

Cannabis Control Division

July 12, 2024

INDUSTRY BULLETIN: 24-03

Dear Licensee:

Summertime is here, and with that comes outdoor activities, festivals, and fairs. The Cannabis Control Division (CCD) is reaching out with a reminder to all licensees engaging in such events, that they have an opportunity to display the effectiveness of the commercial regulated system by strictly complying with applicable statutes and rule requirements, including but not limited to, ensuring all commercial cannabis business activities occur on licensed premises that have been approved by the CCD pursuant to the Cannabis Control Act [Chapter 26, Article 2C NMSA 1978] for the activity in question. **Licensees are obligated to monitor and appropriately respond to illegal consumption on their premises, including at cannabis conventions and other special events.**

Advertising or hosting any event targeted as family-friendly, kid-friendly, or open to minors happening on any licensed premise is absolutely prohibited (see, 16.8.3.8(B) NMAC and 16.8.2.40(B) NMAC). Any licensee found to be advertising or hosting an event open to minors will be subject to immediate discipline by the Division. This includes Back to School events with bouncy houses, face painting, arts and crafts, games and contests, interactive activities, and backpack and school supply distribution and any other event meant to bring families, children, or minors to a licensed cannabis premises.

Licensed premises means a location that includes all enclosed public and private areas at the location that are used in the business and includes offices, kitchens, restrooms and storerooms; all areas outside of a building that are specifically included in the license for the production, manufacturing, wholesale sale or retail sale of cannabis products; and with respect to a location that is specifically licensed for the production of cannabis outside of a building, the entire unit of land that is created by subsection or partition of land that the licensee owns, leases or has a right to occupy.

Additionally, smoking in a cannabis consumption area on a licensed premise shall be allowed only if the cannabis consumption area is in a designated smoking area or in a standalone building from which smoke does not infiltrate other indoor workplaces or other indoor public places where smoking is otherwise prohibited pursuant to the Dee Johnson Clean Indoor Air Act [Chapter 24, Article 16 NMSA 1978].

Further, cannabis may not be sold nor be on display at special events such as festivals, expos, or competitions, unless they are taking place at a properly licensed cannabis establishment.

Any licensee found to have violated any provision of the Cannabis Regulation Act, the Division rules, or any applicable state or federal law may be subject to disciplinary action. The Division may assess a monetary penalty ranging from \$1,000.00 to \$10,000.00 per violation and suspension or revocation of the license.

The Division is monitoring social media accounts to ensure compliance and encourage licensees acting in good faith to report instances of non-compliance using our complaint form found here: <https://www.rld.nm.gov/cannabis/compliance/report-a-violation/>.

Thank you for your attention to this matter.