STATE OF NEW YORK

9441

IN SENATE

May 15, 2024

Introduced by Sen. COONEY -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the state finance law and the cannabis law, in relation to authorizing a qui tam proceeding for civil violations of the cannabis law

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

Section 1. Paragraph (h) of subdivision 1 of section 189 of the state finance law, as amended by section 1 of part J of chapter 57 of the laws of 2018, is amended to read as follows:

(h) knowingly conceals or knowingly and improperly avoids or decreases an obligation to pay or transmit money or property to the state or a local government, or conspires to do the same; **or**

(i) violates any civil provisions of section one hundred twenty-five of the cannabis law;

shall be liable to the state or a local government, as applicable, for a civil penalty of not less than six thousand dollars and not more than twelve thousand dollars, as adjusted to be equal to the civil penalty allowed under the federal False Claims Act, 31 U.S.C. sec. 3729, et seq., as amended, as adjusted for inflation by the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended (28 U.S.C. 2461 note; Pub. L. No. 101-410), plus three times the amount of all damages, including consequential damages, which the state or local government sustains because of the act of that person**; provided, however, that the civil penalty for violations of the cannabis law shall be as set forth in section one hundred thirty-two of such chapter**.

§ 2. Subdivision 5 of section 138-a of the cannabis law, as amended by section 14 of part G of chapter 55 of the laws of 2024, is amended to read as follows:

5. request that the attorney general obtain judicial enforcement of an order issued under subdivision one of this section or bring an action or proceeding for any relief otherwise authorized under this chapter for a violation of this chapter **or bring an action or proceeding authorized under section one hundred eighty-nine of the state finance law**, including the recovery of any applicable civil penalties;

§ 3. This act shall take effect immediately.

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

LBD15512-01-4