



# Office of Cannabis Management

**KATHY HOCHUL**

Governor

**TREMAINE WRIGHT**

Cannabis Control Board Chair

**JESSICA GARCIA**

Board Member

**REUBEN R. MCDANIEL, III**

Board Member

**ADAM W. PERRY**

Board Member

**JEN METZGER**

Board Member

**CHRIS ALEXANDER**

Executive Director

## Meeting Minutes

<b>Title:</b>	New York State Cannabis Control Board Meeting
<b>Time &amp; Date:</b>	February 17, 2022
<b>Location:</b>	Virtual via Webcast

## Attendance

<b>Board Chair:</b>	Tremaine Wright
<b>Board Members Present:</b>	Reuben R. McDaniel III, Jen Metzger
<b>Board Members Present (virtually):</b>	Jessica Garcia, Adam W. Perry
<b>Board Members Absent:</b>	None
<b>Others Present:</b>	Chris Alexander, Axel Bernabe, Nicole Quackenbush

## Agenda

- I. Call to Order
- II. Welcome and Opening Remarks
- III. Approval of Meeting Minutes from January 25, 2022 Board Meeting
- IV. Consideration of Medical Cannabis Program Regulations
- V. Update on Social Equity Cannabis Investment Fund
- VI. Executive Director Report
- VII. Executive Session
- VIII. Adjourn



Action Items

Resolution No. 2022-03:	Resolution Directing the Office of Cannabis Management to File Certain Medical Cannabis Regulations.	Passed, Unanimous Vote
----------------------------	--	------------------------------

Notes & Comments

- Chair Wright commented on Cannabis Conversations, the first community outreach sessions to talk with and listen to communities across the state about the Marijuana Regulation and Taxation Act (MRTA) and its implementation. Nine sessions have been hosted thus far across the regions of the state. This is just the first outreach series of many more to come.
  - Chair Wright commented that we continue to expand the Medical Cannabis Program and OCM will provide an overview of the latest regulatory enhancements made to the Medical Cannabis Program.
- 
- Nicole Quackenbush, the Director of Health and Safety for OCM, presented an overview of the proposed Medical Cannabis Program regulations, as this regulatory package puts forward several significant changes for the program many of which were included in the MRTA. Changes include:
    - The program has fully transitioned from the Department of Health to the Office of Cannabis Management.
    - This regulatory package will create a new part 113 in the State Register and any references in the regulations that previously mentioned the “Department” now reference either “the Office” or “the Board” where applicable.
    - Many of the changes that have previously been discussed in Board meetings, such as increasing the patient supply from 30-60 days and expanding the eligible conditions to include new conditions and any condition per clinical discretion, among other updates are codified in the new part 113.
    - Many programmatic efficiencies have also been made. These include:
      - Modifying the packaging and labeling requirements to support the opportunity for recycling programs and further prohibit packaging that markets to youth;
      - Removing restrictions on naming conventions for products, paving the way for products to include names of various cannabis strains;
      - Changing the video surveillance requirement for registered organization facilities from continuous recording 24 hours a day to allow for motion-activated recording after business hours; and
      - Allowing flexibility for the pharmacist to provide remote supervision in a dispensing facility.
    - Board Member Jen Metzger highlighted some proposed changes that federal line the regulations with the MRTA’s Climate Environmental and Sustainability goals.



## Office of Cannabis Management

- Board Member Reuben McDaniel provided the following updates regarding the \$200 million New York Social Equity Cannabis Investment Fund that the Governor proposed in her State of the State.
  - The Dormitory Authority of the State of New York (DASNY) is working with the legislature and stakeholders to get their input in the fund to make sure it is administered properly.
  - The Fund will have support from licensing fees and revenue, and that commitment will draw in private investors, making it possible to bring the fund to life early in the market-building process.
  - The Fund will help equity entrepreneurs meet the costs of establishing adult-use cannabis retail dispensaries.
  - DASNY is going to deliver a range of services directly to these equity retail operators, including:
    - Identifying and acquiring or leasing retail dispensary locations;
    - Designing, constructing, and renovating the locations to operate as adult-use cannabis dispensaries; and
    - Fitting out locations with furniture and other equipment as needed to operate the establishments, among other activities.
  - DASNY is looking forward to their continued work to provide this funding and help meet the goal in the MRTA of awarding 50% of licenses to equity applicants.
- Executive Director Chris Alexander provided his Director's report:
  - OCM Enforcement Action
    - Recent media reports have described business operators that are selling a product or service, including club memberships and stickers, to consumers and providing cannabis as a "gift" in return. **This activity is illegal under the MRTA.**
    - Through an initial investigation, the OCM has identified over two dozen alleged violators and sent letters to each business, educating them on the law, and ordering them to cease and desist those operations.
    - If operators do not cease and desist, they risk the opportunity to get a license in the legal market as well as substantial fines and possible criminal penalties.
    - The letters explain that while cannabis has been legalized for those aged 21 and over, selling it requires a license under the law. No adult-use licenses have been issued in New York State to date and the products they're selling are not tested, packaged or labeled with appropriate warnings and consumer information putting the public at risk.
    - The Executive Director reiterated that the only legal means of procuring, safe, tested cannabis products right now, is through the Medical Cannabis Program, where becoming a patient requires getting certified from a medical provider.
    - Under the MRTA, OCM's role is to enforce the rules it develops for the three prongs of the industry it oversees – the Medical Cannabis Program,



## Office of Cannabis Management

the Cannabinoid Hemp Program, and the Adult-use Cannabis Program.

The Office works with governmental partners locally and at the state level to enforce the law.

- Cannabis Conversations
  - o Nine sessions have been held thus far, covering Western New York, the Finger Lakes, New York City, the Southern Tier, Central New York, the Mohawk Valley, North Country, Capital Region, and Mid-Hudson. Two more sessions are planned, one in Long Island and one statewide Spanish language session.
  - o OCM has engaged with over 5,000 individuals virtually, answering many questions from the public.
- Medical Cannabis Home Cultivation Regulations
  - o The public comment period has now closed.
  - o Over 160 comments were received from a wide range of stakeholders including representation from drug prevention and awareness coalitions, small farmers, the Medical Cannabis Industry Association, clinical associations and more.
  - o The Office is working on finalizing the Assessment of Public Comments.
- Chief Equity Officer
  - o The candidate has declined to transition to the role due to existing commitments. The search for a replacement is a top priority and a candidate will be presented to the Board for the role of Chief Equity Officer.

- OCM Counsel requested an opportunity to speak to the Board in Executive Session to discuss pending litigation.
- Upon returning from Executive Session the Board adjourned the meeting.