

Pursuant to the authority vested in the Cannabis Control Board by Sections 10, 13, 85, 87, 89, and 131 of the Cannabis Law, Chapter II of Subtitle B of Title 9 of the Official Compilation of Codes, Rules and Regulations of the State of New York is hereby amended to be effective upon publication of a Notice of Adoption in the New York State Register, to read as follows:

Subparagraph (i) of paragraph (31) of subdivision (a) of section 118.1 is amended to read as follows:

(i) a licensed Tier 1 cultivator with a set canopy tier as set forth under subparagraph (v[i]) of paragraph (2) of subdivision (b) of section 120.3 of this Title, and shall only use cannabis or cannabis material that is cultivated by said licensee, and not sourced from another cultivator, processor, or any other licensee; or

Paragraph (46) of subdivision (a) of section 118.1 are amended to read as follows:

(46) [*General use p*] Pesticide means [general use] pesticide as defined in article 33 of the Environmental Conservation Law

Paragraph (78) of subdivision (a) of section 118.1 is amended to read as follows:

(78) *Pests* means [rodents, birds, insects, plants, fungi, bacteria, or other animals or organisms that present a potential threat or contamination to cannabis plants and cannabis products] pests as defined in article 33 of the Environmental Conservation Law.

Subdivision (a) of section 119.4 is amended to read as follows:

(a) No retail dispensary license or microbusiness license shall be granted for any premises which shall be:

(1) on the same road and within 200 feet of the entrance of a building occupied exclusively as a house of worship;

(2) on the same road and within 500 feet of the entrance of a building occupied exclusively as a school;

(3) on the same road and within 500 feet of a structure or its grounds occupied exclusively as a public youth facility, if the municipality has enacted a local law pursuant to section 119.2 of this Part;

(4[1]) within a 1,000-foot radius of a registered organization, ROD, or any other premises for which a retail dispensary license or microbusiness license has been issued, in a municipality having a population of 20,000 or more, unless the Board has determined that issuing the license would promote public convenience and advantage; except that distance requirements between a retail dispensary or microbusiness and registered organizations shall cease to be a requirement past December 2023, or

(5[2]) within a 2,000-foot radius of a registered organization, ROD, or any other premises for which a retail dispensary license or microbusiness license has been issued, in a municipality

having a population of 20,000 or less, unless the Board has determined that issuing the license would promote public convenience and advantage; except that distance requirements between a retail dispensary or microbusiness and registered organizations shall cease to be a requirement past December 2023.

Subdivision (c) of section 119.4 is amended to read as follows:

(c) No registered organization or ROD license shall be granted for any premises which shall be:

(1) on the same road and within 200 feet of the entrance of a building occupied exclusively as a house of worship;

(2) on the same road and within 500 feet of the entrance of a building occupied exclusively as a school;

(3) on the same road and within 500 feet of a structure or its grounds occupied exclusively as a public youth facility, if the municipality has enacted a local law pursuant to section 119.2 of this Part;

([1]4) within a 1,000-foot radius of a retail dispensary, microbusiness, or ROD license issued in a municipality having a population of 20,000 or more, unless the Board has determined that issuing a registration or license would serve a medical necessity; provided however, if the license

is issued to a ROD for medical necessity, that only medical dispensing sites of the ROD, without a retail dispensary co-location, may be placed in that area; or

(5[2]) within a 2,000-foot radius of a retail dispensary, microbusiness, or ROD license issued in a municipality having a population of 20,000 or less, unless the Board has determined that issuing a registration or license would serve a medical necessity; provided however, if the license is issued to a ROD for medical necessity, that only medical dispensing sites of the ROD, without a retail dispensary co-location, may be placed in that area.[;]

Subdivision (e) of section 119.4 is amended to read as follows:

(e) No on-site consumption license shall be granted for any premises which shall be:

(1) on the same road and within 200 feet of the entrance of a building occupied exclusively as a house of worship;

(2) on the same road and within 500 feet of the entrance of a building occupied exclusively as a school;

(3) on the same road and within 500 feet of a structure or its grounds occupied exclusively as a public youth facility, if the municipality has enacted a local law pursuant to section 119.2 of this Part; or

(4) within five hundred (500) feet of three (3) or more existing on-site consumption premises licensed and operating pursuant to this Title, unless the Board has determined that issuing the license would promote public convenience and advantage.

