

# STATE OF NEW YORK

8738

## IN SENATE

April 6, 2022

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

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

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

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

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

3 37-a. "Operator" means a licensee that acts as a cannabis producer for  
4 the cultivation of cannabis, a cannabis processor, a cannabis distribu-  
5 tor and/or a cannabis retailer, provided that such business includes one  
6 hundred or more employees.

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

8 § 62-a. Applications by operators. Any application submitted by an  
9 operator shall include a plan to reinvest in communities disproportionately  
10 impacted by cannabis prohibition including, if applicable, the  
11 community such operator is located in. The operator shall contribute at  
12 least two percent of their annual profits to communities disproportionately  
13 impacted pursuant to paragraph (g) of subdivision five of section  
14 eighty-seven of this article. The board shall determine the necessary  
15 criteria for such plan and shall establish a scoring system to determine  
16 if such operators have fulfilled their obligation under this section. If  
17 the board determines that an operator is failing to properly serve  
18 disadvantaged communities, specifically the community they are serving,  
19 if applicable, or does not possess and/or properly execute a social  
20 impact program within their business model, such operator shall be noti-  
21 fied and their license shall be marked for further review. The board  
22 shall determine what necessary steps such operator shall take to fulfill  
23 the obligations under this section and provide such information to the  
24 operator within thirty days of marking such operator for further review.

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

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

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