

1 3. The moneys in the medical [~~marihuana~~] cannabis trust fund shall be
2 kept separate and shall not be commingled with any other moneys in the
3 custody of the commissioner of taxation and finance and the state comp-
4 troller.

5 4. The moneys of the medical [~~marihuana~~] cannabis trust fund, follow-
6 ing appropriation by the legislature, shall be allocated upon a certifi-
7 cate of approval of availability by the director of the budget as
8 follows: (a) Twenty-two and five-tenths percent of the monies shall be
9 transferred to the counties in New York state in which the medical
10 [~~marihuana~~] cannabis was manufactured and allocated in proportion to the
11 gross sales originating from medical [~~marihuana~~] cannabis manufactured
12 in each such county; (b) twenty-two and five-tenths percent of the
13 moneys shall be transferred to the counties in New York state in which
14 the medical [~~marihuana~~] cannabis was dispensed and allocated in propor-
15 tion to the gross sales occurring in each such county; (c) five percent
16 of the monies shall be transferred to the office of [~~alcoholism and~~
17 ~~substance abuse services~~] addiction services and supports, which shall
18 use that revenue for additional drug abuse prevention, counseling and
19 treatment services; [~~and~~] (d) five percent of the revenue received by
20 the department shall be transferred to the division of criminal justice
21 services, which shall use that revenue for a program of discretionary
22 grants to state and local law enforcement agencies that demonstrate a
23 need relating to [~~title five-A of article thirty-three of the public~~
24 ~~health law~~] article three of the cannabis law; said grants could be used
25 for personnel costs of state and local law enforcement agencies; and (e).
26 forty-five percent of the monies shall be transferred to the New York
27 state cannabis revenue fund. For purposes of this subdivision, the city
28 of New York shall be deemed to be a county.

29 § 51. The state finance law is amended by adding three new sections
30 99-ii, 99-jj and 99-kk to read as follows:

31 § 99-ii. New York state cannabis revenue fund. 1. There is hereby
32 established in the joint custody of the state comptroller and the
33 commissioner of taxation and finance a special fund to be known as the
34 "New York state cannabis revenue fund".

35 2. Such fund shall consist of all revenues received by the department
36 of taxation and finance, pursuant to the provisions of article twenty-C
37 of the tax law and all other moneys credited or transferred thereto from
38 any other fund or source pursuant to law. Nothing contained in this
39 section shall prevent the state from receiving grants, gifts or bequests
40 for the purposes of the fund as defined in this section and depositing
41 them into the fund according to law.

42 3. The moneys in such fund shall be expended for the following
43 purposes:

44 (a) Reasonable costs incurred by the department of taxation and
45 finance for administering and collecting the taxes imposed by this part.

46 (b) Reasonable costs incurred by the office of cannabis management and
47 the cannabis control board for implementing, administering, and enforc-
48 ing the marihuana regulation and taxation act.

49 (c) Actual and necessary costs incurred by the office of cannabis
50 management and the cannabis control board, and the urban development
51 corporation, related to the administration of incubators and other
52 assistance to qualified social and economic equity applicants including
53 the administration, capitalization, and provision of low and zero inter-
54 est loans to such applicants pursuant to section sixteen-ee of the urban
55 development corporation act. Such costs shall be paid out of revenues
56 received, including, but not limited to, from special one-time fees paid

1 by registered organizations pursuant to section sixty-three of the
2 cannabis law.

3 (d) Beginning with the two thousand twenty-two--two thousand twenty-
4 three fiscal year and continuing through the two thousand thirty-two--
5 two thousand thirty-three fiscal year, the commissioner of taxation and
6 finance shall annually disburse the following sums for the purposes of
7 data collection and reporting:

8 (i) Reasonable costs incurred by the office of cannabis management to
9 track and report data related to the licensing of cannabis businesses,
10 including the geographic location, structure, and function of licensed
11 cannabis businesses, and demographic data, including race, ethnicity,
12 and gender, of applicants and license holders. The cannabis control
13 board shall publish reports on its findings annually and shall make the
14 reports available to the public.

15 (ii) Reasonable costs incurred by the department of criminal justice
16 services to track and report data related to any infractions,
17 violations, or criminal convictions that occur under any of the remain-
18 ing cannabis statutes. The department of criminal justice services
19 shall publish reports on its findings annually and shall make the
20 reports available to the public.

