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Int. No. 813-A

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A Local Law to amend the administrative code of the city of New York, in relation to refusing to renew, suspending, or revoking a license of a tobacco retail dealer or an electronic cigarette retail dealer that has violated certain authorization requirements of the cannabis law

Be it enacted by the Council as follows:

Section 1. Subdivision a of section 20-206 of the administrative code of the city of New York, the opening paragraph and paragraph 1 of such subdivision as added by local law number 2 for the year 2000, paragraph 2 of such subdivision as amended by local law number 95 for the year 2015, paragraph 3 of such subdivision as amended by local law number 191 for the year 2017, and paragraph 4 of such subdivision as added by local law number 95 for the year 2015, is amended to read as follows:

a. In addition to any other powers of the commissioner, and not in limitation thereof, the commissioner may, after due notice and opportunity to be heard, refuse to renew any license required under this subchapter and may suspend or revoke such license if the person holding such license, or, where applicable, any of its officers, principals, directors, members, managers, employees, or stockholders owning more than ten percent of the outstanding stock of the corporation, has been found to have:

1. made a material false statement or concealed a material fact in connection with the filing of any application pursuant to this subchapter; [or]

2. not paid, within the time permitted by law, any civil penalty or judgment duly imposed pursuant to the provisions of this subchapter or any rules promulgated thereunder or pursuant to chapter thirteen of title

eleven of this code, or chapter forty of title eleven of this code relating to cigarette sales; [or]

3. violated the provisions of subdivision a or b of section 17-706 of this code or any rules promulgated thereunder; [or]

4. violated any provision of section 10-203 of this code or any rules promulgated thereunder;

5. violated subdivision a of section 7-551 of this code or any rules promulgated thereunder; or

6. violated subdivision 1 or 1-a of section 125 of the cannabis law or any rules promulgated thereunder through the unregistered, unlicensed, or unpermitted distribution for sale, selling at wholesale or retail, or delivering to consumers of any cannabis, cannabis product, or medical cannabis, or any product marketed or labeled as such, as such terms are defined in section 3 of the cannabis law, or through the indirect retail sale of any cannabis, cannabis product, or medical cannabis, as such terms are defined in section 3 of the cannabis law, irrespective of whether such person has obtained a registration, license, or permit issued under the cannabis law.

§ 2. Subdivision b of section 20-562 of the administrative code of the city of New York, as added by local law number 144 for the year 2017, is amended to read as follows:

b. For the purposes of this [subdivision] section, the term "arm's length transaction" shall have the same definition as contained in subdivision d of section 20-202.

§ 3. Section 20-562 of the administrative code of the city of New York is amended by adding a new subdivision c to read as follows:

c. In addition to any other powers of the commissioner, and not in limitation thereof, the commissioner may, after due notice and opportunity to be heard, refuse to renew any license required under this subchapter and may suspend or revoke such license if the person holding such license has been found to have:

1. violated subdivision a of section 7-551 of this code or any rules promulgated thereunder; or

2. violated subdivision 1 or 1-a of section 125 of the cannabis law or any rules promulgated thereunder through the unregistered, unlicensed, or unpermitted distribution for sale, selling at wholesale or retail, or delivering to consumers of any cannabis, cannabis product, or medical cannabis, or any product marketed or

labeled as such, as such terms are defined in section 3 of the cannabis law, or through the indirect retail sale of any cannabis, cannabis product, or medical cannabis, as such terms are defined in section 3 of the cannabis law, irrespective of whether such person has obtained a registration, license, or permit issued under the cannabis law.

§ 4. The commissioner of consumer and worker protection shall conduct outreach to inform affected licensees of the new grounds added by this local law for refusal to renew, suspension, or revocation of a license. The outreach shall be made available in English and the designated citywide languages as provided in section 23-1101 of the administrative code of the city of New York.

§ 5. This local law takes effect immediately.

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