



Adult-Use Cannabis License Applications

Post Application User Guide

Overview

On October 4, 2023, the Office of Cannabis Management (Office) opened an adult-use application window for cultivation, processing, distribution, retail and microbusiness license types. The application window was open from October 4, 2023, until December 18, 2023. Retail and microbusiness applicants who had proof of control over a location were asked to submit their applications before November 17, 2023. All other license type applications were required to be submitted by December 18, 2023.

Overall, the Office received 6,790 submissions during the application window. Following the close of the application window, the Office began the process of conducting a high-level review of application submissions to identify certain True Party of Interest (TPI) violations as well as processing administrative withdrawals of applications based on this analysis. The TPI violation review included entities that applied for more licenses than they would be permitted to hold or applied for license types on both the supply and retail tier which is not permitted. The Office later conducts a second more in-depth TPI review of each application during the review process to ensure the applicant and its owners do not have any TPI violations.

The Office then separated applications based on whether they had proof of control over a location for retail and microbusiness application types and if they applied before November 17, 2023, into a November pool and the remaining applications were placed into the December pool. The Office worked with a third party audit firm to create a random order sequencing process for both pools to generate a November queue and multiple December queues based on the license type sought.

The queue determines the order in which the Office will conduct full review of these applications. The queue does not indicate the order in which licenses will be issued. Each application is different, and the length of the review time will vary from application to application. Inclusion on a queue is not a guarantee of licensure and is not an indication of sufficient eligibility for a license.

Additionally, Adult-Use Conditional Cultivators and Conditional Processors were able to apply to submit applications during the application window to transition to full, non-conditional licenses. A subsequent window has been created to allow these licensees to complete this transition for those who did not apply in the October application window. The conditional license program expires in June 2024, and it is important that all Conditional Cultivators and Conditional



Processors apply to transition by May 3, 2024, which is the application deadline for conditional licensees to apply for non-conditional full licenses, if they wish to transition.

November Application Pool

Applicants who applied for retail dispensary and microbusiness licenses with proof of control of a location and submitted their applications before November 17, 2023, had their applications randomly ordered into a single queue for review. The November queue randomization process was conducted on December 7, 2023, and included 1,831 retail and 401 microbusiness applications.

The November queue is available for viewing on the Office's website [here](#). Applicants in the November queue were required to have proof of control over a location which could be satisfied by a lease, conditional lease or deed as communicated in the [Application FAQ](#).

Applications in the November queue are currently under review and hundreds of applications from this window have received their final license following approval from the Cannabis Control Board. Additional licenses will be awarded from the November queue on a rolling basis at Cannabis Control Board meetings.

December Application Pool

Applicants who applied for cultivator, processor, or distribution licenses; as well as applicants for retail or microbusiness licenses who did not have proof of control of a location or submitted their applications after November 17, 2023 had their applications included in the December queue. The applications were randomly ordered into multiple queues based on application type for review. The December queue randomization process was conducted on January 30, 2024, and was split into four queues displayed below.

- Queue 1 included 3,344 retail and 1,214 microbusiness applications;
- Queue 2 included 539 processor applications;
- Queue 3 included 277 cultivator applications;
- Queue 4 included 293 distributor applications.

The December queues are available for viewing on the Office's website, [here](#). The December queue for retail dispensary and microbusiness applicants did not require that the applicant apply with a location – however, the applicants were able to include a location on their application if they wanted to. The retail dispensary and microbusiness applicants who applied



without a location are eligible for a provisional license if approved. After receiving a provisional license, the provisional licensee, must go out and find a viable location. Once a location is secured the provisional licensee must submit the location along with other requirements via the New York Business Express Portal to have their application reviewed and approved prior to final licensure. A provisional licensee cannot conduct any cannabis activities and has 12 months to submit any outstanding information to operationalize their retail dispensary or microbusiness. If a provisional licensee is unable to operationalize their license within 12 months, their application may be denied. For the cultivator, processor, and distributor applications there is no provisional licensure pathway as these applications required proof of control over a location to apply.

How to Use this User Guide

This User Guide is intended to help clarify the licensing review and queuing process for applicants who applied in the October 2023 application window. Please note, while reviewing this document, the application naming conventions:

- **The November 2023 Application Queue** refers to those applicants who applied for retail dispensary and microbusiness licenses with proof of control of a location and submitted their applications before November 17.
- **The December 2023 Application Queue** refers to retail and microbusiness applications that were submitted after November 17, or were submitted without proof of control over a location (eligible for provisional licensure). Applicants for cultivation, processing, and distribution are also included in the December Application pool.

Please read the User Guide below and continue to monitor the Office’s website for updates as future license information becomes available. If you have not done so already, please sign up for updates from the Office at: https://cannabis.ny.gov/sign_up_for_updates_from_OCM.

All applicants and licensees are encouraged to frequently monitor the Adult-Use Cannabis Licensing Page on the Office’s website at: www.cannabis.ny.gov/licensing.

If your question is not answered in any of the provided materials, please email AUlicensing@ocm.ny.gov



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APPLICATION QUEUING:

1. How was the queueing done?

The Office used a computer program to randomly sequence the adult-use cannabis applications from the November and December application pools. The queueing program, or code, gave applications seeking Extra Priority Social and Economic Equity certification two additional spots in the queue, meaning they had a total of three positions. These applications were then randomly sequenced, along with all other applications, to create the order in which the Office reviews the applications. Random sequencing was done through the program's pseudo-random number generator, which is an algorithm that generates a sequence of numbers. A seed number was also used to initialize the algorithm and to make the queueing reproducible. The afternoon New York State Lottery Win 4 Draw numbers from the day the queueing process occurred was used as the program's seed numbers. The random queueing process was audited as it occurred by an independent third-party to ensure it was random and unbiased.

Seeding the Random Number Generator

To further randomize the queueing process, the Office used the Win 4 lottery drawing numbers as the seed numbers. The queueing was conducted immediately following the selection of the Win 4 lottery numbers as follows:

November Window Applicant Pool Queue.

- Drawing Date and Time: December 7, 2023 at 3:08 PM
- Win 4 Lottery Numbers: 7,5,3,6
- Number of applications queued: 2,232

December Window Applicant Pool Queues.