21 (iii) Reasonable costs incurred by agencies of the state, including
22 the state university of New York to research and evaluate the implemen-
23 tation and effect of the cannabis law. No more than four percent of
24 these monies may be used for expenses related to administrative costs of
25 conducting such research, and to, if appropriate, make recommendations
26 to the legislature and governor regarding possible amendments to the
27 cannabis law. The recipients of these funds shall publish reports on
28 their findings at a minimum of every two years and shall make the
29 reports available to the public. The research funded pursuant to this
30 subdivision shall include but not necessarily be limited to:

31 (A) the impact on public health, including health costs associated
32 with cannabis use, as well as whether cannabis use is associated with an
33 increase or decrease in use of alcohol or other drugs;

34 (B) the impact of treatment for cannabis use disorder and the effec-
35 tiveness of different treatment programs;

36 (C) public safety issues related to cannabis use, including, but not
37 limited to studying the effectiveness of the packaging and labeling
38 requirements and advertising and marketing restrictions contained in the
39 act at preventing underage access to and use of cannabis and cannabis
40 products, and studying the health-related effects among users of varying
41 potency levels of cannabis and cannabis products;

42 (D) cannabis use rates, maladaptive use rates for adults and youth,
43 and diagnosis rates of cannabis-related substance use disorders;

44 (E) cannabis market prices, illicit market prices, tax structures and
45 rates, including an evaluation of how to best tax cannabis based on
46 potency, and the structure and function of licensed cannabis businesses;

47 (F) whether additional protections are needed to prevent unlawful
48 monopolies or anti-competitive behavior from occurring in the cannabis
49 industry and, if so, recommendations as to the most effective measures
50 for preventing such behavior;

51 (G) the economic impacts in the private and public sectors, including
52 but not necessarily limited to, job creation, workplace safety, reven-
53 ues, taxes generated for state and local budgets, and criminal justice
54 impacts, including, but not necessarily limited to, impacts on law
55 enforcement and public resources, short and long term consequences of

1 involvement in the criminal justice system, and state and local govern-
2 ment agency administrative costs and revenue;

3 (H) the extent to which the regulatory agencies tasked with implement-
4 ing and enforcing the marihuana regulation and taxation act have been
5 able to implement the provisions of such act, consistent with its intent
6 and purposes, and whether different agencies might be able to do so more
7 effectively; and

8 (I) any environmental impacts and hazards related to cannabis
9 production.

10 (e) Reasonable costs incurred by the state police and the department
11 of motor vehicles to implement the provisions of section sixty of the
12 marihuana regulation and taxation act, to expand and enhance the drug
13 recognition expert training program and technologies utilized in the
14 process of maintaining road safety.

15 (f) Reasonable costs, subject to available appropriations, incurred by
16 the office of cannabis management, the cannabis advisory board, or the
17 urban development corporation to administer grants for qualified commu-
18 nity-based nonprofit organizations and approved local government enti-
19 ties for the purpose of reinvesting in communities disproportionately
20 affected by past federal and state drug policies, in accordance with the
21 allowable uses of moneys deposited in the New York state community
22 grants reinvestment fund established by section ninety-nine-kk of this
23 article.

24 (g) Reasonable costs, subject to available appropriations, incurred by
25 the division of criminal justice services and the office of court admin-
26 istration to implement the expungement provisions of sections seventeen
27 and twenty-four of the marihuana regulation and taxation act, as added
28 by a chapter of the laws of two thousand twenty-one which added this
29 section.

30 4. After the dispersal of moneys pursuant to subdivision three of this
31 section, the remaining moneys in the fund deposited during the prior
32 fiscal year shall be disbursed into the state lottery fund and two addi-
33 tional sub-funds created within the cannabis revenue fund known as the
34 drug treatment and public education fund and the community grants rein-
35 vestment fund, as follows:

36 (a) forty percent shall be deposited in the state lottery fund for
37 additional lottery grants to eligible school districts pursuant to
38 subparagraph four of paragraph b of subdivision four of section ninety-
39 two-c of this article, and shall be used to increase the total amount of
40 funding available for general support for public schools; provided that
41 notwithstanding any inconsistent provision of law, the amounts appropri-
42 ated for such additional lottery grants shall be excluded from the
43 calculation of: (i) the allowable growth amount computed pursuant to
44 paragraph dd of subdivision one of section thirty-six hundred two of the
45 education law; (ii) the preliminary growth amount computed pursuant to
46 paragraph ff of subdivision one of section thirty-six hundred two of the
47 education law; and (iii) the allocable growth amount computed pursuant
48 to paragraph gg of subdivision one of section thirty-six hundred two of
49 the education law;

50 (b) twenty percent shall be deposited in the drug treatment and public
51 education fund established by section ninety-nine-jj of this article;
52 and

53 (c) forty percent shall be deposited in the community grants reinvest-
54 ment fund established by section ninety-nine-kk of this article.