Paragraph (2) of subdivision (h) of section 121.1 is amended to read as follows:

(2) the applicant fulfills at least one (1) of the following requirements:

(i) where the farm meets the small farm classification developed by the Economic Research Service of the United States Department of Agriculture, as defined in section 87 of the Cannabis Law and such small farm:

(a) filed a Schedule F tax return with farm receipts of the last three years;

(b) filed other tax form(s) demonstrating revenues below the qualifying threshold as established therein; [and]

(c) documented operating losses during the last three [(3)] years[.];

(d) qualifies for an agriculture assessment;

(e) operates a farm operation as defined in section 301 of the Agriculture and Markets law;
and

(f) has been disproportionately impacted, including, but not limited to incurring operating losses, by low commodity prices and faces the loss of farmland through development or suburban sprawl and meets any other qualifications as defined in regulation by the board.

Clause (b) of subparagraph (ii) of paragraph (2) of subdivision (h) of section 121.1 is amended to read as follows:

(b) is capable of presenting documentation showing they meet the requirements of being a producer, which includes but is not limited to, the following:

Subparagraph (iii) paragraph (2) of subdivision (h) of section 121.1 is renumbered as clause (c) to read as follows:

(iii)c is a member~~[ship in]~~of a group historically underrepresented in farm ownership as such group or groups may be defined by the Board, as provided by a sworn declaration that:

(a)l one or more of the members that qualify as member of a group or groups identified by the Board to be historically underrepresented in farm ownership; and

([b]2) that providing false information shall be grounds for action, including, but not limited to, the denial, suspension, cancelation or revocation of a license.

Subdivision (a) of section 123.1 is amended to read as follows:

(a) A nursery may produce, package, label, and distribute clones, seedlings, immature cannabis plants, cloned propagation material, tissue culture, and cannabis seeds. A nursery may only produce, package, label, distribute and sell to a duly licensed nursery, cultivator, cooperative or collective, microbusinesses, ROND or ROD for propagation purposes.

Paragraph (3) of subdivision (a) of section 123.3 is amended to read as follows:

(3) transfer cannabis to a processor for processing without relinquishing ownership of that cannabis;[and]

Subdivision (c) of section 123.3 is amended to read as follows:

(c) A cultivator or its true party of interest may be a true party of interest in a nursery, [research,]processor, or distributor license.

Paragraph (3) of subdivision (a) of section 123.4 is amended to read as follows:

(3) Each immature cannabis plant in the lot shall be [labeled with]assigned a [lot]unique identifier [and placed contiguous next to one another to facilitate identification of the lot unique identifier by the Office, or instead of labeling each immature cannabis plant in the lot, the lot shall be fully separated from other lots of immature or mature cannabis plants. In such cases, an individual immature cannabis plant does not need to be labeled with the corresponding lot unique identifier but this information must be]which shall be unique to that plant and tracked and maintained in the licensee inventory management system.

Subdivision (e) of section 123.4 is repealed and subdivision (e) is amended to read as follows:

(e) Agricultural inputs.

(1) Agricultural inputs means any external source put into soil that can help increase a farmer's upcoming yield in farm production, which can include seeds, fertilizers, equipment or energy and processing plants or machinery. For purposes of cannabis, agricultural inputs does not include pesticides as governed under article 33 of the Environmental Conservation law and its implementing regulations.

(2) A cultivator shall record any agricultural inputs used during cultivation, including beneficial insects, fertilizers, soil amendments, and other plant protection products. Records of pesticide applications must be kept in accordance with article 33 of the Environmental Conservation Law and its implementing regulations.

