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Governor

Cannabis Control Board Chair Board Member

Board Member Board Member

Executive Director

ADDRESS NAME

SUBJECT: Unlawful Sale of Cannabis

The Marijuana Regulation and Taxation Act (MRTA), enacted in March 2021, establishes the parameters under which a regulated, safe, and legal cannabis industry will operate in New York State. **The MRTA clearly states that any unlicensed sale of cannabis is illegal.** Legal, licensed, and taxed sales can begin only after the state approves regulations governing sales and licenses the businesses making them. It has come to the attention of the Office of Cannabis Management that you are engaging in unlicensed cannabis sales, or that unlicensed sales are occurring on your property.

The Cannabis Control Board and Office of Cannabis Management (OCM) are currently establishing regulations to ensure an inclusive marketplace built upon social and economic justice for this industry. There are currently no licenses available from the Office of Cannabis Management or other permissions available from any other New York State agency that authorizes the legal sale of cannabis.

Unlicensed sales undermine the legal market that is being built by introducing products that are not lab-tested and potentially threaten public health and safety. Illegal sales include the sale of cannabis products in-person at a retail location, online, via delivery, or at an event; and include so-called "gifting" where consumers purchase non-cannabis items or services, such as a membership in a club, and are then provided cannabis as part of the sale.

You are hereby directed to cease any, and all, illegal activity immediately. Failure to cease this activity puts your ability to obtain a license in the legal cannabis market at substantial risk. The unlicensed sale of cannabis is illegal and subjects you to substantial fines and possible criminal penalties.

If you are a landlord hosting illegal activity on your premises, you are jeopardizing your ability to house a licensed retail dispensary or on-site consumption lounge in the future. Please do not hesitate to reach out to OCM at enforcement@ocm.ny.gov if you have any questions.

Sincerely,

NYS OCM

Enforcement Unit