placed in a resealable, child-resistant package; and

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

§ 181. Labeling of marihuana products. 1. The bureau is hereby authorized to promulgate rules and regulations governing the labeling and offering of marihuana products for sale within this state.

2. Such rules and regulations shall be calculated to: (a) prohibit deception of the consumer; (b) afford adequate information as to quality and identity of the product; and (c) achieve national uniformity in this business.

3. The bureau may seek the assistance of the department of health when necessary before promulgating rules and regulations under this section.

4. Such regulations shall include requiring labels warning consumers of any potential impact on human health resulting from the consumption of marihuana products that shall be affixed to those products when sold, if such labels are deemed warranted by the bureau after consultation with the department of health.

5. All marihuana and marihuana product labels and inserts shall include the following information prominently displayed in a clear and legible fashion in accordance with the requirements, including font size, prescribed by the bureau or the department of health: not less than 8 point font:

(a) manufacture date and source;

(b) for packages containing only dried flower, the net weight of marihuana in the package;

(c) identification of the source and date of cultivation, the type of marihuana or marihuana product and the date of manufacturing and packaging;

(d) list of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total, and the potency of the marihuana or marihuana product by reference to the amount of tetrahydrocannabinol and cannabidiol in each serving;

(e) for marihuana products, a list of all ingredients and disclosure of nutritional information in the same manner as the federal nutritional labeling requirements in 21 C.F.R. section 101.9;

(f) a list of any solvents, nonorganic pesticides, herbicides, and fertilizers that were used in the cultivation, production, and manufacture of such marihuana or marihuana product;

(g) a warning if nuts or other known allergens are used;

(h) information associated with the unique identifier issued by the bureau of marihuana policy; and

(i) any other requirements set by the bureau of marihuana policy.

6. Only generic food names may be used to describe the ingredients in edible marihuana products.

7. Such rules and regulations shall establish methods and procedures for determining serving sizes for marihuana-infused products, active cannabis concentration per serving size, and number of servings per container. Such regulations shall also require a nutritional fact panel that incorporates data regarding serving sizes and potency thereof.
8. Such rules and regulations shall require information containing the license number of the marihuana producer and processor facilities where the marihuana was grown and processed.

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

§ 182. Seed to sale tracking. 1. No later than fifteen months following the effective date of the Marihuana Regulation and Taxation Act, the bureau shall establish a seed to sale tracking program for reporting the movement of marihuana and marihuana products throughout the distribution chain that utilizes a unique identifier and secure packaging and is capable of providing information that captures, at a minimum, all of the following:
   (a) the licensee receiving the product;
   (b) the transaction date; and
   (c) the producer from which the product originates, including the associated unique identifier.

2. (a) The bureau shall create an electronic database containing the electronic shipping manifests to facilitate the administration of the seed to sale program tracking, which shall include, but not be limited to, the following information:
   (b) the quantity, or weight, and variety of products shipped;
   (c) the estimated times of departure and arrival;
   (d) the quantity, or weight, and variety of products received;
   (e) the actual time of departure and arrival;
   (f) a categorization of the product; and
   (g) the license number and unique identifier issued by the bureau for all licensees involved in the shipping process, including, but not limited to, producer, processor, retailer, and delivery licensees.

3. The database shall be designed to flag irregularities for the bureau to investigate.

§ 183. Renewals of licenses and permits. 1. Each license and permit, issued pursuant to this article may be renewed upon application therefor by the licensee or permittee and the payment of the annual fee for such license or permit as prescribed by this article. In the case of applications for renewals, the bureau may dispense with the requirements of such statements as it deems unnecessary in view of those contained in the application made for the original license or permit, but in any event the submission of photographs of the licensed premises shall be dispensed with, provided the applicant for such renewal shall file a statement with such bureau to the effect that there has been no alteration of such premises since the original license was issued. The bureau may make such rules as may be necessary not inconsistent with this chapter regarding applications for renewals of licenses and permits and the time for making the same. Each applicant must submit to the bureau documentation of the racial, ethnic, and gender diversity of the applicant's employees and owners prior to a license or permit being renewed.

2. The bureau shall provide an application for renewal of a license issued under this article not less than sixty days prior to the expiration of the current license.

§ 184. Information to be provided by applicants. 1. The following shall be the information required on an application for a license or permit:
(a) A statement of identity as follows:

(i) If the applicant is an individual, his or her name, date and place of birth, citizenship, permanent home address, telephone number and social security number, as well as any other names by which he or she has conducted a business at any time.

(ii) If the applicant is a corporation or a limited liability corporation, the corporate name of the applicant, its place of incorporation, its main business address (and if such main business address is not within the state, the address of its main place of business within the state), other names by which it has been known or has conducted business at any time, its telephone number, its federal employer identification number, and the names, ages, citizenship, and permanent home addresses of its directors, officers and its shareholders (except that if there be more than ten shareholders then those shareholders holding ten percent or more of any class of its shares).

(iii) If the applicant is a partnership, its name, its main business address (and if such main business address is not within the state, the address of its main place of business within the state), other names by which it has been known or has conducted business at any time, its telephone number, its federal employer identification number, and the names, ages, citizenship, and permanent home addresses of each of its partners.

(b) A statement identifying the street and number of the premises to be licensed, if the premises has a street and number, and otherwise such description as will reasonably indicate the town, city or village thereof; photographs, drawings or other items related to the appearance of the interior or exterior of such premises, and a floor plan of the interior, shall be required. The applicant shall also state the nature of his or her interest in the premises; and the name of any other person interested as a partner, joint venturer, investor or lender with the applicant either in the premises or in the business to be licensed.

(c) A description of any other marihuana license or permit under this article, within the past ten years, the applicant (including any officers, directors, shareholders or partners listed in the statement of identity under paragraph (a) of this subdivision or the spouse of any such person) or the applicant’s spouse held or applied for.

(d) A description of the applicant’s plan to ensure diversity among the applicant’s employees, including strategies for ensuring:

(i) gender diversity;

(ii) racial and ethnic diversity that reflects the demographics within the town, city or village in which the applicant’s proposed business will be located; and

(iii) that persons with prior criminal convictions are not barred from employment.

(e) For an applicant with more than twenty-five employees, a statement that the applicant has entered into a labor peace agreement with a bona-fide labor organization that is actively engaged in representing or attempting to represent the applicant’s employees. The maintenance of such a labor peace agreement shall be an ongoing material condition of certification.

(f) A statement that the location and layout of the premises to be licensed does not violate any requirement of this chapter relating to location and layout of licensed premises, with a copy of the certificate of occupancy for the premises.

(g) A statement that the applicant has control of the premises to be licensed by ownership of a fee interest or via a leasehold, management agreement, or other agreement giving the applicant control over the
premises, with a term at least as long as the license for which the
application is being made, or by a binding contract to acquire the same
and a statement of identity under paragraph (a) of this subdivision for
the lessor of any leasehold, manager of any management agreement, or
other agreement giving the applicant control over the premises, with a
copy of the lease, contract, management agreement, or other agreement
giving the applicant control over the food and beverage at the premises,
or deed evidencing fee ownership of the premises.

(h) A financial statement adequate to show all persons who, directly
or indirectly have an economic interest in the establishment or acquisi-
tion of the business for which the license or permit application is
being made, to identify the sources of funds to be applied in such
establishment or acquisition, and to describe the terms and conditions
governing such establishment with copies of such financial documents as
the bureau may reasonably require.

(i) The fingerprints of the applicants. Fingerprints submitted by the
applicants shall be transmitted to the division of criminal justice
services and may be submitted to the federal bureau of investigation for
state and national criminal history record checks.

2. All license or permit applications shall be signed by the applicant
(if an individual), by a managing partner (if a limited liability corpo-
ration), by an officer (if a corporation), or by all partners (if a
partnership). Each person signing such application shall verify it or
affirm it as true under the penalties of perjury.

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

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

5. In giving any notice, or taking any action in reference to a licen-
see of a licensed premises, the bureau may rely upon the information
furnished in such application and in any supplemental statement
connected therewith, and such information may be presumed to be correct,
and shall be binding upon a licensee or licensed premises as if correct.
All information required to be furnished in such application or supple-
mental statements shall be deemed material in any prosecution for perju-
ry, any proceeding to revoke, cancel or suspend any license, and in the
bureau’s determination to approve or deny the license.

6. The bureau may in its discretion waive the submission of any cate-
gory of information described in this section for any category of
license or permit, provided that it shall not be, except for paragraphs
(a) and (d) of subdivision one of this section, permitted to waive the
requirement for submission of any such category of information solely
for an individual applicant or applicants.

§ 185. Notification to towns, cities or villages. 1. Not less than
thirty days before filing any of the following applications, an appli-
cant shall notify the town, city or village in which the premises is
located of such applicant’s intent to file such an application for a:

(a) marihuana producer license;
(b) marihuana processor license;
(c) marihuana microbusiness license;
(d) marihuana retailer license;
(e) marihuana retailer license for on-site consumption;
(f) marihuana delivery license;
(g) marihuana testing license; and/or
(h) any other type of licenses allowed by the bureau.
2. Such notification shall be made to the clerk of the village, town
or city, as the case may be, wherein the premises is located. For
purposes of this section:
   (a) notification need only be given to the clerk of a village when the
premises is located within the boundaries of the town, city or village;
   and
   (b) in the city of New York, the community board established pursuant
to section twenty-eight hundred of the New York city charter with juris-
diction over the area in which the premises is located shall be consid-
ered the appropriate public body to which notification shall be given.
3. For purposes of this section, "substantial corporate change" shall
mean:
   (a) for a corporation, a change of eighty percent or more of the offi-
cers and/or directors, or a transfer of eighty percent or more of stock
of such corporation, or an existing stockholder obtaining eighty percent
or more of the stock of such corporation;
   (b) for a limited liability company, a change of eighty percent or
more of the managing members of the company, or a transfer of eighty
percent or more of ownership interest in said company, or an existing
member obtaining a cumulative of eighty percent or more of the ownership
interest in said company; and
   (c) for a partnership, a change of eighty percent or more of the part-
ners, or a transfer of eighty percent or more of ownership interest in
said partnership, or an existing partner obtaining a cumulative of
eighty percent or more of the ownership interest in said company.
4. Such notification shall be made in such form as shall be prescribed
by the rules of the bureau.
5. A town, city or village may express an opinion for or against the
granting of such application. Any such opinion shall be deemed part of
the record upon which the bureau makes its determination to grant or
deny the application.
6. Such notification shall be made by: certified mail, return receipt
requested; overnight delivery service with proof of mailing; or personal
service upon the offices of the clerk or community board.
7. The bureau shall require such notification to be on a standardized
form that can be obtained on the internet or from the bureau and such
notification to include:
   (a) the trade name or "doing business as" name, if any, of the estab-
lishment;
   (b) the full name of the applicant;
   (c) the street address of the establishment, including the floor
location or room number, if applicable;
   (d) the mailing address of the establishment, if different than the
street address;
   (e) the name, address and telephone number of the attorney or repre-
sentative of the applicant, if any;
   (f) a statement indicating whether the application is for:
      (i) a new establishment;
      (ii) a transfer of an existing licensed business;
      (iii) a renewal of an existing license; or
      (iv) an alteration of an existing licensed premises;
(g) if the establishment is a transfer or previously licensed premises, the name of the old establishment and such establishment's license serial number;

(h) in the case of a renewal or alteration application, the license serial number of the applicant; and

(i) the type of license.