Paragraph (3) of subdivision (b) of section 123.11 is amended to read as follows:

- (3) sell its own cannabis products[it has cultivated or processed] to consumers;

Subdivisions (a) and (b) of section 123.15 is amended to read as follows:

(a) No person shall be a true party of interest in more than one (1) ROND license, or in a ROND license and an adult-use cultivator, cooperative or collective, microbusiness, or ROD license, provided, however, a true party of interest in a ROND may simultaneously be a passive investor in any number of ROND, cultivator, cooperative, microbusiness, or ROD licenses, if such true party of interest complies with all restrictions governing such relationships, including, but not limited to, undue influence, control, and true party of interest requirements.

(b) A ROND or its true party of interest may have a goods and services agreement with an adult-use cultivator, processor, distributor, cooperative or collective, microbusiness, ROD, or ROND license, subject to all restrictions governing such relationships, including, but not limited to, undue influence, control, and true party of interest requirements.

Subdivisions (a) and (b) of section 123.17 is amended to read as follows:

(a) No person shall be a true party of interest in more than one (1) ROD license, or in a ROD license and an adult-use cultivator, cooperative or collective, microbusiness, or ROND license, provided, however, a true party of interest in a ROD license may simultaneously be a

passive investor in any number of ROD, cultivator, cooperative or collective, microbusiness, or ROND licenses, if such true party of interest complies with all restrictions governing such relationships, including, but not limited to, undue influence, control, and true party of interest requirements.

(b) A ROD or its true party of interest may have a goods and services agreement with an adult-use cultivator, processor, distributor, cooperative or collective, microbusiness, ROD, and ROND, subject to all restrictions governing such relationships, including, but not limited to, undue influence, control, and true party of interest requirements.

Subdivision (e) of section 123.19 is amended to read as follows:

(e) In addition to any other restrictions or prohibitions in this Part, no delivery license or its true party of interest is permitted to hold a direct or indirect interest, including by being a true party of interest, passive investor, or having a goods and services agreement with, or by any other means, in a cultivator, processor, distributor, cooperative or collective, microbusiness, ROD, ROND, registered organization, or cannabis laboratory licensee or permittee.

Subdivisions (e), (g), and (h) through (j) of section 124.1 is amended to read as follows:

(e) No nursery, research license, cultivator, processor, distributor, microbusiness, cooperative or collective, ROD, or ROND shall, directly or indirectly, advance to any licensee authorized for the retail sale or delivery of cannabis or cannabis products to consumers, and no

licensee authorized for the retail sale of cannabis or cannabis products to consumers shall receive money or a benefit equivalent to the value of money under an agreement or by means of any other business practice or arrangement such as:

* * * *

(g) A nursery, cultivator, processor, microbusiness, cooperative or collective, distributor, ROD, or ROND may provide free samples of cannabis products to negotiate a sale to a retail dispensary or on-site consumption licensee premises that does not currently carry the cannabis product being sampled. Such licensees shall abide by any sample limits set by the Office and shall record the amount, transfer, and receipt of each cannabis product sample in the licensee’s inventory tracking system in accordance with pursuant to the requirements set forth in section 125.8 of this Title. The sample shall be clearly labeled as a “retailer sample” and recorded and tracked on a transport manifest. The receiving licensee shall receive the “retailer sample” in the inventory tracking system prior to sampling the cannabis product. All other packaging and labeling requirements in this Title shall apply. The retailer sample may be useable by the retailer and employees of a retailer but shall not be sold or given away to cannabis consumers.

* * * *

(h) A nursery, cultivator, processor, microbusiness, cooperative or collective, distributor, ROD, or ROND may provide retailers or on-site consumption licenses and their employees with

cannabis merchandise of nominal value as determined by the Office. These items can only bear the brand of a licensee. The items may not be forwarded on and given to retail customers, through purchase or giveaway.

(i) Retail advertising specialties. A cultivator, processor, microbusiness, cooperative or collective, distributor, ROD, or ROND may provide retail dispensary, delivery, ROD, or on-site consumption licensees with retail advertising specialties. The total value of all retailer advertising specialties furnished by a licensee to a retailer may not exceed \$200 per brand in any one calendar year per licensee, and licensees cannot pool or combine their dollar limitations to exceed the threshold. The value of a retail advertising specialty is the actual cost of the item to the manufacturer or wholesaler who initially purchased it. Transportation and installation costs are excluded. Records verifying the cost of retail advertising specialties provided to each dispensary shall be made available for inspection at the request of the Office.