- Drawing Date and Time: January 30, 2024 at 2:50 PM
- Win 4 Lottery Numbers: 9,3,3,0
- Number of applications queued: 5,667

Replicability of Results

The sequence of numbers generated is different for every seed number used. However, in order to ensure replicability of results, the sequence of numbers will remain consistent when the same seed number is used. The queueing process was created using the random number generator in the statistical programming language R.

2. How many applications were included in each queue?

All applications were placed in a pool for randomized queueing based on their application license type, with certain applications included multiple times as described herein.

The applications were queued in groups as follows:

November Applicant Pool

Queue Date and Time: December 7, 2023 at 3:08 PM



For the November Applicant Pool, there was **one queue comprised of 2,232 applications, broken down as follows:**

- Adult-Use Retail Dispensary: 1,831
 - Extra Priority: 570
 - Not Extra Priority: 1,261
- Microbusiness: 401
 - Extra Priority: 32
 - Not Extra Priority: 369

December Applicant Pool

Queue Date and Time: January 30, 2024 at 2:50 PM

For the December Applicant Pool, there were four queues as follows:

- **Queue 1: 4,558 applications, broken down as follows:**
 - Adult-Use Retail Dispensary: 3,344
 - Extra Priority: 735
 - Not Extra Priority: 2,609
 - Microbusiness: 1,214
 - Extra Priority: 324
 - Not Extra Priority: 890
- **Queue 2: 539 Processor applications, broken down as follows:**
 - Processor Type 1: 208
 - Extra Priority: 24
 - Not Extra Priority: 184
 - Processor Type 2: 124
 - Extra Priority: 9
 - Not Extra Priority: 115
 - Processor Type 3: 207
 - Extra Priority: 15
 - Not Extra Priority: 192
- **Queue 3: 277 Cultivation applications, broken down as follows:**
 - Extra Priority: 48
 - Not Extra Priority: 229
- **Queue 4: 293 Distributor applications, broken down as follows:**
 - Extra Priority: 33



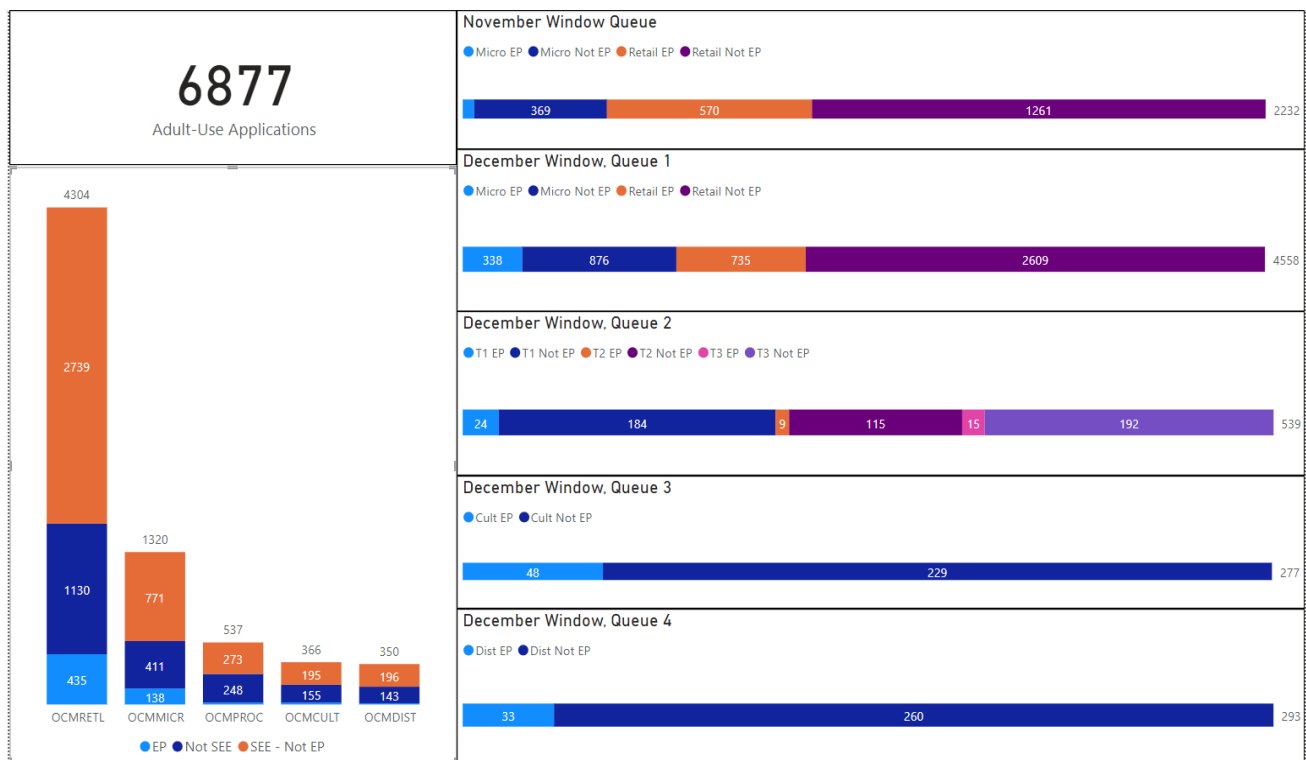
- Not Extra Priority: 260

3. How did the triple weighting of Extra Priority applicants change the probability of an application being selected for review?

The chart below shows the impact of the weighting of Extra Priority applicants in each queue:

The vertical bar chart on the left shows the total number of applications received for each license type, broken down by the number of Extra Priority, SEE, and Not-SEE applications. The horizontal bar chart on the right shows the total number of applications that were included in each queue.

Note: The total number of applications queued differs from the number of applications submitted due to the triple weighting of Extra Priority applications and the double weighting of Compliance Training and Mentorship Program (CCTM) applications in the December Applicant Pool, (CCTM applicants for a microbusiness license in the December window received an extra chance of appearing in that queue), and due to the exclusion of applications that were submitted and then subsequently withdrawn by applicants.