55 § 99-jj. New York state drug treatment and public education fund. 1.
56 There is hereby established in the joint custody of the state comp-

1 troller and the commissioner of taxation and finance a special fund to
2 be known as the "New York state drug treatment public education fund".

3 2. Such fund shall consist of revenues received pursuant to the
4 provisions of section ninety-nine-ii of this article and all other
5 moneys credited or transferred thereto from any other fund or source
6 pursuant to law. Nothing contained in this section shall prevent the
7 state from receiving grants, gifts or bequests for the purposes of the
8 fund as defined in this section and depositing them into the fund
9 according to law.

10 3. The moneys in such fund shall be expended to the commissioner of
11 the office of addiction services and supports and disbursed, in consul-
12 tation with the commissioner of the department of health, the office of
13 mental health, the office of cannabis management and the commissioner of
14 education for the following purposes:

15 (a) Reasonable costs incurred, subject to available appropriations, by
16 the office of addiction services and supports, to administer funds in
17 accordance with the allowable uses in paragraphs (b), (c), (d) and (e).
18 of this subdivision.

19 (b) To develop and implement a youth-focused public health education
20 and prevention campaign, including school-based prevention, early inter-
21 vention, and health care services and programs to reduce the risk of
22 cannabis and other substance use by school-aged children;

23 (c) To develop and implement a statewide public health campaign
24 focused on the health effects of cannabis and legal use, including an
25 ongoing education and prevention campaign that educates the general
26 public, including parents, consumers and retailers, on the legal use of
27 cannabis, the importance of preventing youth access, the importance of
28 safe storage and preventing secondhand cannabis smoke exposure, informa-
29 tion for pregnant or breastfeeding women, and the overconsumption of
30 edible cannabis products;

31 (d) To provide substance use disorder treatment programs for youth and
32 adults, with an emphasis on programs that are culturally and gender
33 competent, trauma-informed, evidence-based and provide a continuum of
34 care that includes screening and assessment (substance use disorder as
35 well as mental health), early intervention, active treatment, family
36 involvement, case management, overdose prevention, prevention of commu-
37 nicable diseases related to substance use, relapse management for
38 substance use and other co-occurring behavioral health disorders, voca-
39 tional services, literacy services, parenting classes, family therapy
40 and counseling services, medication-assisted treatments, psychiatric
41 medication and psychotherapy; and

42 (e) To evaluate the programs being funded to determine their effec-
43 tiveness.

44 4. On or before the first day of February each year, the commissioner
45 of the office of addiction services and supports shall provide a written
46 report to the temporary president of the senate, speaker of the assem-
47 bly, chair of the senate finance committee, chair of the assembly ways
48 and means committee, chair of the senate committee on alcoholism and
49 drug abuse, chair of the assembly alcoholism and drug abuse committee,
50 the state comptroller and the public. Such report shall detail how the
51 moneys of the fund were utilized during the preceding calendar year, and
52 shall include:

53 (a) the amount of money dispersed from the fund and the award process
54 used for such disbursements;

55 (b) recipients of awards from the fund;

56 (c) the amount awarded to each recipient of an award from the fund;

1 (d) the purposes for which such awards were granted; and

2 (e) a summary financial plan for such monies which shall include esti-
3 mates of all receipts and all disbursements for the current and succeed-
4 ing fiscal years, along with the actual results from the prior fiscal
5 year.

6 5. Moneys shall be payable from the fund on the audit and warrant of
7 the comptroller on vouchers approved and certified by the commissioner
8 of addiction services and supports.

9 § 99-kk. New York state community grants reinvestment fund. 1. There
10 is hereby established in the joint custody of the state comptroller and
11 the commissioner of taxation and finance a special fund to be known as
12 the "New York state community grants reinvestment fund".

13 2. Such fund shall consist of all revenues received pursuant to the
14 provisions of section ninety-nine-ii of this article and all other
15 moneys credited or transferred thereto from any other fund or source
16 pursuant to law. Nothing contained in this section shall prevent the
17 state from receiving grants, gifts or bequests for the purposes of the
18 fund as defined in this section and depositing them into the fund
19 according to law.

20 3. The fund shall be governed and administered by the state cannabis
21 advisory board as set out under article two of the cannabis law.