(j) No nursery, cultivator, processor, microbusiness, cooperative or collective, distributor, ROD, or ROND shall provide category management services to retailers, including, but not limited to:

Subdivisions (b), (c) and (d) of section 124.2 is amended to read as follows:

(b) Distributors, cooperatives or collectives, microbusinesses, ROND or ROD, shall sell cannabis products to any person authorized for retail adult-use cannabis sales willing to pay cash for such cannabis products, provided, however:

* * * *

(c) Distributor, microbusiness, cooperatives or collectives, ROD, or ROND licensees may, but are not required to, accept payment on credit from licensees authorized for retail sales, provided:

* * * *

(d) Distributors, microbusinesses, cooperatives or collectives, RODs, or RONDs shall:

Paragraph (3) of subdivision (b) of section 124.2 is amended to read as follows:

(3) distributors, microbusinesses, cooperatives or collectives, ROD, or ROND shall not be required to accept checks drawn on a retail dispensary's account.

Paragraphs (1) through (4) of subdivision (e) of section 124.2 is amended to read as follows:

(1) Distributor, microbusiness, cooperative or collective, ROD, or ROND licensees shall, on or before the respective notification dates, as determined by the Office, for each retail dispensary license, give written notice of default, by first class mail or by such other method as contemplated or permitted by or under the applicable agreement, to all such licensees therein who have failed to make payment to them on or before their final payment date for cannabis

products sold or delivered to them during a credit period ending on their final payment date. No retail licensee shall be placed in default if the distributors, microbusinesses, cooperatives or collectives, ROD, or ROND has issued an account credit to the licensee, which after application to all debts owed by the retail dispensary licensee, is equal to or greater than the amount of the default. Any such retail dispensary licensee receiving a notice of default shall not thereafter purchase cannabis products, except for by paying with cash, until such time as the Office determines that their name shall not be published on the delinquent list as provided in subdivision (d) of this section, or until such time as the Office permits sales or deliveries to them as provided in subdivision (g) of this section. Each such distributor, microbusiness, cooperative or collectives, ROD, or ROND is hereby required to file with the Office, on or before each notification date, copies of the notices sent by them to all delinquent retail dispensary licensees as required in this subdivision, and in addition, if the Office shall so require, a written list setting forth the names and addresses of all such delinquent licensees. The Office, in its discretion, may extend for a period not exceeding three (3) days, the date for giving written notice of default to delinquent retail dispensary licensees and extend for three (3) days, the date for filing with the Office the copies of notices sent to such licensees and/or the written list of delinquent retail dispensary licensees as required in this subdivision. The Office, in its discretion, may limit the documents to be filed to those relating to licensees who are to be added or deleted from the default list and direct that distributors, microbusinesses, cooperatives or collectives, ROD, or ROND maintain copies of all other documents required under this section for future inspection by the Office.

(2) The Office shall, as soon as practicable after each notification date, compile and publish and furnish each distributor, microbusiness, cooperative or collective, ROD, and ROND licensed under this Title, a list, to be designated on the delinquent list containing the names and addresses of all retail dispensary licensees who have been reported by distributors, microbusinesses, cooperatives or collectives, ROD, or ROND pursuant to the provisions of this section as having failed to make payment as required by this section for cannabis products sold or delivered to them, and no such distributors, microbusinesses, cooperatives or collectives, ROD, or ROND, on or after the fifth (5th) day after the receipt of such delinquent list, shall knowingly, willfully, or intentionally sell or deliver any cannabis to any such licensee whose name appears on such list, except for cash, until such time as the name of such licensee is removed therefrom, except as hereinafter permitted.

(3) The receipt of a delinquent list by a distributor, microbusiness, cooperative or collectives, ROD, or ROND shall constitute knowledge of the names of the retail dispensaries licensees who have failed to make payment for cannabis as required by this section.