4. Does appearing high in the queue mean that you are guaranteed a license?

No. Inclusion in the queue is not a guarantee of licensure and is not an indication of eligibility for a license. The queue order solely determines the order in which the Office conducts application reviews. Due to each application being different, the length of the review time will vary from application to application. The length of time it takes to complete the review of each application can depend, in part, on the complexity of the applicant ownership structure, whether an applicant had deficiencies in its



application to cure, and the responsiveness of applicants to requests for additional information from the Office, among other factors. Therefore, the order of the queue does not indicate the order in which licenses will be issued.

LICENSING TARGETS:

5. How many licenses does the Board intend to award from the October application window?

At the May 10, 2024 Board meeting the Board voted to adopt the linked policy guidance:

<https://cannabis.ny.gov/system/files/documents/2024/05/ocm-supplemental-policy-guidance.pdf>.

This guidance sets out the Office to review all applications submitted in the November queue. Applications that meet all necessary requirements for full licensure will be recommended to the Cannabis Control Board (Board) to be approved for a license at Board meetings. Applications that meet certain requirements will be eligible for a provisional license. Applications that do not meet the necessary requirements for licensure will be recommended to the Board for denial.

The Office will prioritize the review of applications from the November queue before reviewing and issuing licenses for retail dispensary and microbusiness applications from the December queue. Applications for cultivation, processing and distribution from the December queue will be reviewed in tandem with the November queue. The Office will continue to review Conditional Adult-Use Retail Dispensary post-selection applications as they are submitted. All AUCC and Adult-Use Conditional Processors (AUCP) who are transitioning to “non-conditional” licenses will continue to be reviewed.

The Board will share additional information about the number of licenses it intends to issue from the December queue once review of the November queue is farther along. The decision will take into account analysis of the cannabis supply-chain and the number of dispensaries that can be supported by the cannabis market in New York State as well as the number of AUCC who transition and microbusinesses that receive a license.

6. Will the Board award more than one retail dispensary license to an entity that applied for multiple retail dispensary licenses?

No. The Board is only awarding one retail dispensary license per entity in this application window. Any entity that receives a license will not have any other retail dispensary licenses issued to that entity from this application window even if the applicant applied multiple times.

7. If two different retail dispensary applicants with different entities but the same majority ownership appeared high in the queue, would both applicants be eligible for licenses?

No. To promote diversity in commerce, ownership and employment, in this application window, no entities with the same majority ownership will be awarded more than one retail dispensary license.

8. If a majority owner in one retail dispensary applicant is a minority owner in another retail dispensary applicant, can both applicants receive a license from this application window?

Yes, a majority owner in one retail licensee can be a minority owner in another retail licensee. However, no individual is allowed to be a True Party of Interest (TPI) with direct or indirect financial or controlling



interest in more than **three** retail dispensaries. Additionally, an individual can be a passive investor, meaning they have minimal ownership and no control over the applicant, in more than three retail dispensaries in accordance with the cannabis regulations.

9. How many Conditional Adult Use retail dispensary licenses (CAURD) have already been issued?

The Board has issued provisional licenses to 463 Conditional Adult-Use Retail Dispensary (CAURD) licenses. Many of these CAURD are in the process of receiving final licensure and opening their stores.

A full list of adult-use retail dispensaries that have opened is available on the Office's website: [here](#).

Application Review:

10. What are the steps involved in reviewing an application for licensure?

Each application must be thoroughly reviewed for several qualification requirements before it can be approved for licensure:

- I. **Application Review Overview.** Submission of all application elements including:
 - a. **Business profile and license eligibility:** This involves reviewing all documentation submitted in association with the business, including, but not limited to, business formation documents, capitalization tables, financial disclosures, and the entity disclosures to ensure that the business meets the requirements set forth in the Cannabis Law and adult-use cannabis regulations, and is eligible to hold an adult-use cannabis license.
 - b. **Social and Economic Equity qualifications:** This involves review of all documents and information submitted in association with the applying business owners to prove ownership and sole control of the business by an individual or a group of individuals seeking to qualify as a minority-owned business, women-owned business, service-disabled veteran, distressed farmer, individual from a community disproportionately impacted (CDI), and/or an Extra Priority applicant. More information about SEE can be found on the Office's website: <https://cannabis.ny.gov/system/files/documents/2024/03/ocm-seeapplicants.pdf>
 - c. **Proof of control over the licensed premises (when required):** This involves reviewing the lease or deed submitted by the applicant to ensure it meets the standards of showing adequate control over the premises, and verifying that the location does not violate the proximity rules of being too close to a house of worship, a school, a public youth facility (applicant must provide information as to applicability), another dispensary that already has proximity protection, and that the proposed location is not in a municipality that has opted out of allowing cannabis sales in accordance with the Cannabis Law and adult-use cannabis regulations.
 - d. **True Parties of Interest (TPI) disclosures:** This involves reviewing the ownership structures submitted by the applicants, as well as their operational agreements, financing agreements, and vendor contracts to determine who is considered a TPI of the applicant. All TPIs must submit the required disclosures, which need to be reviewed by the Office to ensure that the TPI meets the standards required by Cannabis Law and



Adult-Use regulations and is not a person prohibited from trafficking cannabis per the Cannabis Law. Furthermore, the Office must do an assessment of all TPIs to determine that no TPI is violating the cross-tier market rules or has otherwise applied to be on too many applications. A TPI in the supply tier cannot have a direct or indirect interest with a license in the retail tier. More information about TPI is available on the Office's website: <https://cannabis.ny.gov/tpi-hub>

- e. **Background checks and fingerprints:** All applicant entities and TPIs undergo a background investigation performed by the Office. All TPIs that meet certain criteria must be fingerprinted and a criminal history report is transmitted to the Office. All criminal history records must be reviewed to ensure no person is otherwise prohibited from trafficking cannabis pursuant to the Cannabis Law. Additionally, all TPIs that meet certain criteria will be required to undergo a New York State Department of Taxation and Finance tax clearance check. For more information about the fingerprinting please see: <https://cannabis.ny.gov/system/files/documents/2024/01/applicant-fingerprint-procedures-1-10-24.pdf>.