22 4. The moneys in such fund shall be awarded by the state cannabis
23 advisory board and administered and disbursed by the office of cannabis
24 management and/or the urban development corporation to provide grants
25 for qualified community-based nonprofit organizations and approved local
26 government entities for the purpose of reinvesting in communities
27 disproportionately affected by past federal and state drug policies.
28 Such grants shall be used, including but not limited to, to support job
29 placement, job skills services, adult education, mental health treat-
30 ment, substance use disorder treatment, housing, financial literacy,,
31 community banking, nutrition services, services to address adverse
32 childhood experiences, afterschool and child care services, system navi-
33 gation services, legal services to address barriers to reentry, includ-
34 ing, but not limited to, providing representation and related assistance
35 with expungement, vacatur, substitution and resentencing of marihuana-
36 related convictions, and linkages to medical care, women's health
37 services and other community-based supportive services. The grants from
38 this program may also be used to further support the social and economic
39 equity program created by article four of the cannabis law and as estab-
40 lished by the cannabis control board.

41 5. On or before the first day of February each year, the office of
42 cannabis management shall provide a written report to the temporary
43 president of the senate, speaker of the assembly, chair of the senate
44 finance committee, chair of the assembly ways and means committee, chair
45 of the senate committee on children and families, chair of the assembly
46 children and families committee, chair of the senate committee on labor,
47 chair of the assembly labor committee, chair of the senate committee on
48 health, chair of the assembly health committee, chair of the senate
49 committee on education, chair of the assembly education committee, the
50 state comptroller and the public. Such report shall detail how the
51 monies of the fund were utilized during the preceding calendar year, and
52 shall include:

53 (a) the amount of money available and dispersed from the fund and the
54 award process used for such disbursements;

55 (b) recipients of awards from the fund;

56 (c) the amount awarded to each recipient of an award from the fund;

1 (d) the purposes for which such awards were granted; and
2 (e) a summary financial plan for such monies which shall include esti-
3 mates of all receipts and all disbursements for the current and succeed-
4 ing fiscal years, along with the actual results from the prior fiscal
5 year.

6 6. Moneys shall be payable from the fund on the audit and warrant of
7 the comptroller on vouchers approved and certified by the office of
8 cannabis management.

9 § 52. Paragraphs (a), (b) and (c) of subdivision 3-a of section 390-b
10 of the social services law, as added by section 9 of part H of chapter
11 56 of the laws of 2019, are amended to read as follows:

12 (a) In relation to child day care programs and any enrolled legally-
13 exempt provider, when a clearance conducted pursuant to this section
14 reveals that any existing operator, director, caregiver, or person over
15 the age of eighteen who is not related in any way to all children for
16 whom child care services are or will be provided, that resides in a home
17 where child care is provided in a home setting where the child does not
18 reside has been convicted of a crime other than one set forth in subpar-
19 agraph (iv) of paragraph (a) of subdivision three of this section, and
20 unless such crime is eligible for expungement pursuant to section 160.50
21 of the criminal procedure law, the office of children and family
22 services shall conduct a safety assessment of the program and take all
23 appropriate steps to protect the health and safety of the children in
24 the program, and may deny, limit, suspend, revoke or reject such
25 program's license or registration or terminate or reject such program's
26 enrollment, as applicable, unless the office of children and family
27 services, determines in its discretion, that continued operation by the
28 child day care program or enrolled legally-exempt provider will not in
29 any way jeopardize the health, safety or welfare of the children cared
30 for in the program or by the provider.

31 (b) In relation to child day care programs and any enrolled legally-
32 exempt provider, when a clearance conducted pursuant to this section
33 reveals that any existing employee or volunteer with the potential for
34 unsupervised contact with children has been convicted of a crime other
35 than one set forth in subparagraph (iv) of paragraph (a) of subdivision
36 three of this section, and unless such crime is eligible for expungement
37 pursuant to section 160.50 of the criminal procedure law, the office of
38 children of family services shall conduct a safety assessment of the
39 program and take all appropriate steps to protect the health and safety
40 of the children in the program. The office of children and family
41 services may direct the program or provider to terminate the employee or
42 volunteer based on such a conviction, consistent with article
43 twenty-three-A of the correction law.

44 (c) (i) In relation to any child day care programs and any enrolled
45 legally-exempt providers, where a clearance conducted pursuant to this
46 section reveals a conviction for a crime other than one set forth in
47 subparagraph (iv) of paragraph (a) of subdivision three of this section,
48 and unless such crime is eligible for expungement pursuant to section
49 160.50 of the criminal procedure law, for any prospective employee or
50 volunteer, the office of children and family services may direct that
51 such person not be hired, as applicable, based on such a conviction,
52 consistent with article twenty-three-A of the correction law.

53 (ii) In relation to any child day care program and any enrolled legal-
54 ly-exempt provider, when a clearance conducted pursuant to this section
55 reveals a conviction for a crime other than one set forth in subpara-
56 graph (iv) of paragraph (a) of subdivision three of this section, and