(4) The Office may publish the delinquent list on its website; provided, however, that full access shall be restricted to those distributors, microbusinesses, cooperatives or collectives, ROD, or ROND licensed under this Title and access to their specific status shall be provided to retail dispensaries licensed under this Title. Such publication shall be considered receipt thereof by all distributors, microbusinesses, cooperatives or collectives, ROD, or ROND.

Subdivision (f) of section 124.2 is amended to read as follows:

(f) In the event that any dispute shall exist between any distributor, microbusiness, cooperative or collectives, ROD, or ROND and a retail dispensary licensee to whom they shall have sold cannabis products, either as to the fact of payment or as to the amount due for such cannabis products or as to the quantity of the cannabis products sold or delivered, which dispute cannot be resolved between them, the Office is hereby authorized to receive statements from each of the parties to such dispute as to the facts and circumstances thereof and to determine whether or not a retail dispensary licensee is delinquent and should be included on the appropriate delinquent list. The licensee may appeal this determination and request a hearing pursuant to Part 133 of this Title.

Subdivision (i) of section 124.2 is amended to read as follows:

(i) Nothing herein contained shall be construed to require any cultivator, processor, distributor, microbusiness, cooperative or collective, ROD, or ROND to extend credit to any retail dispensary licensee nor to restrain any distributor, microbusiness, cooperative or collective, ROD, or ROND from enforcing by legal action or otherwise, payment of any sum or sums of money due or alleged to be due to any such distributor, microbusiness, cooperative or collective, ROD, or ROND for cannabis sold or delivered to any such retail dispensary licensee.

Paragraph (1) of subdivision (b) of section 125.1 is amended to read as follows:

(1) A nursery, tier 1 cultivator, tier 2 cultivator, cooperative or collective, or microbusiness licensee shall use horticultural lighting equipment with a PPE of at least 1.7 $\mu\text{mol}/\text{J}$ measured at the lamp. A nursery, tier 1 cultivator, tier 2 cultivator, cooperative or collective, or microbusiness licensee shall meet applicable horticultural lighting equipment standards prior to the second license renewal.

Paragraphs (1), (2) and (3) of subdivision (c) of section 125.1 is amended to read as follows:

(1) HVAC Standards. A nursery, cultivator, cooperative or collective, microbusiness, ROD, or ROND licensee authorized to cultivate indoors, cultivate in mixed light, operate a nursery area indoors, or operate a nursery area in mixed light shall, unless the licensee has a written plan for managing refrigerant leaks and disposal that has been approved by the Office, use HVAC and refrigeration equipment which uses a refrigerant with a twenty-year global warming potential of 10 or less.

(2) Dehumidification Standards. A nursery, cultivator, cooperative or collective, microbusiness, ROD, or ROND licensee shall only use dehumidification equipment, including in drying areas, that is one of the following:

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(3) A nursery, tier 1 cultivator, tier 2 cultivator, cooperative or collective, or microbusiness licensee shall meet applicable HVAC and dehumidification standards prior to the second license renewal.

Paragraphs (1) and (2) of subdivision (d) of section 125.1 is amended to read as follows:

(1) A nursery, cultivator, cooperative or collective, microbusiness, ROD, or ROND licensee authorized to cultivate indoors, cultivate in mixed light, operate a nursery area indoors, or operate a nursery area in mixed light shall install and use at least one interval meter sufficient to capture and track the energy usage in all areas where licensed activities are conducted.

(2) A tier 3 cultivator, tier 4 cultivator, tier 5 cultivator, cooperative or collective, ROD, or ROND licensees authorized to cultivate indoors shall use technologies for the primary source of energy that do not involve on-site combustion of fossil fuels. It is acceptable for such licensee's emergency back-up system to be technology that involves the on-site combustion of fossil fuels. Acceptable alternatives to fossil fuel-based systems include, but are not limited to, ground-source (geothermal) systems or air-source heat pump systems. A tier 3 cultivator, tier 4 cultivator, tier 5 cultivator, cooperative or collective, ROD, or ROND shall meet this requirement prior to the first license renewal.