II. **Application Review Components with further Detail:**

- a. **Social and Economic Equity (SEE) Applicant Review:** Pursuant to the Cannabis Law and adult-use cannabis regulations, all applicants seeking certification as any of the social and economic equity groups must:
 - b. Prove applicants meet the criteria of sole control of the entity seeking to hold the license.
 - c. Provide additional information and documentation relating to the specific SEE category for which the applicant seeks approval.
 - 1. If the applicant seeks approval as a minority- or women-owned business enterprise (MWBE)
 - 1. Proof of state certified MWBE certification or sworn declaration
 - 2. Proof the applying entity is a small business by:
 - a. Submitting quarterly payroll reports for the last three years and any other information as requested by the Office if the business has been in operation for three or more years, or
 - b. Submitting a sworn declaration stating the entity is a small business and submitting documents detailing the entity formation if the business has been in operation for less than three years.
 - 2. If the applicant seeks approval as an individual from a [CDI](#).
 - 1. Documentation establishing residency in a CDI for:
 - a. Five years when the applicant was below the age of 18, or
 - b. Seven years throughout the applicant's life
 - 3. If the applicant seeks approval as a Service-Disabled Veteran Owned Business (SDVOB)
 - 1. Proof of state SDVOB certification, or
 - 2. Submission of DD214(s) and/or NG214(s) with Line of Duty Report U.S. Veterans Administration documentation of service-connected disability rating, while the applicant awaits SDVOB certification from an authorized state agency



4. If the applicant seeks approval as a Distressed Farmer
 1. Proof the applicant owns a small farm operation demonstrating gross cash farm income below \$350,000 per the Economic Research Service of the United States Department of Agriculture, filed a Schedule F documenting operating losses, qualifies for an agricultural assessment, and has been disproportionately impacted by low commodity prices and facing loss of farmland through development, or
 2. Proof the applicant is a small farm operator, is a member of a minority group historically underrepresented in farming and provides a sworn declaration.
 5. If the applicant seeks Extra Priority
 1. Documentation establishing residency in a [CDI](#) for:
 - a. Five years when the applicant was below the age of 18, or
 - b. Seven years throughout the applicant's life
 2. Proof that the applicant has an income lower than 80% of the median income of the county in which the applicant resides; and
 3. Proof that the applicant was convicted of a marijuana-related offense prior to the effective date of the Marijuana Regulation and Taxation Act (March 31, 2021), or had a parent, guardian, child, spouse, or dependent, or was a dependent of an individual who, prior to March 31, 2021, was convicted of a marijuana-related offense.
- d. **Background check:** All applicants must undergo a NYS criminal history information check, which includes, but is not limited to, determining if an applicant is:
- e. An individual who has been convicted of an offense related to the functions or duties of owning and operating a business within three years of the application date, which may include:
1. A felony conviction within the past five years involving fraud, money laundering, forgery or other unlawful conduct related to owning and operating a business; and
 2. A felony conviction within the past five years for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling, any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor.
- f. A person under the age of twenty-one years;
- g. A partnership or a corporation, unless each member of the partnership, or each of the principal officers and director of the corporation, is a citizen of the United States or a person lawfully admitted for permanent residence in the United States, not less than twenty-one years of age;
- h. A person whose cannabis business license was revoked for cause;
- i. A person who was found to be engaged in unlicensed, unregistered, or unpermitted cannabis-related activities;
- j. A person who serves as a chief of police, or police officer, or subordinate to any police department in the state.



- k. **Location review:** All retail dispensary locations are reviewed for the following requirements, including:
1. Demonstration of site control via conditional lease, lease, or deed;
 2. Analysis of whether the proposed location is located in an opt-in jurisdiction;
 3. Analysis of whether the location conflicts with the distancing requirements for a school, house of worship, or public youth facility (applicant must provide information as to applicability);
 4. Analysis of whether the location conflicts with a proximity protected Adult-Use Retail Dispensary location;
 5. Analysis of whether the location conflicts with a co-located medical and Adult-Use Retail Dispensary location;
 6. Whether the applicant has notified the municipality of the intent to locate the dispensary in the municipality;
 7. A check to see if the applicant has received an opinion from the municipality, which if so, requires the Cannabis Control Board (Board) to consider the municipality's opinion in whether or not to grant the retail dispensary license.
 8. More information on location review and proximity protection can be found: [here](#).
- l. **True Party of Interest and Ownership:** The applicant and each of its TPIs must submit a personal or entity history disclosure via the TPI Portal website. An application is not deemed complete until all TPIs have submitted their personal or entity history disclosures. Failure to provide all TPI disclosures during the 30-day deficiency cure period may jeopardize an applicant's chances of licensure.
1. TPI review also includes review of any agreements, proposed, or executed, between applicants and third-party service providers to ensure that all contracts meet the Cannabis Law and its corresponding rules and regulations. For example, the Office must determine if an agreement with a service provider creates a true party of interest relationship or if it violates ownership or cross-tier market rules.
 2. A helpful FAQ dedicated to applicants troubleshooting questions on TPI that pertain to the application process can be found [here](#).
- m. **Fingerprinting of an Applicant's True Parties of Interest.** TPI who are disclosed on the application must be fingerprinted. High queued applicants are encouraged to submit TPI fingerprints to ensure timely processing of their applications. More information about the fingerprinting process can be found on the OCM website [here](#).

Additionally, each applicant has 30-days to cure deficiencies related to their application upon notification of deficiency by the Office. The length of time it takes to complete the review of each application depends, in part, on the responsiveness of applicants to requests for additional information from the Office.



APPLICATION FEES:

11. I submitted my application on time but want to change the type of license I applied for, can I apply my application fee to a new application?

No. After submission of an application, an applicant may not change the license type they applied for on the application. If you wish to change the type of license you applied for, you will need to apply for the desired license in a future application window. If an applicant no longer wishes to proceed with the application it has submitted, please notify the Office at AULicensing@ocm.ny.gov with the application number and the request to withdraw in the subject line.

APPLICATION LIMITS:

12. Can an entity apply for more licenses than it is allowed to hold?

No. All applications must comply with adult-use cannabis regulations on license holding limits per entity. For example, no cultivator applicant can apply for more than one cultivator license, and no retailer applicant can apply for more than three retail licenses, as those are the respective ownership limits for those license types. Applicants who applied for more licenses than they would be allowed to hold will have their applications voided.

Licensing ownership limits are explained in Part 123 of the adult-use cannabis regulations. The Guidance and FAQ for True Parties of Interest is available on the [TPI Hub](#).