§ 186. Licenses, publication, general provisions. 1. The various types of licenses issued pursuant to this article shall be distinctive in color and design so as to be readily distinguishable from each other.

2. No license shall be transferable or assignable except that notwithstanding any other provision of law, the license of a sole proprietor converting to corporate form, where such proprietor becomes the sole stockholder and only officer and director of such new corporation, may be transferred to the subject corporation if all requirements of this chapter remain the same with respect to such license as transferred and, further, the licensee shall transmit to the bureau, within ten days of the transfer of license allowable under this subdivision, on a form prescribed by the bureau, notification of the transfer of such license.

3. No license shall be pledged or deposited as collateral security for any loan or upon any other condition; and any such pledge or deposit, and any contract providing therefor, shall be void.

4. Licenses issued under this article shall contain, in addition to any further information or material to be prescribed by the rules of the bureau, the following information: (a) name of person to whom license is issued; (b) kind of license and what kind of traffic in marihuana is thereby permitted; (c) description by street and number, or otherwise, of licensed premises; and (d) a statement in substance that such license shall not be deemed a property or vested right, and that it may be revoked at any time pursuant to law.

5. There shall be printed and furnished by the bureau to each licensee a statement of the causes for which licenses may be revoked. Such statement shall be prepared by the bureau and delivered to the licensee with his or her license or as soon thereafter as may be practicable. Any amendments thereto shall also be sent by the bureau to all licensees as soon as may be practicable after such amendments. Failure to send such statements or changes therein, or failure to receive the same, or any misstatement or error contained in such statements or amendments shall, however, not be an excuse or justification for any violation of law, or prevent, or remit, or decrease any penalty or forfeiture therefor.

6. Before commencing or doing any business for the time for which a license has been issued said license shall be enclosed in a suitable wood or metal frame having a clear glass space and a substantial wood or metal back so that the whole of said license may be seen therein, and shall be posted up and at all times displayed in a conspicuous place in the room where such business is carried on, so that all persons visiting such place may readily see the same. It shall be unlawful for any person holding a license to post such license or to permit such license to be posted upon premises other than the premises licensed, or upon premises where traffic in marihuana is being carried on by any person other than the licensee, or knowingly to deface, destroy or alter any such license in any respect. Whenever a license shall be lost or destroyed without fault on the part of the licensee or his or her agents or employees, a duplicate license in lieu thereof may be issued by the bureau in its discretion and in accordance with such rules and regulations and the payment of such fees, not exceeding five dollars, as it may prescribe.
§ 187. Revocation of licenses for cause. 1. Any license or permit issued pursuant to this article may be revoked, cancelled, suspended and/or subjected to the imposition of a civil penalty for cause, and must be revoked for the following causes:
   (a) Conviction of the licensee, permittee or his or her agent or employee for selling any illegal marihuana or marihuana products on the premises licensed.
   (b) For transferring, assigning or hypothecating a license or permit.

2. Notwithstanding the issuance of a license or permit by way of renewal, the bureau may revoke, cancel or suspend such license or permit and/or may impose a civil penalty against any holder of such license or permit, as prescribed by this section and section one hundred nineteen of this chapter, for causes or violations occurring during the license period immediately preceding the issuance of such license or permit, and may recover, as provided in section one hundred twelve of this chapter, the penal sum of the bond on file during said period.

3. As used in this section, the term "for cause" shall also include the existence of a sustained and continuing pattern of noise, disturbance, misconduct, or disorder on or about the licensed premises, related to the operation of the premises or the conduct of its patrons, which adversely affects the health, welfare or safety of the inhabitants of the area in which such licensed premises are located.

4. The existence of a sustained and continuing pattern of noise, disturbance, misconduct, or disorder on or about the licensed premises, related to the operation of the premises or the conduct of its patrons, will be presumed upon the sixth incident reported to the bureau by a law enforcement agency of noise or disturbance or misconduct or disorder on or about the licensed premises or related to the operation of the premises or the conduct of its patrons, in any sixty day period, absent clear and convincing evidence of either fraudulent intent on the part of any complainant or a factual error with respect to the content of any report concerning such complaint relied upon by the bureau.

§ 188. Procedure for revocation or cancellation. 1. Any license or permit issued by the bureau pursuant to this article may be revoked, cancelled or suspended and/or be subjected to the imposition of a monetary penalty in the manner prescribed by this section.

2. The bureau may on its own initiative or on complaint of any person institute proceedings to revoke, cancel or suspend any retail license and may impose a civil penalty against the licensee after a hearing at which the licensee shall be given an opportunity to be heard. Such hearing shall be held in such manner and upon such notice as may be prescribed by the rules of the bureau.

§ 189. Decisions of the bureau of marihuana policy and review by the courts. Provisions of sections one hundred twenty, one hundred twenty-one and one hundred twenty-four of this chapter shall apply to marihuana licenses issued under this article.

§ 190. Minority and women-owned businesses and incubator program. The bureau shall:

1. Implement a social equity plan and actively promote racial, ethnic, and gender diversity when issuing licenses for marihuana related activities, including by prioritizing consideration of applications by applicants who qualify as a minority and women-owned business. Such qualifications shall be determined by the bureau.

2. The bureau shall create a social equity plan to promote diversity in ownership and employment in the marihuana industry and ensure inclusion of: (a) minority-owned businesses; (b) women-owned businesses; and
(c) minority and women-owned businesses, as defined in subdivision five of this section.

3. The social equity plan shall consider additional criteria in its licensing determinations. Under the social equity plan, extra weight shall be given to applications that demonstrate that an applicant:
   (a) is a member of a community group that has been disproportionately impacted by the enforcement of marihuana prohibition;
   (b) has an income lower than eighty percent of the median income of the county in which the applicant resides; and
   (c) was convicted of a marihuana-related offense prior to the effective date of this bill.

4. The bureau shall also create an incubator program to provide direct support to social equity applicants after they have been granted licenses. The program shall provide direct support in the form of counseling services, education, small business coaching, and compliance assistance.

5. For the purposes of this section, the following definitions shall apply:
   (a) "minority-owned business" shall mean a business enterprise, including a sole proprietorship, partnership, limited liability company or corporation that is:
      (i) at least fifty-one percent owned by one or more minority group members;
      (ii) an enterprise in which such minority ownership is real, substantial and continuing;
      (iii) an enterprise in which such minority ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise;
      (iv) an enterprise authorized to do business in this state and independently owned and operated;
      (v) an enterprise that is a small business.
   (b) "minority group member" shall mean a United States citizen or permanent resident alien who is and can demonstrate membership in one of the following groups:
      (i) black persons having origins in any of the black african racial groups;
      (ii) hispanic persons of mexican, puerto rican, dominican, cuban, central or south american of either indian or hispanic origin, regardless of race;
      (iii) native american or alaskan native persons having origins in any of the original peoples of north america;
      (iv) asian and pacific islander persons having origins in any of the far east countries, south east asia, the indian subcontinent or the pacific islands.
   (c) "women-owned business" shall mean a business enterprise, including a sole proprietorship, partnership, limited liability company or corporation that is:
      (i) at least fifty-one percent owned by one or more United States citizens or permanent resident aliens who are women;
      (ii) an enterprise in which the ownership interest of such women is real, substantial and continuing;
      (iii) an enterprise in which such women ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise;
      (iv) an enterprise authorized to do business in this state and independently owned and operated;
(v) an enterprise that is a small business pursuant to subdivision twenty of this section.
(d) a firm owned by a minority group member who is also a woman may be defined as a minority-owned business, a women-owned business, or both.

6. The bureau shall actively promote applicants that foster racial, ethnic, and gender diversity in their workforce.
7. Licenses issued to minority and women-owned businesses or under the social equity plan shall not be transferable except to qualified minority and women-owned businesses or social equity applicants.
8. The bureau shall collect demographic data on owners and employees in the marihuana industry and shall annually publish such data.

§ 191. Disposition of moneys received for license fees. The bureau shall establish a scale of application, licensing, and renewal fees, based upon the cost of enforcing this article and the size of the marihuana business being licensed, as follows:
1. Each licensing authority shall charge each licensee a licensure and renewal fee, as applicable. The licensure and renewal fee shall be calculated to cover the costs of administering this article. The licensure fee may vary depending upon the varying costs associated with administering the various regulatory requirements of this article as they relate to the nature and scope of the different licensure activities, but shall not exceed the reasonable regulatory costs to the licensing authority.
2. The total fees assessed pursuant to this article shall be set at an amount that will fairly and proportionately generate sufficient total revenue to fully cover the total costs of administering this article.
3. All license fees shall be set on a scaled basis by the bureau, dependent on the size of the business.
4. The bureau shall deposit all fees collected in the New York state marihuana revenue fund established pursuant to section ninety-nine-ff of the state finance law.

§ 192. Persons forbidden to traffic in marihuana. 1. The following persons are forbidden to traffic in marihuana:
(a) A person under the age of twenty-one years.
(b) A person who is not a citizen of the United States or an alien lawfully admitted for permanent residence in the United States.
(c) A co-partnership or a corporation, unless each member of the partnership, or each of the principal officers and directors of the corporation, is a citizen of the United States or an alien lawfully admitted for permanent residence in the United States, not less than twenty-one years of age.
(d) (i) A person who shall have had any license issued under this chapter revoked for cause, until the expiration of two years from the date of such revocation.
   (ii) A person not licensed under the provisions of this chapter, who has been convicted of a violation of this chapter, until the expiration of two years from the date of such conviction.
(e) A corporation or co-partnership, if any officer and director or any partner, while not licensed under the provisions of this chapter, has been convicted of a violation of this chapter, or has had a license issued under this chapter revoked for cause, until the expiration of two years from the date of such conviction or revocation.
2. An applicant shall not be denied a license under this article based solely on a conviction for a violation of article two hundred twenty of section 240.36 of the penal law, prior to the date article two hundred twenty-one of the penal law took effect, or a conviction for a violation
of article two hundred twenty-one of the penal law after the effective
date of this article.
§ 193. Surrender of license; notice to police officials. Within three
days after a license shall have been revoked pursuant to this article,
otice thereof shall be given to the licensee by mailing such notice
addressed to him at the premises licensed. Notice shall also be mailed
to the owner of the premises licensed. The holder of such license shall
thereupon surrender same to the bureau. The mailing thereof by the
licensee to the bureau by registered mail or insured parcel post shall
be deemed sufficient compliance with this section. The bureau, imme-
diately upon giving notice of revocation, shall serve a written notice
thereof upon the commissioner of police, chief of police or chief police
officer of the city or village in which the premises for which the
revoked license was issued is situated, or upon the sheriff of the coun-
ty or a constable of the town in case the license was issued for prem-
ises situated in a town and not within any city or village. Such notice
shall include a statement of the number of such license, the name and
place of residence of the holder thereof, the location of the licensed
premises, and the date when such license was revoked. In case such
license be not forthwith surrendered, the bureau shall issue a written
demand for the surrender of such license and deliver said demand to the
sheriff of the county in which the licensed premises are located, or to
any representative of the bureau, and said sheriff or representative
shall immediately take possession of such license and return the same to
the bureau.
§ 194. Protections for the use of marihuana. Individuals and licensed
entities shall not be subject to arrest, prosecution, or penalty in any
manner, or denied any right or privilege, including but not limited to
civil liability or disciplinary action by a business or occupational or
professional licensing board or bureau, solely for conduct permitted
under this article. For the avoidance of doubt, the appellate division
of the supreme court of the state of New York, and any disciplinary or
character and fitness committees established by them are occupational
and professional licensing boards within the meaning of this section.
State or local law enforcement agencies shall not cooperate with or
provide assistance to the government of the United States or any agency
thereof in enforcing the Federal Controlled Substances Act, 21, U.S.C.
et seq., solely for actions consistent with this chapter, except as
pursuant to a valid court order.
§ 195. Discrimination protections for the use of marihuana or medical
marihuana. 1. No school or landlord may refuse to enroll or lease to and
may not otherwise penalize a person solely for conduct allowed under
sections 221.05 and 221.05-a of the penal law or title five-A of article
thirty-three of the public health law, except as exempted:
(a) If failing to do so would cause the school or landlord to lose a
monetary or licensing related benefit under federal law or regulations;
(b) If the institution has adopted a code of conduct prohibiting mari-
huana use on the basis of religious belief;
(c) If a property is registered with the New York Smoke-Free Housing
Registry, it is not required to permit the smoking of marihuana products
on its premises.
2. For the purposes of medical care, including organ transplants, a
registered qualifying patient's authorized use of medical marihuana must
be considered the equivalent of the use of any other medication under
the direction of a practitioner and does not constitute the use of an
illicit substance or otherwise disqualify a registered qualifying patient from medical care.