Subdivision (e) of section 125.1 is amended to read as follows:

(e) Water Standards. A nursery, cultivator, cooperative or collective, microbusiness, ROD, or ROND licensee authorized to cultivate shall only utilize water for cultivation or in a nursery area, except for water that is used for drip irrigation and subsurface irrigation, that has levels of total coliform present consistent with 10 NYCRR Subpart 5-1 as tested by an environmental laboratory certified by the New York State Department of Health.

Paragraph (6) of subdivision (a) of section 125.2 is amended to read as follows:

(6) a nursery, cultivator, cooperative or collective, microbusiness, ROD, or ROND licensee shall also include in the site plan the following additional information, as applicable:

Subparagraph (vii) of paragraph (6) of subdivision (a) of section 125.2 is amended to read as follows:

(viii) other activities or other licensed areas. Such nursery, cultivator, cooperative or collective, microbusiness, ROD, or ROND licensee shall keep all areas used for adult-use cannabis operations, including any growing, harvesting, drying, or storage areas, separate and distinct from any area designated for hemp cultivation authorized under the Department of Agriculture and Markets; and

Paragraph (7) of subdivision (a) of section 125.2 is amended to read as follows:

(7) a nursery, cultivator, cooperative or collective, processor, microbusiness, ROD, or ROND licensee shall also include in the site plan designated areas for:

Paragraph (2) of subdivision (b) of section 125.2 is amended to read as follows:

(2) A nursery, cultivator, cooperative or collective, microbusiness, ROD, or ROND licensee authorized to cultivate shall include additional written operating procedures to:

Subparagraphs (iii) of paragraph (2) of subdivision (b) of section 125.2 is repealed and subparagraphs (iv) through (vii) of Paragraph (2) of subdivision (b) of section 125.2 is renumbered to subparagraphs (iii) to (vi).

Newly renumbered (iii) of paragraph (2) of subdivision (b) of section 125.2 is amended to read as follows:

(iii) apply agricultural inputs in a manner that uses only the minimum amount necessary, preventing undesirable drift (including drift due to wind) of inputs to nearby water or other plants[, and only applying pesticides when pollinators are not present];

Subparagraphs (iii) of paragraph (7) of subdivision (b) of section 125.2 is amended to read as follows:

(iii) related to employee safety, including shutdown and emergency procedures which, for processor, microbusiness, cooperative or collective, ROD, or ROND licensees authorized to extract using solvents, shall include specific information related to safe extraction, fire prevention, and response in the event of a fire;

Subparagraph (iv) of paragraph (8) of subdivision (b) of section 125.2 is amended to read as follows:

(iv)[a list of all sanitizing agents used to maintain equipment used in the cultivation, processing, distribution, transportation, storage, and sale of cannabis or cannabis products] a description of sanitation practices;

Subparagraph (v) of paragraph (8) of subdivision (b) of section 125.2 is amended to read as follows:

(v) safety data sheets for all pesticides used and for all hazardous chemicals and solvents used in processing;

Subparagraph (iv) of paragraph (1) of subdivision (c) of section 125.2 is amended to read as follows:

(iv) If the applicant is seeking a processor, microbusiness, cooperative or collective, ROD, or ROND license that authorizes the packaging and labeling of cannabis products, an

Environmental Sustainability Product Packaging Plan which describes a retail packaging sustainability program pursuant to Part 128 of this Title; and

Paragraph (3) of subdivision (c) of section 125.2 is amended to read as follows:

(3) Prior to an application for license renewal being deemed complete for filing with the Office pursuant to section 120.5 of this Title, applicants for renewal may be required to provide an updated Energy and Environmental Plan. Nursery, cultivator, cooperative or collective, microbusiness, ROD, or ROND licensees authorized for cultivation may be required to submit data collected pursuant to section 123.4 of this Title, including, but not limited to, energy tracking and regenerative agriculture practices.

Subdivision (c) of section 125.6 is amended to read as follows:

(c) All employees involved in the cultivation, processing, or distribution of cannabis and cannabis products shall receive safety and hygiene training as determined by the Office. Signed [consent]acknowledgment forms shall be obtained by the licensee from all employees involved in the application of chemicals or other potentially hazardous materials, ingredients, or substances as part of their work activities upon completion of the chemical application training, which shall include safe usage and handling information. This may include any requirements in article 33 of the Environmental Conservation Law or implementing regulations for pesticide applications and use.