13. What happens if an entity is found to have submitted more applications than it is permitted to hold?

Applicants were only permitted to apply for as many licenses as they are able to hold under the licensing ownership limits. For example, no cultivator applicant can apply for more than one cultivator license, and no retailer applicant can apply for more than three retail licenses, as those are the respective ownership limits for those license types. In cases where applicants applied for more licenses than they are able to hold, the applicant will be notified by the Office and applications submitted in violation of the rules will be voided. For example, a cultivator applicant (who due to licensing ownership limits may only apply for one cultivator license) submits three cultivator license applications [Application 1 – Submitted first; Application 2 – Submitted 10 minutes after Application 1; Application 3 – Submitted 5 minutes after Application 2]. In this example, the applicant would be notified by the Office about this violation and Applications 2 and 3, which were submitted in violation of the rules would be voided.

14. Can an entity apply for licenses across tiers?

No. The New York State Cannabis Law creates a two-tier market structure for the Adult-Use Cannabis Program, whereby individuals or entities having any direct or indirect interest in a licensee authorized for the supply tier (nursery, cultivation, processing, distribution, cooperative, microbusiness, Registered Organization with Dispensing or “ROD”, and Registered Organization Non-Dispensing or “ROND”) are prohibited from holding any direct or indirect interest in a licensee on the retail tier (dispensing, on-site consumption, delivery) of the market and vice versa. The Cannabis Law also includes prohibitions for individuals or entities with an interest in an Article 3 Registered Organization or laboratory testing permit holder and Article 4 adult-use license.



All applications must be in accordance with the Cannabis Law and adult-use cannabis regulations. Businesses that apply for more licenses than they are permitted to hold will be contacted by the Office to determine which application they can move forward with, ensuring adherence to all licensing rules. For example, an entity cannot apply for both a cultivation and a retail license as an entity could not be a TPI in both a cultivator and a retailer.

15. What happens if an applicant with more than the maximum allowable licenses was included in the queue?

Appearance in the randomized applicant queue does not indicate that the applicant is qualified to be licensed. The queue solely determines the order in which the applications will be reviewed. Upon review, if an application is found to be in violation of application rules, the application will be deemed ineligible for licensure.

DECEMBER 2023 APPLICATION POOL:

16. When will the Office review retail dispensary applications in the December 2023 applicant pool?

The Office posted the December 2023 application queue which can be found on the website [here](#). The Office is prioritizing the review of the November queue before the December queue. The Office will share more information on the timing of the review for the December queue and the anticipated licensing targets from the queue when available.

17. For December queue retail dispensary applicants who did not apply with proof of control of a location, what is the process to receive a provisional license?

All applications are reviewed in the order in which they appear in the queue. For retail dispensary applicants in the December queue who did not apply with a location, their applications will be reviewed for eligibility and completeness and if the application qualifies, will be issued a provisional license from the Office.

After receiving a provisional license, provisional licensees are encouraged to use the Proximity Protected Locations Map (PPLM) to conduct proximity checks to determine whether a proposed retail dispensary location meets the distance and proximity requirements in the Cannabis Law, and its associated regulations. The PPLM can be accessed on the State of New York Open Data website linked [here](#). Provisional adult-use retail dispensary licensees may also refer to the PPLM [guidance document](#) for an overview and answers to frequently asked questions about the PPLM.

After conducting a distance and proximity check and determining that a proposed retail dispensary location meets the distance and proximity requirements, provisional licensees can work to negotiate proof of **control over the proposed retail dispensary location in the form of a fully executed lease, a conditional lease, or a deed** in preparation to submit the location to the Office via the New York Business Express (NYBE) Portal. In order for a retail dispensary location to receive proximity protection from the Office, proof of control over the location is **required**. A letter of intent will not be accepted as proof of control. After submission of the location and other requirements via the NYBE portal the Office



will review the application and if it includes all necessary requirements will recommend the provisional licensee for a final license from the Cannabis Control Board.

18. How does a Provisional licensee Submit a Proposed Retail Dispensary Location for Office Approval?

Provisionally approved adult-use retail dispensary licenses will go through a correction process and must submit a proposed retail dispensary location to the Office for review and approval. The steps below outline the process for adding a retail location for a provisionally approved applicant:

- a. Once the provisional adult-use retail dispensary license application has been opened by the Office for corrections, provisional adult-use retail dispensary licensees will receive a deficiency email that will include the information required and link to log in to the New York State Business Express (NYBE) Portal (at www.businessexpress.ny.gov). When you are ready to submit the proposed retail dispensary location, log in to NYBE.
- b. Once signed in to your NYBE account, click on “My Dashboard” to find your original application that will say “Needs Attention”.
- c. Click the “Start Correction” button.
- d. You will be guided to the “Location Information” page. (If you are directed to your “Application Summary” instead, scroll down to the “Location Information” header, and click the “Edit” button.) Change your answer to the question “Does the applicant currently have a location that they are proposing for this license?” from No to Yes.
- e. Complete the required questions pertaining to this location.
- f. Hit the “Save & Continue” button at the bottom of each page until you are directed to the “Application Summary” page. Then click the “Next” button to submit your application.

A guidance document showing the provisional licensee’s steps through the process in the application system is available on the Office’s website [here](#).

19. What happens if I applied with a location in the November or December 2023 application pool and my location is denied due to a higher queued applicant?

Applicants in the November and December 2023 application pools whose locations are denied for proximity to another retail dispensary applicants, but otherwise meet all licensing requirements will be awarded a provisional license. Provisional licenses are valid for 12 months. However, if a provisional licensee has not operationalized their license within 12 months, then their provisional license will expire.