3. No person may be denied custody of or visitation or parenting time with a minor, and there is no presumption of neglect or child endangerment for conduct allowed under sections 221.05 and 221.05-a of the penal law, unless the person's behavior creates an unreasonable danger to the safety of the minor as established by clear and convincing evidence. For the purposes of this section, an "unreasonable danger" determination cannot be based solely on whether, when, and how often a person uses marijuana without separate evidence of harm.

§ 196. Employment protections. 1. Unless an employer establishes by a preponderance of the evidence that the lawful use of marijuana has impaired the employee's ability to perform the employee's job responsibilities, it shall be unlawful to take any adverse employment action against an employee based on either:

(a) conduct allowed under sections 221.05 and 221.05-a of the penal law; or

(b) the employee's positive drug test for marijuana components or metabolites.

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

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

4. As used in this section, "adverse employment action" means refusing to hire or employ, barring or discharging from employment, requiring a person to retire from employment, or discriminating against in compensation or in terms, conditions, or privileges of employment.

§ 197. Protections for persons under state supervision. A person currently under parole, probation or other state supervision, or released on bail awaiting trial may not be punished or otherwise penalized for conduct allowed under sections 221.05 and 221.05-a of the penal law.

§ 198. Professional and medical record keeping. Any professional providing services in connection with a licensed or potentially licensed business under this chapter, or in connection with other conduct permitted under this chapter, and any medical professional providing medical care to a patient, may agree with their client or patient to maintain no record, or any reduced level of record keeping that professional and client or patient may agree. In case of such agreement, the professional's only obligation shall be to keep such records as agreed, and to keep a record of the agreement. Such reduced record keeping is conduct permitted under this chapter, and shall attract the protections of section one hundred ninety-four of this article.

§ 32. The state finance law is amended by adding three new sections 99-ff, 99-gg and 99-hh to read as follows:

§ 99-ff. New York state marihuana revenue fund. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of taxation and finance a special fund to be known as the "New York state marihuana revenue fund".
2. Such fund shall consist of all revenues received by the department of taxation and finance, pursuant to the provisions of article eighteen-A of the tax law and all other moneys appropriated thereto from any other fund or source pursuant to law. Nothing contained in this section shall prevent the state from receiving grants, gifts or bequests for the purposes of the fund as defined in this section and depositing them into the fund according to law.

3. The moneys in such fund shall be expended for the following purposes:
   (a) Reasonable costs incurred by the department of taxation and finance for administering and collecting the taxes imposed by this part; provided, however, such costs shall not exceed four percent of tax revenues received.
   (b) Reasonable costs incurred by the bureau of marihuana policy for implementing, administering, and enforcing the marihuana regulation and taxation act to the extent those costs are not reimbursed pursuant to sections one hundred eighty-nine and one hundred ninety of article eleven of the alcoholic beverage control law. This paragraph shall remain operative through the two thousand twenty-four -- two thousand twenty-five fiscal year.
   (c) Beginning with the two thousand twenty-one -- two thousand twenty-two fiscal year and continuing through the two thousand twenty-three -- two thousand twenty-four fiscal year, the commissioner of taxation and finance shall annually disburse one million dollars to the marihuana microbusiness and marihuana license revolving loan fund established pursuant to section ninety-nine-ii of the state finance law.
   (d) Beginning with the two thousand twenty-one -- two thousand twenty-two fiscal year and continuing through the two thousand thirty -- two thousand thirty-one fiscal year, the commissioner of taxation and finance shall annually disburse the following sums for the purposes of data collection and reporting:
      (1) Seven hundred fifty thousand dollars to the bureau of marihuana policy to track and report data related to the licensing of marihuana businesses, including the geographic location, structure, and function of licensed marihuana businesses, and demographic data, including race, ethnicity, and gender, of license holders. The bureau of marihuana policy shall publish reports on its findings annually and shall make the reports available to the public.
      (2) Seven hundred fifty thousand dollars to the department of criminal justice services to track and report data related to any infractions, violations, or criminal convictions that occur under any of the remaining marihuana statutes. The department of criminal justice services shall publish reports on its findings annually and shall make the reports available to the public.
      (3) One million dollars to the state university of New York to research and evaluate the implementation and effect of the marihuana regulation and taxation act. No more than four percent of these monies may be used for expenses related to administrative costs of conducting such research, and to, if appropriate, make recommendations to the legislature and governor regarding possible amendments to the marihuana regulation and taxation act. The recipients of these funds shall publish reports on their findings at a minimum of every two years and shall make the reports available to the public. The research funded pursuant to this subdivision shall include but not necessarily be limited to:
(A) the impacts on public health, including health costs associated with marihuana use, as well as whether marihuana use is associated with an increase or decrease in use of alcohol or other drugs;
(B) the impact of treatment for cannabis use disorder and the effectiveness of different treatment programs;
(C) public safety issues related to marihuana use, including studying the effectiveness of the packaging and labeling requirements and advertising and marketing restrictions contained in the act at preventing underage access to and use of marihuana and marihuana products, and studying the health-related effects among users of varying potency levels of marihuana and marihuana products;
(D) marihuana use rates, maladaptive use rates for adults and youth, and diagnosis rates of marihuana-related substance use disorders;
(E) marihuana market prices, illicit market prices, tax structures and rates, including an evaluation of how to best tax marihuana based on potency, and the structure and function of licensed marihuana businesses;
(F) whether additional protections are needed to prevent unlawful monopolies or anti-competitive behavior from occurring in the nonmedical marihuana industry and, if so, recommendations as to the most effective measures for preventing such behavior;
(G) the economic impacts in the private and public sectors, including but not necessarily limited to, job creation, workplace safety, revenues, taxes generated for state and local budgets, and criminal justice impacts, including, but not necessarily limited to, impacts on law enforcement and public resources, short and long term consequences of involvement in the criminal justice system, and state and local government administrative costs and revenue;
(H) whether the regulatory agencies tasked with implementing and enforcing the marihuana regulation and taxation act are doing so consistent with the purposes of the act, and whether different agencies might do so more effectively; and
(I) any environmental issues related to marihuana production and the criminal prohibition of marihuana production.

4. After the dispersal of moneys pursuant to subdivision three of this section, the remaining moneys in the fund deposited during the prior fiscal year shall be disbursed into the state lottery fund and two additional sub-funds created within the marihuana revenue fund known as the drug treatment and public education fund and the community grants reinvestment fund, as follows:
   (a) twenty-five percent shall be deposited in the state lottery fund established by section ninety-two-c of this article; provided that such moneys shall be distributed to the department of education in accordance with subdivisions two and four of section ninety-two-c of this article and shall not be utilized for the purposes of subdivision three of such section. Monies allocated by this article may enhance, but shall not supplant, existing dedicated funds to the department of education;
   (b) twenty-five percent shall be deposited in the drug treatment and public education fund established by section ninety-nine-gg of this article; and
   (c) fifty percent shall be deposited in the community grants reinvestment fund established by section ninety-nine-hh of this article.

5. On or before the first day of February each year, the commissioner of taxation and finance shall provide a written report to the temporary president of the senate, speaker of the assembly, chair of the senate finance committee, chair of the assembly ways and means committee, the
state comptroller and the public. Such report shall detail how the
moneys of the fund were utilized during the preceding calendar year, and
shall include:
(i) the amount of money dispersed from the fund and the award process
used for such disbursements;
(ii) recipients of awards from the fund;
(iii) the amount awarded to each recipient of an award from the fund;
(iv) the purposes for which such awards were granted; and
(v) a summary financial plan for such monies which shall include esti-
mates of all receipts and all disbursements for the current and succeed-
ing fiscal years, along with the actual results from the prior fiscal
year.
6. Moneys shall be payable directly from the marihuana revenue fund to
the department.
There is hereby established in the joint custody of the state comp-
troller and the commissioner of taxation and finance a special fund to
be known as the "New York state drug treatment public education fund".
2. Such fund shall consist of revenues received pursuant to the
provisions of section ninety-nine-ff of this article and all other
moneys appropriated thereto from any other fund or source pursuant to
law. Nothing contained in this section shall prevent the state from
receiving grants, gifts or bequests for the purposes of the fund as
defined in this section and depositing them into the fund according to
law.
3. The moneys in such fund shall be expended to the commissioner of
the office of alcoholism and substance abuse and disbursed in consulta-
tion with the commissioner of health for the following purposes:
(a) To develop and implement a youth-focused public health education
and prevention campaign, including school-based prevention, early inter-
vention, and health care services and programs to reduce the risk of
marihuana and other substance use by school-aged children;
(b) To develop and implement a statewide public health campaign
focused on the health effects of marihuana and legal use, including an
ongoing education and prevention campaign that educates the general
public, including parents, consumers and retailers, on the legal use of
marihuana, the importance of preventing youth access, the importance of
safe storage and preventing secondhand marihuana smoke exposure, infor-
mation for pregnant or breastfeeding women, and the overconsumption of
edibles;
(c) To provide substance use disorder treatment programs for youth and
adults, with an emphasis on programs that are culturally and gender
competent, trauma-informed, evidence-based and provide a continuum of
care that includes screening and assessment (substance use disorder as
well as mental health), early intervention, active treatment, family
involvement, case management, overdose prevention, prevention of commu-
icable diseases related to substance use, relapse management for
substance use and other co-occurring behavioral health disorders, voca-
tional services, literacy services, parenting classes, family therapy
and counseling services, medication-assisted treatments, psychiatric
medication and psychotherapy; and
(d) To evaluate the programs being funded to determine their effec-
tiveness.
4. On or before the first day of February each year, the commissioner
of the office of alcoholism and substance abuse services shall provide a
written report to the temporary president of the senate, speaker of the
assembly, chair of the senate finance committee, chair of the assembly
ways and means committee, chair of the senate committee on alcoholism
and drug abuse, chair of the assembly alcoholism and drug abuse commit-
tee, the state comptroller and the public. Such report shall detail how
the moneys of the fund were utilized during the preceding calendar year,
and shall include:
   (a) the amount of money dispersed from the fund and the award process
used for such disbursements;
   (b) recipients of awards from the fund;
   (c) the amount awarded to each recipient of an award from the fund;
   (d) the purposes for which such awards were granted; and
   (e) a summary financial plan for such monies which shall include esti-
mates of all receipts and all disbursements for the current and succeed-
ing fiscal years, along with the actual results from the prior fiscal
year.

