



ADULT-USE DISTRIBUTOR LICENSE OVERVIEW

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Adult-use distributor licenses authorizes the distribution of wholesale cannabis products to adult-use retail dispensaries, Registered Organizations with Dispensing (ROD), and on-site consumption licensees. Distributor licenses are a critical link connecting the cannabis supply chain and bringing New York cannabis products to customers.

Note: License holders must meet and comply with all laws, regulations, and guidance related to the adult-use distributor license. Failure to comply with any current or future laws, rules, or regulations issued by the Cannabis Control Board may result in disciplinary action, including, but not limited to, revocation of the license.

Businesses that have an adult-use distributor license are authorized to:

- Obtain cannabis products from duly licensed cultivators, processors, microbusinesses, cooperatives, Registered Organization with Dispensing (ROD), or Registered Organization No Dispensing (ROND); and
- Sell cannabis products or transport cannabis to licensed adult-use retail locations.

Ownership Restrictions: Distributors and their TPI may also hold or have an interest in other supply-tier licenses, such as cultivators, processors, ROD, and ROND. Under no circumstances can a distributor or its true parties of interest have a direct or indirect interest in a retail dispensary, delivery, or on-site consumption license. Distributors and microbusinesses cannot have any TPI in common except for passive investors. No person may submit applications for more licenses or license types than they would be permitted to hold.

Note: Cultivator and Processor Licenses may obtain a distributor license. Distributor licenses are authorized to transport only cannabis products between adult-use cannabis licensees; and between the licensed premises of an adult-use cannabis facility for purposes of distributing the cannabis products. Please note: Distributor licenses are not authorized to make direct-to-consumer sales.

APPLICATION & LICENSE FEES

| Type | Amount |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| Adult-Use Application Fee, per application | \$1,000 |
| Adult-Use Distributor License Fee | \$7,000/per operating premises* *If a distributor also holds a processor license, fee reduced to \$2,500 |

FEE REDUCTION

Application and license fees are reduced by 50% for all Social and Economic Equity (SEE) applicants. There is also a license fee reduction for processors who obtain a distributor license.

KEEP IN MIND BEFORE APPLYING

● Eligibility Requirements:

- All licensees must be at least 21 years of age and not be otherwise prohibited from holding a license under Cannabis Law or regulations, based on prior non-cannabis convictions as stated in Section 137 of New York State cannabis adult-use regulations or True Parties of Interest (TPI) prohibitions.

● Find a compliant location.

- Distributors must submit proof of control over their proposed distribution premises and a certificate of occupancy or its equivalent before commencing licensed operations. **Note:** All premises where licensed activities are taking place must be disclosed to the NYS Office of Cannabis Management.

- **Make a budget.** Distributor licenses can be capital intensive. Familiarize yourself with the regulations regarding transporting cannabis and consider the costs associated with a fleet of delivery vehicles and building out a secure, compliant warehouse or multiple warehouses, in advance of submitting an application.

- **Applicants must apply for the license as the business that will conduct the authorized activities, and this business must be formally established before starting the application.**

- **Compile all information and business-related documents.**

- **Review New York Cannabis Rules and Regulations.** Read the approved [adult-use regulations](#) and [guidance](#).

- **Attend an OCM Road Map to General Licensing Application** event to learn more in-person.

MORE RESOURCES

All applicants are strongly encouraged to review the [Adult-Use Cannabis Regulations](#) and all [application resources](#) to learn more about how to obtain and operate an adult-use cannabis license in New York State. Please note that this is only the first application window for general adult-use cannabis licensing. Future application windows for licenses such as nursery, delivery, cooperative or collective, and on-site consumption are anticipated. Please email info@ocm.ny.gov if you have any further questions.