COMPOSITION OF THE APPLICANT POOL:

20. How many applications did the Office receive?

The applications received were as follows:

Total Applications Received: 6,877

Total Extra Priority Applications: 616



Total SEE Applications (Including Extra Priority): 4,790

Total Non-SEE Applications: 1,615

License Applications by Type:

Cultivator: 366

- Extra Priority: 16
- SEE (including Extra Priority): 211
- Not SEE: 155

Distributor: 350

- Extra Priority: 11
- SEE (including Extra Priority): 207
- Not SEE: 143

Microbusiness: 1,320

- Extra Priority: 138
- SEE (including Extra Priority): 909
- Not SEE: 411

Processor (Type I, Type II, Type III): 537

- Extra Priority: 16
- SEE (including Extra Priority): 289
- Not SEE: 248

Adult-Use Retail Dispensary: 4,304

- Extra Priority: 435
- SEE (including Extra Priority): 3,174
- Not SEE: 1,130

Retail and Microbusiness Application Detail:

November License Application Pool:

Retail application with location*: 1,450

Microbusiness with a proposed retail location: 279

Microbusiness without a proposed retail location: 122

**Demonstration of control of a property via a conditional or nonconditional lease, or via a title deed, was required to qualify for inclusion in the November application pool.*

December Application Pool:

Total Adult-Use Retail Dispensary applications: 2,854

Adult-Use Retail Dispensary applications with a retail location: 317

Adult-Use Retail Dispensary applications without a retail location: 2,537

Total Microbusiness December pool applications: 919

Microbusiness December pool applications with a retail location: 131

Microbusiness December pool applications without a retail dispensary: 788



LICENSE PRIORITIZATION:

21. Why didn't all SEE groups receive extra weighting or some other preference for the November and December application pools?

The Cannabis Law sets a goal of SEE licensees comprising 50% of all licenses issued, but it does not require increased weighting to achieve this objective. The outreach and engagement efforts by the Office and community partners prior to the application window intended to reduce barriers and encourage broad participation and equal opportunity resulted in a high participation of SEE applicants in the general licensing round. With the high representation of SEE applicants in the applicant pool, the randomized queuing of applicants should result in a natural distribution that nears or reaches the Cannabis Law's ambitious goal of a highly inclusive market in which all New Yorkers have an opportunity to participate.

22. Will Extra Priority applicants be reviewed for the Adult-Use Retail Dispensary licenses before Non-Extra Priority applicants?

No. Extra Priority applicants received extra weighting during the queuing process, which was conducted on December 7, 2023 (November queue) and January 30, 2024 (December queue). All qualified retail dispensary applicants who applied in the November or December application windows were included in a random order in the application queuing and are being reviewed in the order in which they appear in queue.

23. Will the Office review all applications in the queues before issuing licenses to those who have been approved?

No. The Office is reviewing applications and issuing licenses to approved applicants on a rolling basis at Cannabis Control Board meetings.

SOCIAL AND ECONOMIC EQUITY:

24. What is required to qualify for SEE status?

Qualification for SEE: Review of all documentation submitted to confirm qualification for SEE status.

To qualify for SEE status as a Minority-Owned Business, an applicant is required to submit the following:

- Proof of ownership and sole control by one or more minority group members who have an ownership interest in the business;
- Proof that the applicant is a small business; and
- At least one of the following:
 - § Proof of a state MWBE certification, on the basis of being a minority-owned business; or
 - § Both
 - (i) A sworn declaration that reports the applicant's qualifications to be true and accurate and made under the penalties provided by law that one or more members are minority group members, as defined in the Cannabis Law, who are citizens or permanent resident aliens of the United States of America have



ownership interest in the business and that the business seeking licensure qualifies as a minority-owned business as defined in the Cannabis Law; and

- (ii) A statement that providing false information shall be grounds for action against the applicant or licensee including, but not limited to, the denial, suspension, cancellation or revocation of a license.

To qualify for SEE status as a Women-Owned Business, an applicant is required to submit the following:

- Proof of ownership and sole control by one or more minority group members who have an ownership interest in the business;
- Proof that the applicant is a small business; and
- At least one of the following:
 - §121.1(f)(2)(i) Proof of a state MWBE certification, on the basis of being a women-owned business; or
 - §121.1(f)(2)(i)(ii)Both
 - (i) A sworn declaration that reports the applicant’s qualifications to be true and accurate and made under the penalties provided by law that one or more members are women who are citizens or permanent resident aliens of the United States of America have ownership interest in the business and that the business seeking licensure qualifies as a women-owned business as defined in the Cannabis Law; and
 - (ii) A statement that providing false information shall be grounds for action against the applicant or licensee including, but not limited to, the denial, suspension, cancellation or revocation of a license.

To qualify for SEE status as a SVD OB, an applicant is required to submit the following:

- Proof of ownership and sole control by one or more service-disabled veterans who have an ownership interest in the business; and
- Proof of a state SVD OB certification, on the basis of being a service-disabled veteran.
 - §121.1(i)(2)(i) However, if the business does not receive proof of a state SVD OB certification prior to the filing of an application, the Office may temporarily accept as a conditional certification 135 (i) DD214(s) and/or NG214(s) with Line of Duty Report U.S. Veterans Administration documentation of service-connected disability rating. The business must have a service-connected disability rating of at least 10%. This conditional certification will last for 60 days pending full certification, although the Office has the discretion to extend that conditional certification while waiting for the State SDVOB certification.

To qualify for SEE status as a distressed farmer, an applicant is required to submit the following:

- Proof of ownership and sole control by one or more distressed farmers who have an ownership interest in the business, and
- One of the following:
 - §121.1(h)(i) Proof that the applicant:
 - operates a farm operation as defined in section 301 of the Agriculture and Markets law. Such proof may be provided in an attestation or other means.



- filed a Schedule F tax returns documenting operating losses during the last three (3) years.
- filed other tax form(s) demonstrating gross cash farm income below \$350,000; and
- qualifies for an agricultural assessment by providing completed NY Tax and Finance Form RP-305; and
- has been disproportionately impacted by incurring operating losses by
 - low commodity prices (Proof to be demonstrated through documentation showing the decline of commodity prices over time); AND facing the loss of farmland through development or suburban sprawl (Proof can be demonstrated through providing town/zoning board meeting minutes, press and news related articles, reports, or other.)
- (ii) both proof that the applicant:
 - is a small farm operator, which means they are a producer who is involved in making decisions for the farm operation involving planting, harvesting, livestock management, and marketing; or may be the owner, a member of the owner's household, a hired manager, a tenant, a renter, or a sharecropper. Proof can be demonstrated through one of the following:
 - local, state, and federal tax documents;
 - paystubs or proof of payroll;
 - an employment agreement;
 - a contracting agreement;
 - a rental or sharecropping agreement; or
 - any other documentation demonstrating such relationship; and
 - Has one or more members who is a minority group member, as provided by a sworn declaration that:
 - reports the applicant's qualifications to be true and accurate and made under the penalties provided by law that one or more members are minority group members, as defined in the Cannabis Law, who are citizens or permanent resident aliens of the United States of America have ownership interest in the business; and
 - providing false information shall be grounds for action against the applicant or licensee including, but not limited to, the denial, suspension, cancellation or revocation of a license.