Subdivision (e) of section 125.6 is amended to read as follows:

(e) The licensee shall maintain an electronic record of any chemicals or other potentially hazardous materials, ingredients, or substances onsite that are used to conduct operations (such as chemicals for cleaning equipment[, to control pests,] or to perform extraction) and make available to all employees.

Paragraph (9) of subdivision (a) of section 125.7 is amended to read as follows:

(9) maintain records of pest management activities in a manner consistent with article 33 of the Environmental Conservation Law and[, including[,] the following:

Subparagraph (ii) of paragraph (9) of subdivision (a) of section 125.7 is amended to read as follows:

(ii) a record of routine trap maintenance;[and]

Subparagraph (iv) of paragraph (9) of subdivision (a) of section 125.7 is added to read as follows:

(iv) other information as required by the Office.

Paragraph (11) of subdivision (a) of section 125.7 is amended to read as follows:

(11) store poisonous or toxic materials[, insecticides, rodenticides, other pesticides], detergents[, sanitizers], caustics, acids, and other related cleaning[or pest management] compounds in separate areas from cannabis or cannabis products, in prominently and distinctly labeled containers in a manner that protects the safety of all individuals on the licensed premises; and

Clauses (a) and (e) of subparagraph (i) of paragraph (8) of subdivision (a) of section 125.8 is repealed and clauses (b) through (d) are renumbered as clauses (a) through (c) of subparagraph (i) of paragraph (8) of subdivision (a) of section 125.8 and newly renumbered (b) and (c) are amended as follows:

(b[c]) destroying or disposing of an immature or mature cannabis plant; and

(c[d]) harvesting of a mature cannabis plant, or portion thereof[; and].

Paragraph (1) of subdivision (e) of section 125.8 is amended to read as follows:

(1) for a cooperative or collective, tier 3 cultivator, tier 4 cultivator, tier 5 cultivator, ROD, or ROND licensee, a difference in the actual inventory compared to the anticipated inventory of two (2) percent of the anticipated inventory or greater;

Subparagraph (iii) of paragraph (2) of subdivision (e) of section 125.8 is added to read as follows:

(iii) for a nursery, tier 1 cultivator, tier 2 cultivator, distributor, processor, or microbusiness licensee, a difference in the actual inventory compared to the anticipated inventory of five (5) percent of the anticipated inventory or greater, unless such licensee also holds a cooperative or collective, tier 3 cultivator, tier 4 cultivator, tier 5 cultivator, ROD, or ROND license at the time the discrepancy is discovered, in which case a significant discrepancy shall mean a difference in the actual inventory compared to the anticipated inventory of two (2) percent of the anticipated inventory or greater;

Subdivision (f) of section 125.8 is amended to read as follows:

(f) A nursery, cultivator, processor, cooperative or collective, ROD, ROND, or microbusiness licensee shall maintain records identifying each agricultural input used in a nursery area, propagation area, or canopy area and each ingredient used in processing. Records shall include:

Subdivision (a) of section 125.13 is amended to read as follows:

(a) A licensee shall keep and maintain records required by this Title, or any other applicable federal or state rule or regulation, for at least five [(5)] years from the date of creation, unless a shorter time is specified by the Office. This section shall not apply to pesticide applications pursuant to article 33 of the Environmental Conservation Law and its implementing regulations.

Subdivision (a) of section 125.14 is amended to read as follows:

(a) Nursery, cultivator, processor, cooperative or collective, microbusiness, ROD, or ROND licensees may provide quality control processing samples of cannabis or cannabis products directly to the licensee’s owners or to employees who are at least twenty-one (21) years of age for the purpose of internal quality control and product development.

