

STATE OF NEW YORK

2580

2025-2026 Regular Sessions

IN ASSEMBLY

January 17, 2025

Introduced by M. of A. K. BROWN -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the cannabis law, the state finance law and the executive law, in relation to requiring the state comptroller and the attorney general to conduct an annual audit of the office of cannabis management

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

1 Section 1. The cannabis law is amended by adding a new section 140 to
2 read as follows:

3 § 140. Independent audit of the office of cannabis management. 1. At
4 least once every year, the comptroller, the attorney general and the
5 independent certified public accountants selected pursuant to this
6 section shall conduct audits of the internal controls of the office of
7 cannabis management. Such audits shall be performed in accordance with
8 generally accepted government auditing standards and shall include a
9 report on whether the office's internal controls are established and
10 functioning in a manner that provides reasonable assurance that they
11 meet the objectives of internal control as defined in section nine
12 hundred fifty of the executive law. The report shall identify the inter-
13 nal controls both evaluated and not evaluated and shall identify inter-
14 nal control weaknesses that have not been corrected and actions that are
15 recommended to correct these weaknesses. If any such internal control
16 weaknesses are significant or material with respect to such departments,
17 the independent auditors shall so state. The comptroller and the attor-
18 ney general shall make available to the public the results of such
19 audits, including any related management letters. The comptroller and
20 attorney general and any officer or employee of such departments shall
21 make available upon request to such independent certified public
22 accountants all books and records relevant to such independent audits.

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

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1 2. The comptroller and the attorney general shall request proposals
2 from independent certified public accountants for audits of the internal
3 controls of their respective departments. The requests for proposals
4 shall include a reference to the requirements for audits conducted
5 pursuant to subdivision one of this section. The comptroller and attor-
6 ney general shall select such independent auditors in accordance with a
7 competitive procedure including an evaluation, based on quality and
8 price factors, of those proposals received in response to such requests
9 for proposals.

10 3. Whenever the comptroller or the comptroller's appointee is a member
11 of any board, commission, committee, council, or corporation, which
12 constitutes a state agency, the governing body of such board, commis-
13 sion, committee, council, or corporation shall select an independent
14 auditor for the purpose of conducting audits of internal controls in
15 accordance with this section.

16 § 2. Section 10 of the cannabis law is amended by adding a new subdivi-
17 sion 17-a to read as follows:

18 17-a. Shall make available upon request to the state comptroller, the
19 attorney general and the independent certified public accountants
20 completing annual audits pursuant to section one hundred forty of this
21 chapter all books and records relevant to such independent audits.

22 § 3. Paragraph a of subdivision 2-b of section 8 of the state finance
23 law, as added by chapter 510 of the laws of 1999, is amended to read as
24 follows:

25 a. Either as part of one or more audits, or separately, conducting
26 periodic audits of internal controls and operations of state agencies
27 (other than those state agencies for which an audit is required pursuant
28 to sections nine hundred fifty-three and nine hundred fifty-four of the
29 executive law) and of covered authorities. Audits of the office of
30 cannabis management shall be conducted annually pursuant to section one
31 hundred forty of the cannabis law. All such audits shall be performed in
32 accordance with generally accepted government auditing standards. Noth-
33 ing in the New York state governmental accountability, audit and inter-
34 nal control act shall be deemed to diminish or impair the comptroller's
35 power to audit and authority to supervise accounts under articles V and
36 X of the state constitution and this chapter. The audits shall identify
37 internal control weaknesses that have not been corrected and actions
38 that are recommended to correct these weaknesses. If any such internal
39 control weaknesses are significant or material with respect to the oper-
40 ations of the agency that is the subject of the audit, the comptroller
41 shall so state. The comptroller shall make available to the public the
42 results of any such audits.

43 § 4. Section 63 of the executive law is amended by adding a new subdivi-
44 sion 18 to read as follows:

45 18. Conduct an annual audit of the office of cannabis management
46 pursuant to the provisions of section one hundred forty of the cannabis
47 law.

48 § 5. This act shall take effect immediately.