

STATE OF NEW YORK

7295--A

2023-2024 Regular Sessions

IN SENATE

May 19, 2023

Introduced by Sen. HINCHEY -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the cannabis law, in relation to authorizing conditional adult-use cultivator and processor licensees to sell tested, packaged, and sealed cannabis products and cannabis to a cannabis dispensing facility licensed by a tribal nation for retail sale

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 "cannabis
2 crop rescue act".

3 § 2. Legislative findings. Chapter 18 of the laws of 2022 created the
4 conditional adult-use cultivator license. Due to a variety of circum-
5 stances beyond the control of New York's cannabis farmers, many licen-
6 sees cannot afford to process their cannabis or sell their finished
7 products. As a result, their 2022 crops are losing value while in stor-
8 age due to diminished potency, color and aroma. Without sales, many are
9 unable to plant a crop for the upcoming growing season, and are in
10 severe financial stress.

11 § 3. Section 68-c of the cannabis law is amended by adding two new
12 subdivisions 16 and 17 to read as follows:

13 16. Notwithstanding any other provision of this chapter, a condi-
14 tional adult-use cultivator or processor licensee shall be authorized to
15 sell tested, packaged, and sealed cannabis products or biomass to a
16 cannabis dispensing facility licensed or permitted by a tribal nation
17 for retail sale. Tribal nations shall not be subject to or limited by
18 aggregate sales or consumption limits otherwise provided for in this
19 chapter. Nothing in this subdivision shall be construed to alter, modi-
20 fy, abrogate, or otherwise impede or interfere with such tribal nation's
21 sovereign authority to license, sell, cultivate, process, manufacture,

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

LBD10606-11-3

1 distribute, deliver, or transport cannabis product on or among its
2 territories. Any product sold by a conditional adult-use cultivator or
3 processor licensee shall be subject to the provisions of article twen-
4 ty-C of the tax law; and provided, further, that the licensee shall bear
5 the cost of all such taxes imposed by such article and shall remit such
6 taxes to the department of taxation and finance.

7 17. Notwithstanding any other provision of this chapter, a conditional
8 adult-use cultivator or processor licensee shall be authorized to sell
9 tested, packaged and sealed cannabis products directly to consumers;
10 provided that for purposes of this subdivision consumer shall mean an
11 authorized representative of a tribal nation. Consumers under this
12 subdivision shall not be subject to or limited by aggregate sales or
13 consumption limits otherwise provided for in this chapter. Nothing in
14 this subdivision shall be construed to alter, modify, abrogate or other-
15 wise impede or interfere with such tribal nation's sovereign authority
16 to license, sell, cultivate, process, manufacture, distribute, deliver
17 or transport cannabis product on or among its territories. Any product
18 sold by a conditional adult-use cultivator or processor licensee shall
19 be subject to the provisions of article twenty-C of the tax law; and
20 provided, further, that the licensee shall bear the cost of all such
21 taxes imposed by such article and shall remit such taxes to the depart-
22 ment of taxation and finance.

23 § 4. A conditional adult-use cultivator licensee may select to operate
24 under subdivision 16 of section 68-c of the cannabis law until December
25 31, 2023.

26 § 5. This act shall take effect immediately; provided, however, that
27 the amendments to section 68-c of the cannabis law made by section three
28 of this act shall not affect the repeal of such section and shall be
29 deemed repealed therewith.