25. Why was my SEE application rejected?

A SEE application is rejected when deficiencies are identified in the application and are not remedied within the time frame specified by the Office. Details enumerating specific deficiencies cited on an application can be found in the final deficiency notice that is sent via email by the Office.

26. How can I correct my SEE application?

If an applicant has received a "Failure to Cure Deficiencies Notice" from the Office, the time for corrections has expired. Per the adult-use cannabis regulations, each application has 30 days to cure deficiencies once the initial deficiency notice has been sent to the applicant from the Office. Deficiency



notices are sent to applicants via e-mail, all corrections on the application must be done via the NYBE portal.

27. Can I dispute my SEE determination?

Per the adult-use cannabis regulations, a SEE application, for which an attempted remedy was made during the period of opportunity to cure, that has received a negative determination of their SEE status, may request from the Office a reconsideration of such determination within 30 days of receiving a “Failure to Cure Deficiencies Notice” from the Office. The procedure by which applicants can request reconsideration can be found on the deficiency notice.

Please note that a reconsideration is only available to applicants who attempted to cure deficiencies; if an applicant makes no attempts to cure deficiencies and have not engaged with the Office since the time they submitted their application, they are not eligible for a reconsideration.

28. I applied as a SEE applicant and my SEE status was rejected. Does this mean my adult-use application is also rejected?

Pursuant to the adult-use cannabis regulations, all applicants will have 30 days to cure any deficiencies in their applications. SEE applicants who are unable to establish qualification for SEE status during the deficiency cure period will be considered for licensure as a non-SEE applicant, except for certain applicants that applied for Extra-Priority (extra-priority microbusinesses in the November queue).

If you applied as a SEE applicant seeking Extra Priority, and your Extra Priority status was rejected but your application otherwise qualified for SEE, you may still be eligible for another SEE status for the license for which you applied.

If you applied as any other SEE applicant, and your SEE status was rejected, you will remain eligible for licensure but not as a SEE applicant. Applicants will be required to pay the difference of the discount received on the general application fee (\$500 dollars) if the applicant receives an adult-use cannabis license when it is time to pay the license fee.

29. I submitted a SEE application and was accepted, what is next?

You are now a SEE-certified applicant. You qualify for reduced fees and other SEE programming and policies the Office will make available. Be sure to read the rules related to your SEE certification in Section 87 of the Cannabis Law and in Part 121 of the adult-use cannabis regulations.

RECEIVING A LICENSE:

30. What happens if I have been approved by the Cannabis Control Board for an adult-use license?

Following Board approval, the Office will update the status of your application in the New York Business Express (NYBE) portal to *Board Approval – license fees due*. When the status is changed, it will generate an e-mail to you indicating you can now log back into NYBE and pay the license fee associated with the cannabis license. Login into NYBE and go to “my dashboard”, <https://www.businessexpress.ny.gov/> to find your application.



After receipt of the license fee, the system will send the cannabis license certificate and approval letter electronically via e-mail. You can also always access a copy of your license certificate via your dashboard in the NYBE portal.

Cultivators, processors, distributors and microbusiness (except for the retail component of their license, if applicable) will be able to commence operations authorized under their license upon receiving the license certificate. For retail dispensary and the retail component of a microbusiness license (if applicable) must undergo a pre-operation inspection from the Office's Compliance team. The Office's Compliance team will reach out requesting additional information from licensees in order to schedule the pre-operation inspection. After the inspection, the Office Compliance team will issue a written communication authorizing the licensee to commence operations for their retail sales of cannabis.

31. If I am selected for an adult-use license, when is the licensing fee due?

The licensing fee is due and payable before the adult-use license is issued. You will receive an e-mail indicating you can now log back into New York Business Express (NYBE) and pay the license fee associated with the cannabis license.

32. How long will the November applicants who were awarded an Adult-Use Retail Dispensary license have to open their stores?

The November licensing round was intended for applicants who could operationalize their businesses immediately as the application required proof of control over a location to apply. Adult-Use licenses are valid for two years from the date of issuance.

33. After receiving my license certificate, can I begin adult-use operations?

It depends on what type of license you are. If you are a cultivator, processor, distributor or microbusiness licensee (except for the retail component of the microbusiness license, if applicable) you may begin adult-use cannabis activities upon receiving your cannabis license certificate. You will receive a "welcome packet" from the Office's Compliance Team which contains helpful information, that will help you remain compliant with the Office's regulations.

If you are a retail dispensary licensee or looking for final authorization to begin retail sales for a microbusiness licensee, written approval for starting sales from the Office's compliance team is required. The compliance team will be sending you a "Welcome Packet" instructing you on next steps and required information to be provided to conduct an inspection of the retail dispensary facility before receiving authorization to begin cannabis sales.

34. Are microbusinesses required to have an operational retail dispensary in order to be licensed?

No. Microbusinesses are not required to have a retail dispensary before they can begin cultivation, processing or distributing operations. A microbusiness is authorized for the activities it specifies on its license. A microbusiness can also apply without having retail sales as one of its authorized activities.

FUTURE LICENSING ROUNDS:

35. When will the Office open another round of licensing?



The 2023 application round represented a significant expansion of New York's cannabis industry, and it will take time for review and for the newly licensed businesses to operationalize. Monitoring the market's performance over the coming months will provide invaluable insights into the growth and performance of the market, and the size of future licensing rounds.

The timing of future licensing rounds will ultimately be determined by the Board in consultation with the Office.

The Office will notify the public of future licensing rounds as they are scheduled. To receive updates from the Office visit our website [Here](#).

36. Will current licensees be able to apply for additional licenses in the next licensing rounds?

The Board will provide guidance on licensing qualifications in future application windows in advance of each application window. To receive updates on future licensing opportunities, visit our website [Here](#).