5. Moneys shall be payable from the fund on the audit and warrant of
the comptroller on vouchers approved and certified by the commissioner
of education.

§ 99-hh. New York state community grants reinvestment fund. 1. There
is hereby established in the joint custody of the state comptroller and
the commissioner of taxation and finance a special fund to be known as
the "New York state community grants reinvestment fund".

2. Such fund shall consist of all revenues received pursuant to the
provisions of section ninety-nine-ff of this article and all other
moneys appropriated thereto from any other fund or source pursuant to
law. Nothing contained in this section shall prevent the state from
receiving grants, gifts or bequests for the purposes of the fund as
defined in this section and depositing them into the fund according to
law.

3. The fund shall be governed and administered by an executive steer-
ing committee of thirteen members established by the office of children
and family services and including additional representatives from the
labor department, and the health department appointed by the governor
and a representative of the education department appointed by the board
of regents. In addition, the majority and minority leaders of the senate
and assembly shall each appoint one member to the steering committee.
the comptroller shall appoint three additional members, and the attorney
general shall appoint two additional members from relevant local govern-
ment entities and community-based organizations. Every effort should be
made to ensure a balanced and diverse committee, which shall have exper-
tise in job placement, homelessness and housing, behavioral health and
substance use disorder treatment, and effective rehabilitative treatment
for adults and juveniles, and shall include representatives of organiza-
tions serving communities impacted by past federal and state drug poli-
cies.

4. The moneys in such fund shall be expended by the executive steering
committee to qualified community-based nonprofit organizations for the
purpose of reinvesting in communities disproportionately affected by
past federal and state drug policies. The grants from this program shall
be used to support job placement, job skills services, adult education,
mental health treatment, substance use disorder treatment, system navi-
gation services, legal services to address barriers to reentry, and
linkages to medical care, women's health services and other community-
based supportive services.

5. On or before the first day of February each year, the commissioner
of the office of children and family services shall provide a written
report to the temporary president of the senate, speaker of the assembly, chair of the senate finance committee, chair of the assembly ways and means committee, chair of the senate committee on children and families, chair of the assembly children and families committee, chair of the senate committee on labor, chair of the assembly labor committee, chair of the senate committee on health, chair of the assembly health committee, chair of the senate committee on education, chair of the assembly education committee, the state comptroller and the public. Such report shall detail how the monies of the fund were utilized during the preceding calendar year, and shall include:

(a) the amount of money dispersed from the fund and the award process used for such disbursements;
(b) recipients of awards from the fund;
(c) the amount awarded to each recipient of an award from the fund;
(d) the purposes for which such awards were granted; and
(e) a summary financial plan for such monies which shall include estimates of all receipts and all disbursements for the current and succeeding fiscal years, along with the actual results from the prior fiscal year.

6. Moneys shall be payable from the fund on the audit and warrant of the comptroller on vouchers approved and certified by the commissioner of education.

§ 33. The tax law is amended by adding a new article 18-A to read as follows:

ARTICLE 18-A
PROVISIONS RELATING TO MARIHUANA

Section 446. Definitions.

447. Taxes imposed.
447-a. Local taxes on marihuana by a city or town.
447-b. Ordinary and necessary expenses deductible from net income.
448. Surety bond.

§ 446. Definitions. As used in this article:
1. "Commercial market activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, delivery or sale of marihuana and marihuana products, as provided for in article eleven of the alcoholic beverage control law, but shall not include medical marihuana activities provided for in title five-A of article thirty-three of the public health law.
2. "Concentrated cannabis" means (a) the separated resin, whether crude or purified, obtained from a plant of the genus Cannabis; or (b) a material, preparation, mixture, compound or other substance which contains more than three percent by weight of delta-9 tetrahydrocannabinol, or its isomer, delta-8 dibenzopyran numbering system, or delta-1 tetrahydrocannabinol or its isomer, delta 1 (6) monoterpenoid numbering system.
3. "Marihuana" means all parts of the 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. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. It does
not include all parts of the plant Cannabis sativa L., whether growing
or not, having no more than three-tenths of one percent tetrahydrocannabinol (THC).

4. "Marihuana consumer" means a person twenty-one years of age or
older who purchased marihuana or marihuana products for personal use by
persons twenty-one years of age or older, but not for resale to others.
5. "Marihuana flowers" shall mean the dried flowers of the marihuana
plant.
6. "Marihuana leaves" shall mean all parts of the marihuana plant
other than marihuana flowers that are sold or consumed.
7. "Marihuana processor" means a person licensed by the bureau of
marihuana policy to purchase marihuana and concentrated cannabis from
marihuana producers, to process marihuana, concentrated cannabis, and
marihuana-infused products, package and label marihuana, concentrated
cannabis and marihuana-infused products for sale in retail outlets, and
sell marihuana, concentrated cannabis and marihuana-infused products at
wholesale to marihuana retailers.
8. "Marihuana producer" means a person licensed by the bureau of marihuana policy to produce, process, and sell marihuana and concentrated cannabis at wholesale to marihuana processors, marihuana retailers, or other marihuana producers, but not to consumers.
10. "Marihuana-infused products" means products that contain marihuana
or concentrated cannabis and are intended for human use or consumption,
such as, but not limited to, edible products, ointments, and tinctures.
11. "Immature marihuana plant" means a marihuana plant with no observable flowers or buds.
12. "Marihuana retailer" means a person licensed by the bureau of marihuana policy to purchase marihuana, concentrated cannabis, and marihuana-infused products from marihuana producers and marihuana processors and sell marihuana, marihuana-infused products, and concentrated cannabis in a retail outlet.
13. "Marihuana retailer for on-premises consumption" means a person licensed by the bureau of marihuana policy to purchase marihuana, concentrated cannabis, and marihuana-infused products from marihuana producers, marihuana retailers and marihuana processors and sell marihuana products for a customer to consume while the customer is within the facility.

§ 447. Taxes imposed. 1. (a) There is hereby levied and imposed a
cultivation tax upon all harvested marihuana that enters the commercial
market upon all persons required to be licensed to cultivate marihuana
pursuant to article eleven of the alcoholic beverage control law. The
tax shall be due after the marihuana is harvested.
(i) Marihuana flowers shall be taxed at a rate of sixty-two cents per
dry-weight gram.
(ii) Marihuana leaves shall be taxed at a rate of ten cents per dry-
weight gram.
(b) There is hereby levied and imposed a nursery tax upon all immature
plants that enter the commercial market upon all persons required to be
licensed to produce immature plants pursuant to article eleven of the
alcoholic beverage control law. Immature plants shall be taxed at a rate
of one dollar and thirty-five cents each.
(c) There is hereby levied and imposed a tax upon marihuana sold or
otherwise transferred by a marihuana producer to a marihuana processor.
or marihuana retailer at a rate equivalent to the rate established under article twenty-eight of this chapter.

(d) A marihuana excise tax is hereby levied and imposed upon customers of nonmedical marihuana or nonmedical marihuana products sold in this state at the rate fifteen percent of any sale by a retailer, microbusiness, or other person required to be licensed pursuant to article eleven of the alcoholic beverage control law to sell marihuana and marihuana products directly to a customer.

(e) The department shall establish procedures for the collection of all taxes levied.

(f) No tax established by this section shall be levied upon medical marihuana intended for sale to a certified patient or designated caregiver pursuant to title five-A of article thirty-three of the public health law.

2. For reporting periods beginning later than one year following the effective date of this article, the rates of tax under subdivision one of this section shall be adjusted for each biennium according to the cost-of-living adjustment for the calendar year.

3. The department shall regularly review the rates of the tax under subdivision one of this section and make recommendations to the legislature regarding appropriate adjustments to the rates that will further the purposes of:

(a) maximizing net revenue;

(b) minimizing the illegal marihuana industry; and

(c) discouraging the use of marihuana by minors under twenty-one years of age.

§ 447-a. Local taxes on marihuana by a city or town. Any city or town in this state, acting through its local legislative body, is hereby authorized and empowered to adopt and amend local laws imposing in any such city or town a sales tax on marihuana retailers at a rate of no more than two percent of the sale price of marihuana products sold to a marihuana consumer. Any taxes imposed pursuant to the authority of this section shall be administered and collected by the department in the same manner as the taxes imposed under section four hundred forty-nine of this article. The commissioner is hereby empowered to make such provisions as it deems necessary for the joint administration and collection of the state and local taxes imposed and authorized by this article.

§ 447-b. Ordinary and necessary expenses deductible from net income. Notwithstanding any federal tax law to the contrary, in computing net income for businesses exempted from criminal penalties under articles two hundred twenty and two hundred twenty-one of the penal law and article eleven of the alcoholic beverage control law, there shall be allowed as a deduction from state taxes all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including but not limited to, reasonable allowance for salaries or other compensation for personal services actually rendered.

§ 448. Surety bond. Marihuana retailer applicants are required to submit a surety bond with the department equal to two months of the cultivation facility's anticipated retail marihuana excise tax. The surety bond must be issued by a company authorized to do business in the state. Proof of surety bond is required for approval of applicant's retail license.

