



BULLETIN #2

To: All New York State Adult-Use Licensees

From: NYS Office of Cannabis Management

Date: April 21, 2025

Subject: **Compliance Reminder: Vendor Tabling & Cross-Tier Prohibitions**

Dear Licensee,

The Office is issuing a reminder to all adult-use cannabis licensees regarding your obligations under New York State Cannabis Law and regulations, which strictly prohibit cross-tier financial arrangements, undue influence, and unauthorized incentives between licensed retailers and licensed cultivators, processors, and distributors. (See: 9 NYCRR § 123.9 and § 124.1)

The Office has received complaints about licensees organizing or participating in paid vendor tabling or “vendor days”—where supply-side licensees (cultivators, processors, and/or distributors) showcase brand or product information on-site at retail dispensaries. Additionally, there have been reports of cultivators, processors, and/or third-party entities offering retailers or their employees incentives such as cash, prizes, discounts, or other compensation in exchange for promoting or selling specific cannabis products or brands.

Such practices **are prohibited** under regulations intended to prevent undue influence and cross-tier violations (See: 9 NYCRR §§ 123, 124, and 129). This applies to actions made directly by supply-side licensees or through third-party intermediaries.

Permissible vendor tabling can inform, educate, or enhance consumer knowledge or experience. However, these events must:

- Take place on licensed retail dispensary premises;
- Provide educational material without any form of compensation or expectation of compensation; and
- Be voluntary, with no financial obligation or benefit (e.g., no cash, prizes, discounts, or gifts).

The Office regularly inspects licensed locations to monitor compliance. Any activity that violates these provisions may result in enforcement actions, including but not limited to:

- Notices of violation;
- Monetary penalties; and/or
- Suspension or revocation of licenses.

In addition, product offered for sale in violation of these regulations may be subject to quarantine and removed from the supply chain.



Office of Cannabis Management

KATHY HOCHUL
Governor

FELICIA A.B. REID
Acting Executive Director

For your convenience, please review the relevant regulations linked below. These requirements are not optional, and the Office will enforce them accordingly:

- [9 NYCRR § 124.1 \(e\), \(f\), \(i\), and \(j\) – Undue Influence and Incentives](#)
- [9 NYCRR § 123.3 \(f\) - Cultivator Ownership, Interests, Business Authorization and Prohibitions](#)
- [9 NYCRR § 123.5\(c\) and \(i\) – Processor Ownership, Interests, Business Authorizations, and Prohibitions](#)
- [9 NYCRR § 123.9 \(j\) – Retail Dispensary Ownership, Interests, Business Authorizations, and Prohibitions](#)
- [9 NYCRR § 129.3 \(a\)\(25\) - Adult-Use Marketing and Advertising Prohibitions](#)

The Office appreciates your continued attention to these important compliance matters. Upholding these standards protects the integrity, equity, and fairness of New York’s adult-use cannabis market.

If you have any questions or require additional guidance, please contact the Office’s Compliance team at compliance@ocm.ny.gov.

Sincerely,

Stephen Geskey, Director
OCM Licensing and Compliance

James Rogers, Director and Deputy General Counsel
OCM Trade Practices Bureau