



Conditional Adult-Use Retail Dispensary (CAURD)

May 2024 Frequently Asked Question Update

CAURD:

1. Can a CAURD provisional licensee secure proximity protection with a letter of intent?

No. All Adult-Use Retail Dispensary licensees, including CAURDs, require proof of control over a location in the form of a lease, conditional lease or deed, to secure proximity protection for a location. CAURD must submit any locations for the Office to review via the New York Business Express portal post-selection application process. If you need your application reopened in order to submit a new location, please e-mail aulicensing@ocm.ny.gov.

2. Can a provisionally licensed CAURD sell its license?

No. Per the Cannabis Law, cannabis licenses may never be sold. The justice involved individual may sell their *interest* in the CAURD license holding entity but may only do so after four years have passed since the CAURD license holding entity received its license. The ownership interest that was necessary to establish sole control of the entity for purposes of the CAURD application (real, substantial, and continuing ownership of 51% equity shares owned by justice involved individuals) shall remain the same for four years from the date of licensure.

3. Can a CAURD licensee hold more than one license?

No. Currently, entities with a majority stake in any Adult-Use Retail Dispensary license are not eligible to hold more than one retail license. Additionally, TPIs with a majority share in a CAURD license may not hold a majority share in another CAURD or AU retail dispensary license. However, a majority shareholder in one retail license is permitted to be a minority shareholder in another CAURD or AU retail license. Further, 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.

4. Can a CAURD also be eligible for an Adult-Use Retail Dispensary license?

No. Currently, persons with a majority stake in an Adult-Use Retail Dispensary license are not eligible to hold more than one retail dispensary license. However, a CAURD owner may be a minority shareholder in another retail dispensary license.

5. Did the Board extend the time for provisionally licensed CAURD to be able to secure a retail dispensary location?



Yes. Due to an injunction which prevented the Office from processing or issuing licenses, the Board extended provisionally licensed CAURD for an additional 12 months from the date provisional licensure was received.

6. I am a provisionally licensed CAURD, how do I submit a location to the Office for approval?

Provisional CAURD 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](#). CAURD applicants may also refer to the PPLM [guidance document](#) for an overview and answers to frequently asked questions about the PPLM.

After conducting the distance and proximity check and determining that a proposed retail dispensary location meets the distance and proximity requirements, provisional CAURD 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.

Provisional CAURD licensees will go through a post-selection application, to submit a proposed retail dispensary location to the Office for review by following the steps outlined below:

- 1) Provisional CAURD licensees will log in to the New York State Business Express (NYBE) Portal (at www.businessexpress.ny.gov) and navigate to the NYBE dashboard.
- 2) Click on “My Dashboard” to find your original application.
- 3) Locate your original application ID.
- 4) Click on the “Resume Application” button.
- 5) Once you click “Resume Application”, provisional CAURD licensees will be able to complete their post-selection application.

If you need your application reopened in order to submit a new location, please e-mail aulicensing@ocm.ny.gov.

7. I am a provisionally licensed CAURD, can I still submit a Temporary Only Delivery (TDO) location for Office approval?

No. Only TDO locations that were submitted prior to December 31, 2023 are eligible for consideration. The TDO option was only meant to be temporary. Moving forward, provisional CAURD should be searching for retail dispensary storefront locations which



are also eligible to offer delivery services. As a reminder, TDO that have been approved are only temporary and expire 12 months from the date provisional licensure was received, unless otherwise specified by the Office.

8. I applied for a CAURD license but have not received a determination on my initial application. Will the Office issue any more CAURD licenses for provisional licensure?

The Office has resumed reviewing initial CAURD applications. Per the settlement agreement in the case of the *Carmine Fiore, et al v. New York State Cannabis Control Board, et al.*, (Index No. 907282-23) the Office was prohibited from issuing any additional CAURD licenses before April 1, 2024.

CAURD applicant's who do not yet have a final determination will have their applications reviewed and either approved or denied. Applications could fall into the following categories:

- Enforcement background check,
- Additional information required,
- Recommend for approval, or
- Recommend for denial at a future Board meeting as the application does not meet the requirements for the CAURD program.

Note: The most common denial reasons are if an applicant did not have a qualifying New York State cannabis conviction, or if the applicant could not meet the requirements for demonstrating previous operation of a qualifying business in accordance with Part 116 of our regulations. Further, please note that each application is unique and some applications take more time to review than others. The Office is working on reviewing applications as expeditiously as possible.

Please be on the lookout for correspondence from the Office who will be reaching out to the primary email identified on the CAURD application if applicable.

9. Does a CAURD provisional licensee have to locate their retail dispensary in the region in which they were approved for provisional licensure?

No. Due to recent action by the Board, CAURD provisional licensees are no longer required to locate their retail dispensary in the region in which they received a provisional license. CAURD can now locate their retail dispensary in any region in New York State. To submit a new location to the Office, CAURD can complete the post-selection application via New York State Business Express (NYBE) Portal (at www.businessexpress.ny.gov).