

STATE OF NEW YORK

9857

IN ASSEMBLY

April 24, 2024

Introduced by M. of A. STERN -- read once and referred to the Committee on Health

AN ACT to amend the public health law, in relation to requiring vapor products dealers to be registered with the department of health; to amend the tax law, in relation to the registration of vapor products dealers by municipalities, and the revocation of a vapor products dealer certificate of registration by the commissioner of taxation and finance; and to amend the public health law, the tax law, the cannabis law and the alcoholic beverage control law, in relation to the revocation of licenses and registrations for the knowing and unlawful sale of cannabis

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

1 Section 1. The public health law is amended by adding a new section
2 1399-mm-4 to read as follows:

3 § 1399-mm-4. Vapor products dealer registration. 1. Any vapor products
4 dealer selling vapor products in the state shall be registered with the
5 department. The department shall oversee the operations of such regis-
6 tered vapor products dealers.

7 2. (a) A municipality may require additional, municipality-specific
8 registration or licensing of vapor products dealers. Such municipality
9 may establish grounds for revocation of such a registration or license
10 which may include, but shall not be limited to, the knowing and unlawful
11 sale of any cannabis, cannabis product as defined in subdivision nine of
12 section three of the cannabis law, or concentrated cannabis as defined
13 in subdivision seventeen of section three of the cannabis law.

14 (b) A municipality shall revoke the certificate of occupancy of any
15 vapor products dealer that knowingly and unlawfully sells any cannabis,
16 cannabis product as defined in subdivision nine of section three of the
17 cannabis law, or concentrated cannabis as defined in subdivision seven-
18 teen of section three of the cannabis law.

19 § 2. The public health law is amended by adding a new section
20 1399-mm-5 to read as follows:

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

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1 § 1399-mm-5. Unlawful sale of cannabis by vapor products dealers. Any
2 vapor products dealer that knowingly and unlawfully sells any cannabis,
3 cannabis product as defined in subdivision nine of section three of the
4 cannabis law, or concentrated cannabis as defined in subdivision seven-
5 teen of section three of the cannabis law shall be subject to a penalty
6 of ten thousand dollars.

7 § 3. Paragraph 1 of subdivision (d) of section 1183 of the tax law, as
8 added by section 1 of part UU of chapter 59 of the laws of 2019, is
9 amended to read as follows:

10 (1) The commissioner shall refuse to issue a certificate of registra-
11 tion to any applicant who does not possess a valid certificate of
12 authority under section eleven hundred thirty-four of this chapter. In
13 addition, the commissioner may refuse to issue a certificate of regis-
14 tration, or suspend, cancel or revoke a certificate of registration
15 issued to any person who: (A) has a past-due liability as that term is
16 defined in section one hundred seventy-one-v of this chapter; (B) has
17 had a certificate of registration under this article or any license or
18 registration provided for in this chapter revoked within one year from
19 the date on which such application was filed; (C) has been convicted of
20 a crime provided for in this chapter within one year from the date on
21 which such application was filed; (D) willfully fails to file a report
22 or return required by this article; (E) willfully files, causes to be
23 filed, gives or causes to be given a report, return, certificate or
24 affidavit required by this article which is false; (F) willfully fails
25 to collect or truthfully account for or pay over any tax imposed by this
26 article; ~~(G)~~ (G) whose place of business is at the same premises as
27 that of a person whose vapor products dealer registration has been
28 revoked and where such revocation is still in effect, unless the appli-
29 cant or vapor products dealer provides the commissioner with adequate
30 documentation demonstrating that such applicant or vapor products dealer
31 acquired the premises or business through an arm's length transaction as
32 defined in paragraph (e) of subdivision one of section four hundred
33 eighty-a of this chapter; or (H) knowingly and unlawfully sells any
34 cannabis, cannabis product as defined in subdivision nine of section
35 three of the cannabis law, or concentrated cannabis as defined in subdi-
36 vision seventeen of section three of the cannabis law.

37 § 4. Section 1399-ee of the public health law is amended by adding a
38 new subdivision 7 to read as follows:

39 7. If the commissioner or his or her designee determines, after a
40 hearing, that a retail dealer has violated section thirteen hundred
41 ninety-nine-mm-five of this article he or she shall, in addition to
42 imposing any other penalty required or permitted by this section, direct
43 the cannabis control board, the state liquor authority and the depart-
44 ment of taxation and finance to revoke any license or registration of
45 the dealer as permitted by law for such a violation.

46 § 5. Section 1607 of the tax law is amended by adding a new subdivi-
47 sion i to read as follows:

48 i. A violation of section thirteen hundred ninety-nine-mm-five of the
49 public health law, as provided in this subdivision, a license shall be
50 revoked upon notification to the division by the commissioner of health
51 of a lottery sales agent's violation of section thirteen hundred nine-
52 ty-nine-mm-five of the public health law.

53 § 6. Subdivision 4 of section 133 of the cannabis law is amended by
54 adding a new paragraph (c) to read as follows:

1 (c) As used in this section, the term "for cause" shall also include
2 the board being notified by the commissioner of health of a violation of
3 section thirteen hundred ninety-nine-mm-five of the public health law.

4 § 7. Subdivision 3 of section 118 of the alcoholic beverage control
5 law is amended by adding a new paragraph (d) to read as follows:

6 (d) As used in this section, the term "for cause" shall also include
7 the state liquor authority being notified by the commissioner of health
8 of a violation of section thirteen hundred ninety-nine-mm-five of the
9 public health law.

10 § 8. This act shall take effect immediately.