§ 449. Collection of tax. This tax shall be collected by the commissioner who shall establish a procedure for the collection of this tax.
§ 34. Paragraphs (i), (j) and (k) of subdivision 3 of section 160.50 of the criminal procedure law, paragraphs (i) and (j) as added by chapter 905 of the laws of 1977 and paragraph (k) as added by chapter 835 of the laws of 1977 and as relettered by chapter 192 of the laws of 1980, are amended to read as follows:

(i) prior to the filing of an accusatory instrument in a local criminal court against such person, the prosecutor elects not to prosecute such person. In such event, the prosecutor shall serve a certification of such disposition upon the division of criminal justice services and upon the appropriate police department or law enforcement agency which, upon receipt thereof, shall comply with the provisions of paragraphs (a), (b), (c) and (d) of subdivision one of this section in the same manner as is required thereunder with respect to an order of a court entered pursuant to said subdivision one[\textsuperscript{1}]; or

(j) following the arrest of such person, the arresting police agency, prior to the filing of an accusatory instrument in a local criminal court but subsequent to the forwarding of a copy of the fingerprints of such person to the division of criminal justice services, elects not to proceed further. In such event, the head of the arresting police agency shall serve a certification of such disposition upon the division of criminal justice services which, upon receipt thereof, shall comply with the provisions of paragraphs (a), (b), (c) and (d) of subdivision one of this section in the same manner as is required thereunder with respect to an order of a court entered pursuant to said subdivision one[\textsuperscript{2}]; or

(k) (i) The accusatory instrument alleged a violation of article two hundred twenty or section 240.36 of the penal law, prior to the taking effect of article two hundred twenty-one of the penal law, or by the conviction of such person of article two hundred twenty-one section 221.45 of the penal law on or after the effective date of the chapter of the laws of two thousand nineteen that amended this subdivision or a violation of section 221.05, 221.10, 221.15, 221.20, 221.25, 221.30, 221.35 or 221.40 of the penal law prior to the effective date of the chapter of the laws of two thousand nineteen that amended this subdivision; and (ii) the sole controlled substance involved is marijuana; (iii) the conviction was only for a violation or violations; and (iv) at least three years have passed since the offense occurred.

No defendant shall be required or permitted to waive eligibility for sealing pursuant to this paragraph as part of a plea of guilty, sentence or any agreement related to a conviction for a violation of section 221.45 of the penal law. Any such waiver shall be deemed void and wholly unenforceable.

§ 35. Subdivision 4 of section 160.50 of the criminal procedure law, as amended by chapter 905 of the laws of 1977 and renumbered by chapter 142 of the laws of 1991, is amended to read as follows:

4. A person in whose favor a criminal action or proceeding was terminated, as defined in paragraphs (a) through (h), (k) or (l) of subdivision two of this section, prior to the effective date of this section, may upon motion apply to the court in which such termination occurred, upon not less than twenty days notice to the district attorney, for an order granting to such person the relief set forth in subdivision one of this section, and such order shall be granted unless the district attorney demonstrates to the satisfaction of the court that the interests of justice require otherwise. A person in whose favor a criminal action or proceeding was terminated, as defined in paragraph (i) or (j) of subdivision two of this section, prior to the effective date of this section, may apply to the appropriate prosecutor
or police agency for a certification as described in said paragraph (i) or (j) granting to such person the relief set forth therein, and such certification shall be granted by such prosecutor or police agency. The chapter of the laws of two thousand nineteen that amended this subdivision, and whose records have not been sealed pursuant to subdivision one of this section, may apply to have the records of such criminal action or proceeding sealed at the clerk's office for the court in which the criminal action or proceeding was terminated. Application may be made by the person or his or her attorney. Upon a determination by the clerk that the action or proceeding was terminated in the person's favor as defined in subdivision three of this section, the clerk of the court shall immediately notify the commissioner of the division of criminal justice services and the heads of all appropriate police departments and other law enforcement agencies that the action has been terminated in favor of the accused and that the record of such action or proceedings shall be sealed. Upon receipt of notification of such termination and sealing, all records relating to the criminal action shall be sealed, as required under paragraph (c) of subdivision one of this section, and all photographs, photographic plates or proofs, palmprints and fingerprints shall be destroyed or returned as specified in paragraphs (a) and (b) of subdivision one of this section. This paragraph shall not apply to cases in which the court declined to seal for reasons stated on the record, pursuant to subdivision one of this section. When an applicant under this subdivision presents to the court clerk fingerprint records from New York state division of criminal justice services or a court disposition which indicate that a criminal action or proceeding against the applicant was dismissed but the supporting court records cannot be located, have been destroyed, or do not indicate whether the dismissal was a "termination in favor of" the accused as that term is defined in subdivision three of this section, the clerk of the court wherein such criminal action or proceeding was terminated shall proceed as if the matter had been so terminated.

§ 36. Subdivisions 1 and 2 of section 170.56 of the criminal procedure law, subdivision 1 as amended by chapter 360 of the laws of 1977 and subdivision 2 as added by chapter 1042 of the laws of 1971, are amended to read as follows:

1. Upon or after arraignment in a local criminal court upon an information, a prosecutor's information or a misdemeanor complaint, where the sole remaining count or counts charge a violation or violations of section [221.05, 221.10, 221.15, 221.35 or 221.40] 221.45 of the penal law, or upon summons for a nuisance offense under section sixty-five-c of the alcoholic beverage control law and before the entry of a plea of guilty thereto or commencement of a trial thereof, the court, upon motion of a defendant, may order that all proceedings be suspended and the action adjourned in contemplation of dismissal, or upon a finding that adjournment would not be necessary or appropriate and the setting forth in the record of the reasons for such findings, may dismiss in furtherance of justice the accusatory instrument; provided, however, that the court may not order such adjournment in contemplation of dismissal or dismiss the accusatory instrument if: (a) the defendant has previously been granted such adjournment in contemplation of dismissal, or (b) the defendant has previously been granted a dismissal under this section, or (c) the defendant has previously been convicted of any offense involving controlled substances, or (d) the defendant has previously been convicted of a crime and the district attorney does not consent or (e) the defendant has previously been adjudicated a youthful
offender on the basis of any act or acts involving controlled substances and the district attorney does not consent. **Notwithstanding the limitations set forth in this subdivision, the court may order that all proceedings be suspended and the action adjourned in contemplation of dismissal based upon a finding of exceptional circumstances. For purposes of this subdivision, exceptional circumstances exist when, regardless of the ultimate disposition of the case, the entry of a plea of guilt is likely to result in severe collateral consequences, including, but not limited to, those that could leave a noncitizen inadmissible or removable from the United States.**

2. Upon ordering the action adjourned in contemplation of dismissal, the court must set and specify such conditions for the adjournment as may be appropriate, and such conditions may include placing the defendant under the supervision of any public or private agency. At any time prior to dismissal the court may modify the conditions or extend or reduce the term of the adjournment, except that the total period of adjournment shall not exceed **twelve** **six** months. Upon violation of any condition fixed by the court, the court may revoke its order and restore the case to the calendar and the prosecution thereupon must proceed. If the case is not so restored to the calendar during the period fixed by the court, the accusatory instrument is, at the expiration of such period, deemed to have been dismissed in the furtherance of justice.

§ 37. Section 210.46 of the criminal procedure law, as amended by chapter 360 of the laws of 1977, is amended to read as follows:

§ 210.46 Adjournment in contemplation of dismissal in marihuana cases in a superior court.

Upon or after arraignment in a superior court upon an indictment where the sole remaining count or counts charge a violation or violations of section 221.05, 221.10, 221.15, 221.35 or 221.40 of the penal law and before the entry of a plea of guilty thereto or commencement of a trial thereof, the court, upon motion of a defendant, may order that all proceedings be suspended and the action adjourned in contemplation of dismissal or may dismiss the indictment in furtherance of justice, in accordance with the provisions of section 170.56 of this chapter.

§ 38. Paragraph (h) and subparagraph (ii) of paragraph (i) of subdivision 1 of section 440.10 of the criminal procedure law, paragraph (h) as amended by chapter 332 of the laws of 2010 and subparagraph (ii) of paragraph (i) as amended by chapter 368 of the laws of 2015, are amended and a new paragraph (j) is added to read as follows:

(h) The judgment was obtained in violation of a right of the defendant under the constitution of this state or of the United States; [or]

(ii) official documentation of the defendant's status as a victim of trafficking, compelling prostitution or trafficking in persons at the time of the offense from a federal, state or local government agency shall create a presumption that the defendant's participation in the offense was a result of having been a victim of sex trafficking, compelling prostitution or trafficking in persons, but shall not be required for granting a motion under this paragraph[\*]; or

(j) The judgment occurred prior to the effective date of this paragraph and is a conviction for:

(i) an offense as defined by section 221.05 or 221.10 of the penal law (criminal possession of marihuana in the fifth degree), as in effect prior to the effective date of this paragraph, provided that the accusatory instrument that underlies the judgment does not include an allegation that the defendant possessed more than twenty-five grams of marihuana; or
(ii) an offense as defined by former section 221.35 of the penal law
(criminal sale of marihuana in the fifth degree).

§ 39. Subdivision 6 of section 440.10 of the criminal procedure law,
as added by chapter 332 of the laws of 2010, is amended to read as
follows:
6. If the court grants a motion under paragraph (i) or paragraph (j)
of subdivision one of this section, it must vacate the judgment and
dismiss the accusatory instrument, and may take such additional action
as is appropriate in the circumstances.

§ 40. The criminal procedure law is amended by adding a new section
440.46-a to read as follows:
§ 440.46-a Motion for resentence; persons convicted of certain marihuana
offenses.
1. A person currently serving a sentence for a conviction, whether by
trial or by open or negotiated plea, who would not have been guilty of
an offense or who would have been guilty of a lesser offense on and
after the effective date of this section had this section been in effect
at the time of his or her conviction may petition for a recall or
dismissal of sentence before the trial court that entered the judgment
of conviction in his or her case to request resentencing or dismissal in
accordance with article two hundred twenty-one of the penal law.
2. Upon receiving a motion under subdivision one of this section the
court shall presume the movant satisfies the criteria in subdivision one
of this section unless the party opposing the motion proves by clear and
convincing evidence that the movant does not satisfy the criteria. If
the movant satisfies the criteria in subdivision one of this section,
the court shall grant the motion to vacate the sentence or to resentence
because it is legally invalid. In exercising its discretion, the court
may consider, but shall not be limited to, the following:
(a) The movant's criminal conviction history, including the type of
crimes committed, the extent of injury to victims, the length of prior
prison commitments, and the remoteness of the crimes.
(b) The movant's disciplinary record and record of rehabilitation
while incarcerated.
3. A person who is serving a sentence and resentenced pursuant to
subdivision two of this section shall be given credit for any time
already served and shall be subject to supervision for one year follow-
ing completion of his or her time in custody or shall be subject to
whatever supervision time he or she would have otherwise been subject to
after release, whichever is shorter, unless the court, in its
discretion, as part of its resentencing order, releases the person from
supervision. Such person is subject to parole supervision under section
60.04 of the penal law or post-release supervision under section 70.45
of the penal law by the designated agency and the jurisdiction of the
court in the county in which the offender is released or resides, or in
which an alleged violation of supervision has occurred, for the purpose
of hearing petitions to revoke supervision and impose a term of custody.
4. Under no circumstances may resentencing under this section result
in the imposition of a term longer than the original sentence, or the
reinstatement of charges dismissed pursuant to a negotiated plea agree-
ment.
5. A person who has completed his or her sentence for a conviction
under the former article two hundred twenty-one of the penal law, wheth-
er by trial or open or negotiated plea, who would not have been guilty
of an offense or who would have been guilty of a lesser offense on and
after the effective date of this section had this section been in effect
at the time of his or her conviction, may file an application before the trial court that entered the judgment of conviction in his or her case to have the conviction, in accordance with article two hundred twenty-one of the penal law:

(a) Dismissed because the prior conviction is now legally invalid and sealed in accordance with section 160.50 of this chapter;
(b) Redesignated (or "reclassified") as a violation and sealed in accordance with section 160.50 of this chapter; or
(c) Redesignated (reclassified) as a misdemeanor.