MUNICIPAL ENGAGEMENT:

37. What happens if a community board or municipality issues a negative opinion on a proposed adult-use retail dispensary application in their jurisdiction?

Once a community board or municipality has issued a negative opinion on an applicant's intent to open a retail dispensary in their jurisdiction, the application, along with the negative opinion, is sent to the Board for review and consideration. If the Board concurs with the negative opinion, the Board can raise the issue at a Board meeting for further discussion or deny the application. The Board can also allow the application to move forward with the approval of the license. This is in accordance with S.76 of the Cannabis Law. All applicants and licensees are highly encouraged to reach out to their local municipalities to begin a dialog with them regarding their planned cannabis activities.

LOCATION REVIEW AND PRIORITIZATION:

38. Is the Office accepting letters of intent (LOIs) as demonstration of control over a property from applicants in the November pool?

No. The Office is not accepting LOIs as proof of control over a location. The application explained that proof of control could only be shown with a conditional lease, a lease, or a deed. Applicants in the November pool who submitted insufficient documentation to prove control over a location as defined in the licensing application will be ineligible for licensure.

39. I submitted my adult-use retail license with a conditional lease in the November 2023 application window but now want to change and submit a new location for the Office to consider. Can I submit a new location for proximity protection after I have already submitted my application?

Applicants who applied in the November application window cannot change the proposed location of their retail location during the correction process. If a retail dispensary applicant applied with documentation proving the applicant had proof of control over the proposed retail dispensary location in



the form of a lease, conditional lease or deed and has since lost proof of control over the location, the applicant will be eligible for a provisional license. If an applicant applied and never provided documents to support proof of control over the proposed retail dispensary location the application will be recommended to the Board for denial.

Microbusiness license applicants who submitted a retail location that is no longer viable will be permitted to proceed with their cultivation, processing, and distribution activities until they have a retail location that complies with all applicable requirements.

40. How can I confirm if a location is available for proximity protection before I sign a lease?

The Office is excited to share the Proximity Protected Locations Map (PPLM), which can be accessed on the State of New York Open Data website [here](#). The PPLM displays the locations of licensed cannabis dispensaries, and the proposed cannabis dispensary locations on applications that are still under review. The proposed locations have been afforded proximity protection because the locations have been reviewed by the Office and have been found compliant with all distancing and proximity requirements until a final determination is made on the corresponding application. The PPLM is intended to help prospective or provisionally licensed conditional adult-use retail dispensaries (CAURD), adult-use retail dispensaries, microbusinesses with retail and registered organizations with dispensing (ROD), identify potential locations for cannabis dispensary in accordance with the distance and proximity requirements set forth in the Cannabis Law and its associated regulations.

Please note that submission of a location to the Office via e-mail does not convey proximity protection to the location. Proximity protection is only granted once a location has been submitted via the New York Business Express application portal and the Office has reviewed and the location has been added to the PPLM. *See question #20 in this document for more information and this [guidance](#).*

41. There are locations on the Proximity Protected Location Map that are illicit dispensaries or should not be on there because the applicant does not have proof of control over the location. How can they be removed?

Just because a location is identified on the PPLM does not mean that the entity and location are going to receive a final license. Locations on the map in “Yellow” are receiving proximity protection but their application is pending and still under review. The review of the applications takes longer for the Office to review than to check the location for proximity requirements. Once the review of the full application has occurred and if it is determined that the application does not meet requirements for licensure, the location will be removed from the PPLM.

42. What happens if a location receives a license, and it is determined that the location has been operating as an illicit dispensary?

The Office has zero tolerance for operators that violate the Cannabis Law and its regulations. If it is found out that a location that is an illicit dispensary receives a license, the Office will exhaust all available options under the Cannabis Law and regulations including consequences of suspension, cancellation, revocation, debarment of a license, and denial of renewal based on the factors for a particular circumstance.

43. What happens if I applied for a license in the November queue and my location is disqualified because another location is receiving proximity protection?



November applicants whose location is disqualified due to proximity protection of another location will be awarded a provisional license, if all other eligibility requirements are met. Other reasons for receiving a provisional license can be found in the Office's updated guidance, [here](#).

44. I want to challenge my location denial due to proximity to another dispensary on the grounds of public convenience and advantage. How do I do that?

An applicant who has had their location disqualified may compile information in accordance with Part 119 of Cannabis Regulations to challenge their disqualification and present that information to the Board for consideration. Please submit such information to AUlicensing@ocm.ny.gov for consideration. Final determination of public convenience and advantage allowances is subject to approval by the Cannabis Control Board.

ILLICIT MARKET UNLICENSED DISPENSARIES

45. How do I report an illicit cannabis dispensary that is operating without a license to the Office?

Individuals can report illicit cannabis dispensaries operating without a license using the Office's "Report an Incident" form found here: <https://cannabis.ny.gov/report-an-incident>. Reporting this information helps the Office track and enforcement against illicit dispensaries operating without a license.

DISTRIBUTION AUTHORIZATIONS:

46. Will applicants for cultivation and processing licenses be eligible to apply for a distributor license after they are awarded a license?

Yes, cultivators and processors who wish to distribute their own products, will be eligible to apply for and receive a distributor license. The Office will notify licensees when the application for distribution is available. To receive updates from the Office visit our website [Here](#).

Please note in order for a cultivator to receive a distributor license, they would first need to apply for and receive a processor license.

47. Is there a limit on the number of distributor licenses that will be awarded to cultivators and processors that already hold their license?

No. All licensed cultivators and processors are eligible to apply for authorization to distribute their own products. However, all licenses are subject to TPI ownership restrictions. The Office is working on making these applications available on NYBE and will be sharing more information soon.

Please note in order for a cultivator to receive a distributor license, they would first need to apply for and receive a processor license.

CANNABINOID HEMP:

48. Can a cannabinoid hemp product manufacturer based in New York produce a THC cannabinoid-hemp product that does not meet the NYS cannabinoid hemp program THC milligram limits and sell them outside of NYS?



Yes. NYS's cannabinoid hemp regulations do not prevent producers and licensees from selling cannabinoid hemp products that are not permitted to be sold in NYS to out-of-state consumers and vendors in states that authorize the legal sale of those products.