Paragraph (1) of subdivision (h) of section 125.15 is amended to read as follows:

(1) allow any adult-use cultivator, processor, distributor, cooperative or collective, microbusiness, ROD, ROND, registered organization registered under article 3 of the Cannabis Law, or cannabis laboratory licensee or permittee or any true party of interest of any of the aforementioned to advertise through use of a brand representative within the consumption facility or exception area, unless such representative is outdoors and cannot be easily seen from any public thoroughfare adjacent to the licensed premises and the consumption facility is not a limited retail consumption facility; or

Table 1 of subdivision (b) of section 131 is amended to read as follows:

Table 1

| Regulation | Referenced Material | Availability |
|-------------------------------|---|---------------------|
| 9 NYCRR Part/sec./etc. | CFR (Code of Federal Regulations) or other | |

| | | |
|--|--|--------------|
| 118.1(a)(46); <u>118.1(a)(78);</u> 118.1(a)(82); <u>125.6(c);</u> <u>125.7(a)(9); 125.13(a)</u> | Environmental Conservation Law article 33 | **** |
| 118.1(a)(73) | U.S. Securities and Exchange Commission, Financial Accounting Standards Board & Government Accounting Standards Board, Generally Accepted Accounting Principles | |
| 119.2(a)(6) | Public Health Law article 13-E | **** |
| 119.2(a)(6) | 42 U.S.C. § 7401 et seq., also known as The Clean Air Act | *** |
| <u>121.1(h)(2)(i)</u> | <u>Farm Structure and Contracting</u> | <u>*****</u> |
| <u>121.1(h)(2)(i)(e)</u> | <u>Agriculture and Markets Law §301</u> | <u>****</u> |
| 121.3(d)(2) | Labor Law article 20-C | **** |
| 123.6(a)(1) | 21 CFR Part 111 | ** |
| 123.6(a)(1) | 21 CFR Part 117 | ** |
| 123.6(c)(2)(iii) | 21 USC § 321 | * |
| 123.6(e)(1) | Alcohol and Beverage Control Law §3(1) | **** |
| 123.6(e)(5) | Public Health Law § 3306(h) and (g) | **** |
| 123.6(f)(8) | 10 NYRR § 14-1.31 | * |
| 123.6(f)(11); 123.8(a)(1); 123.8(a)(3); | Tax Law article 20-C | **** |

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|---|--|-------|
| 123.10(f)(2)(v); 123.10(f)(11) 123.10(f)(1)(iii); | | |
| 125.1(c)(7)(vii) | 6 NYCRR Part 201 | * |
| 125.1(c)(7)(vii) | 6 NYCRR § 201-2.1(6)(9) | * |
| 125.1(c)(8)(i) | Chapter 106 Laws of 2019 § 7(2); also known as the New York State Climate Leadership and Community Protection Act. | ***** |
| 125.1(c)(8)(i) | Environmental Conservation Law article 75 | **** |
| 125.1(e) | 10 NYCRR Subpart 5-1 | * |
| 125.5(d) | 29 CFR § 1910.1200 | ** |
| 125.5(f) | 29 CFR § 1910.132 | ** |
| 125.5(g) | 29 CFR § 1910.134 | ** |
| 125.10(f)(1) | 6 NYCRR Part 364 | ** |
| 125.10(f)(1) | 6 NYCRR Part 381 | ** |

* Electronic copies of New York Codes, Rules and Regulations (NYCRR) sections can be searched directly at:

https://govt.westlaw.com/nycrr/index?__lrTS=20190327201930309&transitionType=Default&contextData=%28sc.Default%29

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**** Electronic copies of New York State Law, including, but not limited to[,]: [Agriculture and Markets Law](#), Public Health Law, Vehicle and Traffic Law, Education Law, Mental Hygiene Law, Social Services Law may be searched directly under the Laws tab (which drops down to “Laws of New York”) at: <http://public.leginfo.state.ny.us/lawssrch.cgi?NVLWO:>

***** Electronic copies of New York State Chapter Law, may be searched directly under the Home tab (which drops down to allow you to select “Chapter No.”) at:

<http://public.leginfo.state.ny.us/navigate.cgi?NVMUO:>

***** [Electronic copies of the United States Department of Agriculture Economic Research Service Farm Structure and Contracting](#) may be searched directly at:

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