6. The court shall presume the petitioner satisfies the criteria in subdivision five unless the party opposing the application proves by clear and convincing evidence that the petitioner does not satisfy the criteria in subdivision five. Once the applicant satisfies the criteria in subdivision five, the court shall redesignate (or "reclassify") the conviction as a misdemeanor, redesignate (reclassify) the conviction as a violation and seal the conviction, or dismiss and seal the conviction as legally invalid under this section had this section been in effect at the time of his or her conviction.

7. Unless requested by the applicant, no hearing is necessary to grant or deny an application filed under subdivision five of this section.

8. Any felony conviction that is vacated and resentenced under subdivision two or designated as a misdemeanor or violation under subdivision six of this section shall be considered a misdemeanor or violation for all purposes. Any misdemeanor conviction that is vacated and resentenced under subdivision two of this section or designated as a violation under subdivision six of this section shall be considered a violation for all purposes.

9. If the court that originally sentenced the movant is not available, the presiding judge shall designate another judge to rule on the petition or application.

10. Nothing in this section is intended to diminish or abrogate any rights or remedies otherwise available to the petitioner or applicant.

11. Nothing in this and related sections is intended to diminish or abrogate the finality of judgments in any case not falling within the purview of this section.

12. The provisions of this section shall apply equally to juvenile delinquency adjudications and dispositions under section five hundred one-e of the executive law if the juvenile would not have been guilty of an offense or would have been guilty of a lesser offense under this section had this section been in effect at the time of his or her conviction.

13. The office of court administration shall promulgate and make available all necessary forms to enable the filing of the petitions and applications provided in this section no later than sixty days following the effective date of this section.

§ 41. Paragraph (c) of subdivision 8 of section 700.05 of the criminal procedure law, as amended by chapter 37 of the laws of 2014, is amended to read as follows:

(c) Criminal possession of a controlled substance in the seventh degree as defined in section 220.03 of the penal law, criminal possession of a controlled substance in the fifth degree as defined in section 220.06 of the penal law, criminal possession of a controlled substance in the fourth degree as defined in section 220.09 of the penal law, criminal possession of a controlled substance in the third degree as defined in section 220.16 of the penal law, criminal possession of a controlled substance in the second degree as defined in section 220.18
of the penal law, criminal possession of a controlled substance in the first degree as defined in section 220.19 of the penal law, criminal sale of a controlled substance in the fifth degree as defined in section 220.31 of the penal law, criminal sale of a controlled substance in the fourth degree as defined in section 220.34 of the penal law, criminal sale of a controlled substance in the third degree as defined in section 220.39 of the penal law, criminal sale of a controlled substance in the second degree as defined in section 220.41 of the penal law, criminal sale of a controlled substance in the first degree as defined in section 220.43 of the penal law, criminally possessing a hypodermic instrument as defined in section 220.45 of the penal law, criminal sale of a prescription for a controlled substance or a controlled substance by a practitioner or pharmacist as defined in section 220.65 of the penal law, criminal possession of methamphetamine manufacturing material in the second degree as defined in section 220.70 of the penal law, criminal possession of methamphetamine manufacturing material in the first degree as defined in section 220.71 of the penal law, criminal possession of precursors of methamphetamine as defined in section 220.72 of the penal law, unlawful manufacture of methamphetamine in the third degree as defined in section 220.73 of the penal law, unlawful manufacture of methamphetamine in the second degree as defined in section 220.74 of the penal law, unlawful manufacture of methamphetamine in the first degree as defined in section 220.75 of the penal law, unlawful disposal of methamphetamine laboratory material as defined in section 220.76 of the penal law, operating as a major trafficker as defined in section 220.77 of the penal law, criminal possession of marihuana in the first degree as defined in section 221.30 of the penal law, criminal sale of marihuana in the first degree as defined in section 221.55 of the penal law, promoting gambling in the second degree as defined in section 225.05 of the penal law, promoting gambling in the first degree as defined in section 225.10 of the penal law, possession of gambling records in the second degree as defined in section 225.15 of the penal law, possession of gambling records in the first degree as defined in section 225.20 of the penal law, and possession of a gambling device as defined in section 225.30 of the penal law; § 42. Paragraphs (b) and (c) of subdivision 4-b and subdivisions 6 and 9 of section 1310 of the civil practice law and rules, paragraphs (b) and (c) of subdivision 4-b as added by chapter 655 of the laws of 1990 and subdivisions 6 and 9 as added by chapter 669 of the laws of 1984, are amended to read as follows:

(b) on three or more occasions, engaging in conduct constituting a violation of any of the felonies defined in section 220.09, 220.16, 220.18, 220.21, 220.31, 220.34, 220.39, 220.41[7] or 220.43 [c 221.55] of the penal law, which violations do not constitute a single criminal offense as defined in subdivision one of section 40.10 of the criminal procedure law, or a single criminal transaction, as defined in paragraph (a) of subdivision two of section 40.10 of the criminal procedure law, and at least one of which resulted in a conviction of such offense, or where the accusatory instrument charges one or more of such felonies, conviction upon a plea of guilty to a felony for which such plea is otherwise authorized by law; or

(c) a conviction of a person for a violation of section 220.09, 220.16, 220.34 or 220.39 of the penal law, [or a conviction of a criminal defendant for a violation of section 221.30 of the penal law,] or where the accusatory instrument charges any such felony, conviction upon a plea of guilty to a felony for which the plea is otherwise authorized
by law, together with evidence which: (i) provides substantial indicia
that the defendant used the real property to engage in a continual,
going course of conduct involving the unlawful mixing, compounding,
manufacturing, warehousing, or packaging of controlled substances [or
where the conviction is for a violation of section 221.30 of the penal
law, marijuana,] as part of an illegal trade or business for gain; and
(ii) establishes, where the conviction is for possession of a controlled
substance [or where the conviction is for a violation of section 221.30
of the penal law, marijuana], that such possession was with the intent
to sell it.

[6. "Pre-conviction forfeiture crime" means only a felony defined in
article two hundred twenty or section 221.30 or 221.55 of the penal
law.]

9. "Criminal defendant" means a person who has criminal liability for
a crime defined in [subdivisions subdivision five and six hereof] of
this section. For purposes of this article, a person has criminal
liability when (a) he has been convicted of a post-conviction forfei-
ture crime, or (b) the claiming authority proves by clear and convinc-
ing evidence that such person has committed an act in violation of arti-
cle two hundred twenty or section 221.30 or 221.55 of the penal law.

§ 43. Subdivision 13 of section 89-f of the general business law, as
added by chapter 336 of the laws of 1992, is amended to read as follows:
13. "Serious offense" shall mean any felony involving the offenses
enumerated in the closing paragraph of this subdivision; a criminal
solicitation of or a conspiracy to commit or an attempt to commit or a
criminal facilitation of a felony involving the offenses enumerated in
the closing paragraph of this subdivision, which criminal solicitation,
conspiracy, attempt or criminal facilitation itself constitutes a felony
or any offense in any other jurisdiction which if committed in this
state would constitute a felony; any offense in any other jurisdiction
which if committed in this state would constitute a felony provided that
for the purposes of this article, none of the following shall be consid-
ered criminal convictions or reported as such: (i) a conviction for
which an executive pardon has been issued pursuant to the executive law;
(ii) a conviction which has been vacated and replaced by a youthful
offender finding pursuant to article seven hundred twenty of the crimi-
al procedure law, or the applicable provisions of law of any other
jurisdiction; or (iii) a conviction the records of which have been
sealed pursuant to the applicable provisions of the laws of this state
or of any other jurisdiction; and (iv) a conviction for which other
evidence of successful rehabilitation to remove the disability has been
issued.

Felonies involving: assault, aggravated assault and reckless endanger-
ment pursuant to article one hundred twenty; vehicular manslaughter,
manslaughter and murder pursuant to article one hundred twenty-five; sex
offenses pursuant to article one hundred thirty; unlawful imprisonment,
kidnapping or coercion pursuant to article one hundred thirty-five;
criminal trespass and burglary pursuant to article one hundred forty;
criminal mischief, criminal tampering and tampering with a consumer
product pursuant to article one hundred forty-five; arson pursuant to
article one hundred fifty; larceny and offenses involving theft pursuant
to article one hundred fifty-five; offenses involving computers pursuant
to article one hundred fifty-six; robbery pursuant to article one
hundred sixty; criminal possession of stolen property pursuant to arti-
cle one hundred sixty-five; forgery and related offenses pursuant to
article one hundred seventy; involving false written statements pursuant
to article one hundred seventy-five; commercial bribery and commercial
bribe receiving pursuant to article one hundred eighty; criminal imper-
sation and scheme to defraud pursuant to article one hundred ninety;
bribery involving public servants and related offenses pursuant to arti-
cle two hundred; perjury and related offenses pursuant to article two
hundred ten; tampering with a witness, intimidating a victim or witness
and tampering with physical evidence pursuant to article two hundred
fifteen; criminal possession of a controlled substance pursuant to
sections 220.06, 220.09, 220.16, 220.18 and 220.21; criminal sale of a
controlled substance pursuant to sections 220.31, 220.34, 220.39,
220.41, 220.43 and 220.44; [criminal] unlicensed sale of [marijuana]
marihuana in the first degree pursuant to [sections] section 221.45[r,
221.50 and 221.55]; riot in the first degree, aggravated harassment in
the first degree, criminal nuisance in the first degree and falsely
reporting an incident in the second or first degree pursuant to article
two hundred forty; and crimes against public safety pursuant to article
two hundred sixty-five of the penal law.
§ 44. Paragraph (f) of subdivision 2 of section 850 of the general
business law is REPEALED.
§ 45. Paragraph (h) of subdivision 2 of section 850 of the general
business law, as amended by chapter 812 of the laws of 1980, is amended
to read as follows:
(h) Objects, used or designed for the purpose of ingesting, inhaling,
or otherwise introducing [marihuana,] cocaine[, hashish, or hashish oil]
into the human body.
§ 46. Paragraph a of subdivision 4-a of section 165 of the state
finance law, as added by chapter 95 of the laws of 2000, is amended to
read as follows:
a. In order to advance specific economic goals, New York state
labelled wines, as defined in subdivision [twenty-a] twenty-j of section
three of the alcoholic beverage control law, shall have favored source
status for the purposes of procurement in accordance with the provisions
of this subdivision. Procurement of these New York state labelled wines
shall be exempt from the competitive procurement provisions of section
one hundred sixty-three of this article and other competitive procure-
ment statutes. Such exemption shall apply to New York state labelled
wines as defined in subdivision [twenty-a] twenty-j of section three of
the alcoholic beverage control law produced by a licensed winery as
defined in section seventy-six of the alcoholic beverage control law.
§ 47. Subdivision 7 of section 995 of the executive law, as amended by
chapter 19 of the laws of 2012, is amended to read as follows:
7. "Designated offender" means a person convicted of any felony
defined in any chapter of the laws of the state or any misdemeanor
defined in the penal law [except that where the person is convicted
under section 221.10 of the penal law, only a person convicted under
subdivision two of such section, or a person convicted under subdivision
one of such section who stands previously convicted of any crime as
defined in subdivision six of section 10.00 of the penal law].
§ 48. Paragraphs (b) and (c) of subdivision 7 of section 480.00 of the
penal law, paragraph (b) as amended by section 31 of part AAA of chapter
56 of the laws of 2009 and paragraph (c) as added by chapter 655 of the
laws of 1990, are amended to read as follows:
(b) three or more violations of any of the felonies defined in section
220.09, 220.16, 220.18, 220.21, 220.31, 220.34, 220.39, 220.41,
220.43[r] or 220.77[r, or 221.55] of this chapter, which violations do
not constitute a single criminal offense as defined in subdivision one
of section 40.10 of the criminal procedure law, or a single criminal transaction, as defined in paragraph (a) of subdivision two of section 40.10 of the criminal procedure law, and at least one of which resulted in a conviction of such offense, or where the accusatory instrument charges one or more of such felonies, conviction upon a plea of guilty to a felony for which such plea is otherwise authorized by law; or
(c) a conviction of a person for a violation of section 220.09, 220.16, 220.34[^1] or 220.39[^2] or 221.30 of this chapter, or where the accusatory instrument charges any such felony, conviction upon a plea of guilty to a felony for which the plea is otherwise authorized by law, together with evidence which: (i) provides substantial indicia that the defendant used the real property to engage in a continual, ongoing course of conduct involving the unlawful mixing, compounding, manufacturing, warehousing, or packaging of controlled substances [or where the conviction is for a violation of section 221.30 of this chapter, marijuana] as part of an illegal trade or business for gain; and (ii) establishes, where the conviction is for possession of a controlled substance [or where the conviction is for a violation of section 221.30 of this chapter, marijuana], that such possession was with the intent to sell it.
§ 49. Paragraph (c) of subdivision 4 of section 509-cc of the vehicle and traffic law, as amended by chapter 368 of the laws of 2015, is amended to read as follows:
(c) The offenses referred to in subparagraph (i) of paragraph (b) of subdivision one and subparagraph (i) of paragraph (c) of subdivision two of this section that result in disqualification for a period of five years shall include a conviction under sections 100.10, 105.13, 115.05, 120.03, 120.04, 120.04-a, 120.05, 120.10, 120.25, 121.12, 121.13, 125.40, 125.45, 130.20, 130.25, 130.52, 130.55, 135.10, 135.55, 140.17, 140.25, 140.30, 145.12, 150.10, 150.15, 160.05, 160.10, 220.06, 220.09, 220.16, 220.31, 220.34, 220.60, 220.65, 221.30, 221.50, 221.55, 230.00, 230.05, 230.06, 230.11, 230.12, 230.13, 230.19, 230.20, 235.05, 235.06, 235.07, 235.21, 240.06, 245.00, 260.10, subdivision two of section 260.20 and sections 260.25, 265.02, 265.03, 265.08, 265.09, 265.10, 265.12, 265.35 of the penal law or an attempt to commit any of the aforesaid offenses under section 110.00 of the penal law, or any similar offenses committed under a former section of the penal law, or any offenses committed under a former section of the penal law which would constitute violations of the aforesaid sections of the penal law, or any offenses committed outside this state which would constitute violations of the aforesaid sections of the penal law.
§ 50. The opening paragraph of paragraph (a) of subdivision 2 of section 1194 of the vehicle and traffic law, as amended by chapter 196 of the laws of 1996, is amended to read as follows:
When authorized. Any person who operates a motor vehicle in this state shall be deemed to have given consent to a chemical test of one or more of the following: breath, blood, urine, or saliva, for the purpose of determining the alcoholic and/or drug content, other than marijuana content including but not limited to tetrahydrocannabinol含量, of the blood provided that such test is administered by or at the direction of a police officer with respect to a chemical test of breath, urine or saliva or, with respect to a chemical test of blood, at the direction of a police officer:
§ 51. Section 17 of the alcoholic beverage control law is amended by adding a new subdivision 12 to read as follows:
12. To develop and establish minimum criteria for alcohol or substance use disorder training awareness programs which may be given and administered by schools; other entities including trade associations whose members are engaged in or involved in the retail sale of alcoholic beverages; national and regional franchisors who have granted at least five franchises in the state which are licensed to sell beer at retail for off-premises consumption; licensees authorized to sell alcoholic beverages at retail for off-premises consumption; and persons interested, whether as an individual proprietor or partner or officer or member of a limited liability company, in five or more licensees authorized to sell alcoholic beverages at retail for off-premises consumption. The authority shall provide for the issuance of certificates of approval to all certified alcohol or substance use disorder training awareness programs. Certificates of approval may be revoked by the authority for failure to adhere to the authority's rules and regulations. Such rules and regulations shall afford those who have been issued a certificate of approval an opportunity for a hearing prior to any determination of whether such certificate should be revoked.

No licensee shall be required to apply for any such certificate or renewal certificate and the licensee may voluntarily surrender such a certificate or renewal certificate at any time. A fee in the amount of nine hundred dollars shall be paid to the authority with each application for a certificate of approval or renewal certificate. The authority shall promptly refund such fee to an applicant whose application was denied. Each certificate of approval and renewal thereof shall be issued for a period of three years. To effectuate the provisions of this subdivision, the authority is empowered to require in connection with an application the submission of such information as the authority may direct; to prescribe forms of applications and of all reports which it deems necessary to be made by any applicant or certificate holder; to conduct investigations; to require the maintenance of such books and records as the authority may direct; and to revoke, cancel, or suspend for cause any certificate provided for in this subdivision. Each entity authorized to give and administer an alcohol or substance use disorder training awareness program shall issue certificates of completion to all licensees and employees who successfully complete such an approved alcohol or substance use disorder training awareness program. Each entity authorized to give and administer an alcohol or substance use disorder training awareness program shall issue certificates of completion to all licensees and employees who successfully complete such an approved alcohol or substance use disorder training awareness program. Such entity shall regularly transmit to the authority the names, addresses and dates of attendance of all the licensees and employees of licensees who successfully complete an approved alcohol or substance use disorder training awareness program. Such transmittal shall be in a form and manner prescribed by the authority. The authority shall adopt rules and regulations to effectuate the provisions of this subdivision, including the minimum requirements for the curriculum of each such training program and the regular ongoing training of employees holding certificates of completion or renewal certificates. Such rules and regulations shall include the minimum requirements for a separate curriculum for licensees and their employees authorized to sell alcoholic beverages at retail for off-premises consumption, minimum requirements for a separate curriculum for licensees and their employees authorized to sell alcoholic beverages at retail for on-premises consumption, and the form of a certificate of completion or renewal thereof to be issued in respect to each such type of program. A certificate of completion or renewal thereof issued by an entity authorized to give and administer an alcohol or substance use disorder training awareness program pursuant to
this subdivision to licensees and their employees authorized to sell alcoholic beverages at retail for off-premises consumption shall not be invalidated by a change of employment to another such licensee. A certificate of completion or renewal thereof issued by an entity authorized to give and administer an alcohol or substance use disorder training awareness program pursuant to this subdivision to licensees and their employees authorized to sell alcoholic beverages at retail for on-premises consumption shall not be invalidated by a change of employment to another such licensee. Attendance at any course established pursuant to this section shall be in person, through distance learning methods, or through an internet based online program.

§ 52. Subdivision 12 of section 17 of the alcoholic beverage control law, as amended by chapter 549 of the laws of 2001, the closing paragraph as amended by chapter 435 of the laws of 2010, is amended to read as follows:

12. To develop and establish minimum criteria for alcohol or substance use disorder training awareness programs which may be given and administered by schools; other entities including trade associations whose members are engaged in or involved in the retail sale of alcoholic beverages; national and regional franchisors who have granted at least five franchises in the state which are licensed to sell beer at retail for off-premises consumption; licensees authorized to sell alcoholic beverages at retail for off-premises consumption operating five or more licensed premises; and persons interested, whether as an individual proprietor or partner or officer or member of a limited liability company, in five or more licensees authorized to sell alcoholic beverages at retail for off-premises consumption. The authority shall provide for the issuance of certificates of approval to all certified alcohol or substance use disorder training awareness programs. Certificates of approval may be revoked by the authority for failure to adhere to the authority's rules and regulations. Such rules and regulations shall afford those who have been issued a certificate of approval an opportunity for a hearing prior to any determination of whether such certificate should be revoked.

No licensee shall be required to apply for any such certificate or renewal certificate and the licensee may voluntarily surrender such a certificate or renewal certificate at any time. A fee in the amount of nine hundred dollars shall be paid to the authority with each application for a certificate of approval or renewal certificate. The authority shall promptly refund such fee to an applicant whose application was denied. Each certificate of approval and renewal thereof shall be issued for a period of three years. To effectuate the provisions of this subdivision, the authority is empowered to require in connection with an application the submission of such information as the authority may direct; to prescribe forms of applications and of all reports which it deems necessary to be made by any applicant or certificate holder; to conduct investigations; to require the maintenance of such books and records as the authority may direct; to revoke, cancel, or suspend for cause any certificate provided for in this subdivision. Each entity authorized to give and administer an alcohol or substance use disorder training awareness program shall issue certificates of completion to all licensees and employees who successfully complete such an approved alcohol or substance use disorder training awareness program. Each entity shall regularly transmit to the authority the names, addresses and dates of attendance of all the licensees and employees of licensees who successfully complete an approved alcohol or substance use disorder training awareness program.
1 training awareness program. Such transmittal shall be in a form and
2 manner prescribed by the authority. The authority shall adopt rules and
3 regulations to effectuate the provisions of this subdivision, including
4 the minimum requirements for the curriculum of each such training
5 program and the regular ongoing training of employees holding certif-
6 icates of completion or renewal certificates. Such rules and regulations
7 shall include the minimum requirements for a separate curriculum for
8 licensees and their employees authorized to sell alcoholic beverages at
9 retail for off-premises consumption, minimum requirements for a separate
10 curriculum for licensees and their employees authorized to sell alcohol-
11 ic beverages at retail for on-premises consumption, and the form of a
12 certificate of completion or renewal thereof to be issued in respect to
13 each such type of program. A certificate of completion or renewal there-
14 of issued by an entity authorized to give and administer an alcohol or
15 substance use disorder training awareness program pursuant to this
16 subdivision to licensees and their employees authorized to sell alcohol-
17 ic beverages at retail for off-premises consumption shall not be invali-
18 dated by a change of employment to another such licensee. A certificate
19 of completion or renewal thereof issued by an entity authorized to give
20 and administer an alcohol or substance use disorder training awareness
21 program pursuant to this subdivision to licensees and their employees
22 authorized to sell alcoholic beverages at retail for on-premises
23 consumption shall not be invalidated by a change of employment to anoth-
24 er such licensee. Attendance at any course established pursuant to this
25 section shall be in person, through distance learning methods, or
26 through an internet based online program.
27 § 53. Subdivision 10 of section 18 of the alcoholic beverage control
28 law, as amended by chapter 118 of the laws of 2012, is amended to read
29 as follows:
30 10. To develop and establish minimum criteria for alcohol or substance
31 use disorder training awareness programs which may be given and adminis-
32 tered by schools; other entities including trade associations whose
33 members are engaged in or involved in the retail sale of alcoholic
34 beverages; national and regional franchisors who have granted at least
35 five franchises in the state which are licensed to sell beer at retail
36 for off-premises consumption; licensees authorized to sell alcoholic
37 beverages at retail for off-premises consumption operating five or more
38 licensed premises; and persons interested, whether as an individual
39 proprietor or partner or officer or member of a limited liability compa-
40 ny, in five or more licensees authorized to sell alcoholic beverages at
41 retail for off-premises consumption. The authority shall provide for the
42 issuance of certificates of approval to all certified alcohol or
43 substance use disorder training awareness programs. Certificates of
44 approval may be revoked by the authority for failure to adhere to the
45 authority's rules and regulations. Such rules and regulations shall
46 afford those who have been issued a certificate of approval an opportu-
47 nity for a hearing prior to any determination of whether such certif-
48 icate should be revoked.
49 No licensee shall be required to apply for any such certificate or
50 renewal certificate and the licensee may voluntarily surrender such a
51 certificate or renewal certificate at any time. A fee in the amount of
52 nine hundred dollars shall be paid to the authority with each applica-
53 tion for a certificate of approval or renewal certificate. The authority
54 shall promptly refund such fee to an applicant whose application was
55 denied. Each certificate of approval and renewal thereof shall be issued
56 for a period of three years. To effectuate the provisions of this subdi-
vision, the authority is empowered to require in connection with an application the submission of such information as the authority may direct; to prescribe forms of applications and of all reports which it deems necessary to be made by any applicant or certificate holder; to conduct investigations; to require the maintenance of such books and records as the authority may direct; to revoke, cancel, or suspend for cause any certificate provided for in this subdivision. Each entity authorized to give and administer an alcohol or substance use disorder training awareness program shall issue certificates of completion to all licensees and employees who successfully complete such an approved alcohol or substance use disorder training awareness program. Such entity shall regularly transmit to the authority the names, addresses and dates of attendance of all the licensees and employees of licensees who successfully complete an approved alcohol or substance use disorder training awareness program. Such transmittal shall be in a form and manner prescribed by the authority. The authority shall adopt rules and regulations to effectuate the provisions of this subdivision, including the minimum requirements for the curriculum of each such training program and the regular ongoing training of employees holding certificates of completion or renewal certificates. Such rules and regulations shall include the minimum requirements for a separate curriculum for licensees and their employees authorized to sell alcoholic beverages at retail for off-premises consumption, minimum requirements for a separate curriculum for licensees and their employees authorized to sell alcoholic beverages at retail for on-premises consumption, and the form of a certificate of completion or renewal thereof to be issued in respect to each such type of program. A certificate of completion or renewal thereof issued by an entity authorized to give and administer an alcohol or substance use disorder training awareness program pursuant to this subdivision to licensees and their employees authorized to sell alcoholic beverages at retail for off-premises consumption shall not be invalidated by a change of employment to another such licensee. A certificate of completion or renewal thereof issued by an entity authorized to give and administer an alcohol or substance use disorder training awareness program pursuant to this subdivision to licensees and their employees authorized to sell alcoholic beverages at retail for on-premises consumption shall not be invalidated by a change of employment to another such licensee. Attendance at any course established pursuant to this section shall be in person, through distance learning methods, or through an internet based online program.

§ 54. Section 18 of the alcoholic beverage control law, as added by chapter 83 of the laws of 1995, is amended by adding a new subdivision 10 to read as follows:

10. To develop and establish minimum criteria for alcohol or substance use disorder training awareness programs which may be given and administered by schools; other entities including trade associations whose members are engaged in or involved in the retail sale of alcoholic beverages; national and regional franchisors who have granted at least five franchises in the state which are licensed to sell beer at retail for off-premises consumption; licensees authorized to sell alcoholic beverages at retail for off-premises consumption; licensees authorized to sell alcoholic beverages at retail for on-premises consumption; licensees authorized to sell alcoholic beverages at retail for on-premises consumption operating five or more licensed premises; and persons interested, whether as an individual proprietor or partner or officer or member of a limited liability company, in five or more licensees authorized to sell alcoholic beverages at retail for off-premises consumption. The authority shall provide for the issuance of certificates of approval to all certified alcohol or
substance use disorder training awareness programs. Certificates of
approval may be revoked by the authority for failure to adhere to the
authority's rules and regulations. Such rules and regulations shall
afford those who have been issued a certificate of approval an opportu-
nity for a hearing prior to any determination of whether such certif-
icate should be revoked.

No licensee shall be required to apply for any such certificate or
renewal certificate and the licensee may voluntarily surrender such a
certificate or renewal certificate at any time. A fee in the amount of
nine hundred dollars shall be paid to the authority with each applica-
tion for a certificate of approval or renewal certificate. The authority
shall promptly refund such fee to an applicant whose application was
denied. Each certificate of approval and renewal thereof shall be issued
for a period of three years. To effectuate the provisions of this subdi-
vision, the authority is empowered to require in connection with an
application the submission of such information as the authority may
direct; to prescribe forms of applications and of all reports which it
deems necessary to be made by any applicant or certificate holder; to
conduct investigations; to require the maintenance of such books and
records as the authority may direct; to revoke, cancel, or suspend for
cause any certificate provided for in this subdivision. Each entity
authorized to give and administer an alcohol or substance use disorder
training awareness program shall issue certificates of completion to all
licensees and employees who successfully complete such an approved alco-
hol or substance use disorder training awareness program. Such entity
shall regularly transmit to the authority the names, addresses and dates
of attendance of all the licensees and employees of licensees who
successfully complete an approved alcohol or substance use disorder
training awareness program. Such transmittal shall be in a form and
manner prescribed by the authority. The authority shall adopt rules and
regulations to effectuate the provisions of this subdivision, including
the minimum requirements for the curriculum of each such training
program and the regular ongoing training of employees holding certif-
icates of completion or renewal certificates. Such rules and regulations
shall include the minimum requirements for a separate curriculum for
licensees and their employees authorized to sell alcoholic beverages at
retail for off-premises consumption, minimum requirements for a separate
curriculum for licensees and their employees authorized to sell alcohol-
ic beverages at retail for on-premises consumption, and the form of a
certificate of completion or renewal thereof to be issued in respect to
each such type of program. A certificate of completion or renewal there-
of issued by an entity authorized to give and administer an alcohol or
substance use disorder training awareness program pursuant to this
subdivision to licensees and their employees authorized to sell alcoholic
beverages at retail for off-premises consumption shall not be invali-
dated by a change of employment to another such licensee. A certificate
of completion or renewal thereof issued by an entity authorized to give
and administer an alcohol or substance use disorder training awareness
program pursuant to this subdivision to licensees and their employees
authorized to sell alcoholic beverages at retail for on-premises
consumption shall not be invalidated by a change of employment to anoth-
er such licensee. Attendance at any course established pursuant to this
section shall be in person, through distance learning methods, or
through an internet based online program.

§ 55. Section 150.75 of the criminal procedure law is REPEALED.
§ 56. Subdivision (a) of section 712 of the family court act, as amended by section 7 of part G of chapter 58 of the laws of 2010, is amended to read as follows:

(a) "Person in need of supervision". A person less than eighteen years of age who does not attend school in accordance with the provisions of part one of article sixty-five of the education law or who is incorrigible, ungovernable or habitually disobedient and beyond the lawful control of a parent or other person legally responsible for such child's care, or other lawful authority, or who violates the provisions of section [221.05 or] 230.00 of the penal law, or who appears to be a sexually exploited child as defined in paragraph (a), (c) or (d) of subdivision one of section four hundred forty-seven-a of the social services law, but only if the child consents to the filing of a petition under this article.

§ 57. The state finance law is amended by adding a new section 99-ii to read as follows:

§ 99-ii. Marihuana microbusiness and marihuana license revolving loan fund. 1. There is hereby established in the joint custody of the comptroller and the commissioner of taxation and finance a fund to be known as the marihuana microbusiness and marihuana license revolving loan fund.

2. The fund shall consist of all monies appropriated for its purpose, all monies transferred to such fund pursuant to law and all monies required by the provisions of this section or any other law to be paid into or credited to this fund, including all monies received by the fund or donated to it. Monies in the fund shall be kept separate and shall not be commingled with any other monies otherwise appropriated or received except as hereby provided.

3. Monies of the fund, when allocated, shall be available to the bureau of marihuana policy for the purpose of providing low interest loans to individuals and businesses interested in establishing a marihuana microbusiness or otherwise obtaining a license available from the bureau of marihuana policy and participating in the marihuana industry.

4. The bureau of marihuana policy shall establish through rules and regulations guidelines necessary to administer the fund. Guidelines shall include, but not be limited to: qualifications and conditions for assistance; terms of loan or installment payments and finance charges on installment payments at rates of interest which, notwithstanding any other provision of law, are of the lowest rate possible to maintain the fund; prioritize loans to promote racial, ethnic, and gender diversity in licenses for marihuana related activities; and any other terms and conditions the bureau may require as necessary to properly effectuate the provisions of this section.

5. The bureau of marihuana policy shall make public by September first of each year a report including, but not limited to: the current guidelines of the fund; a complete financial statement including, but not limited to, monies allocated, collected, transferred or otherwise paid or credited to the fund; a projected schedule of disbursements, receipts and needs of the fund for the next fiscal year; and the names and business addresses of each current loan recipient.

6. No monies shall be payable from this fund, except on the audit and warrant of the comptroller on vouchers certified and submitted by the bureau of marihuana policy.

§ 58. Appropriation. The sum of five million dollars ($5,000,000) is hereby appropriated to the New York State Liquor Authority out of any moneys in the state treasury in the general fund to the credit of the
state purposes account, not otherwise appropriated, and made immediately
available, for the purpose of carrying out the provisions of this act. Such moneys shall be payable on the audit and warrant of the comptroller
on vouchers certified or approved by the superintendent or the chairman
of the New York State Liquor Authority in the manner prescribed by law.
§ 59. Severability. If any provision or term of this act is for any
reason declared unconstitutional or invalid or ineffective by any court
of competent jurisdiction, such decision shall not affect the validity
of the effectiveness of the remaining portions of this act or any part
thereof.
§ 60. This act shall take effect immediately; provided, however, that
the amendments to section 17 of the alcoholic beverage control law made
by section fifty-one of this act shall not affect the expiration and
reversion of such section and shall expire and be deemed repealed there-
with, when upon such date the provisions of section fifty-two of this
act shall take effect; provided further, however, that the amendments to
section 18 of the alcoholic beverage control law made by section fifty-
three of this act shall not affect the expiration and reversion of such
section and shall expire and be deemed repealed therewith, when upon
such date the provisions of section fifty-four of this act shall take
effect.