

For Immediate Release:

August 15, 2022

Contacts:

Trivette Knowles

Trivette.knowles@ocm.ny.gov / 929-466-2485

Aaron Ghitelman

Aaron.Ghitelman@ocm.ny.gov / 518-728-9570

CANNABIS CONTROL BOARD APPROVES FIRST PROCESSORS TO MAKE ADULT-USE CANNABIS PRODUCTS IN NEW YORK

Cannabis Control Board Approves Interim Regulations for Cannabis Lab Testing & Approved Application For Labs to Apply to Sample and Test Adult-Use Cannabis

Cannabis Control Board Appoints John Kagia as Director of Policy for the Office of Cannabis Management

Cannabis Control Board Approves an Additional 19 Adult-Use Conditional Cultivators, There Are Now 242 Farms Licensed in New York to Grow Adult-Use Cannabis

Today, the Cannabis Control Board approved 15 Adult-Use Conditional Processor licenses. These licenses comprise a key part of the supply chain supporting the opening of New York's adult-use cannabis market through the [Seeding Opportunity Initiative](#). Through the Initiative, processors will take adult-use cannabis currently being grown by New York farmers and turn it into consumer cannabis products. These products will then be sold at New York's first retail dispensaries, through the Seeding Opportunity Initiative's Conditional Adult-Use Retail Dispensary program.

The conditional processor license was created by legislation signed by Governor Kathy Hochul in February 2022. To qualify, processors must hold a Cannabinoid Hemp

Processor license issued by the Office of Cannabis Management and have applied for the license prior to January 1, 2022. Adult-Use Conditional Processors must participate in a mentorship program meant to provide pathways to industry and entrepreneurship opportunities for social equity applicants and participate in an environmental sustainability program.

The application opened on June 28 and will close August 31, 2022. Applications will be reviewed and approved on a rolling basis.

“Today’s Board Meeting brings us one step closer to launching New York’s legal cannabis marketplace. Processors aren’t just an important part of the cannabis supply chain, they are creators, who take a raw plant and transform into tested, consistent, high-quality products that consumers can trust,” said **Tremaine Wright, Chair of the Cannabis Control Board**. “When we open New York’s first stores, owned and operated by New Yorkers harmed by the misguided criminalization of cannabis, the shelves will be lined with infused edibles, topical creams and concentrated oils. None of those products would be possible without these first processors launching New York’s cannabis industry.”

“New York is launching our cannabis industry the right way, and our cannabis processors are an integral part of that,” said **Office of Cannabis Management Executive Director Chris Alexander**. “These processors aren’t just expanding their own businesses, they are committed to also mentoring the next generation of cannabis processors. They’ll be teaching vital manufacturing skills to those with a passion for cannabis who will take our state’s industry to the next level. New York’s entire cannabis ecosystem will create opportunities for those who have been shut out of jobs and industry, and will bring those skills to communities across the state.”

The Seeding Opportunity Initiative positions equity-entrepreneurs to be the first to make adult-use cannabis sales in New York with products grown by New York farmers. Under the Initiative, licenses would be awarded for Conditional Adult-Use Retail Dispensaries to equity-entrepreneurs who must meet two prongs of eligibility to qualify. First, they must have a cannabis-related conviction that occurred prior to the passage of the Marijuana Regulation and Tax Act (MRTA) on March 31, 2021, or had a parent, guardian, child, spouse, or dependent with a pre-MRTA cannabis-related conviction in the State of New York. Second, they must also have experience owning and operating a successful business in the State of New York.

Cannabis Control Board Approves Interim Regulations for Cannabis Lab Testing

Today, the Cannabis Control Board voted to approve interim regulations for cannabis labs across New York. In approving these regulations, the Cannabis Control Board created an immediate pathway for labs to come online and help protect public health and safety by making sure all cannabis products sold in New York State are high-quality and not contaminated by dangerous pesticides, heavy metals or other adulterations.

“With these interim regulations in place, we will ensure the product currently being grown by New York farmers through the Seeding Opportunity Initiative will be tested and of the highest-quality,” said **Chris Alexander, Executive Director of the OCM**.

“New Yorkers should know that while we’re moving quickly to get this industry off the ground, we’re making sure that it will deliver products they can trust.”

The interim regulations are similar to regulations approved by the Cannabis Control Board in June and are currently out for public comment, the period for which closes today, August 15, 2022. Differences include:

- The ability to immediately authorize those cannabis laboratories previously certified for medical cannabis testing by the NYS Department of Health, allowing those laboratories the ability to test cannabis for medical or adult-use.
- The emergency regulations also include additional flexibility for the Board and Office for requirements such as the introduction of sampling firms and proficiency testing requirements.

Cannabis Control Board Approves Laboratory Testing Application and Application for Firms that Collect Samples for Testing

The Cannabis Control Board also approved the opening of an application window for laboratories interested in conducting medical and adult-use cannabis testing and the opening of an application window for firms that would collect samples from licensees and registered organizations for testing.

This will make it possible to grow the number of laboratories testing cannabis in New York State to meet the needs of the developing industry.

The application will be a paper-based application posted on the OCM website, cannabis.ny.gov, and will open after the regulations are filed with the Department of State.

This application requires:

- Documentation of ISO/IEC 17025 accreditation;
- Proficiency testing for certain analytes;
- Specific personnel requirements.
- Non-refundable application fee of \$1000.

Cannabis Control Board Appoints John Kagia as Director of Policy for the Office of Cannabis Management

Today, the Cannabis Control Board voted to approve John Kagia as the Director of Policy for the Office of Cannabis Management. John Kagia works with investors, business owners and operators, and industry innovators to understand the fast-evolving industry, capitalize on emerging opportunities, hedge against risks, and predict market-defining trends. Leveraging his years of experience managing research studies for industry-leading clients including Accenture, Boston Consulting Group, IBM, Microsoft, and the U.S. Department of State, Kagia brings a keen understanding of how market insights enable organizations to plan, grow, compete, and measure performance more effectively.

Cannabis Control Board Approves an Additional 19 Adult-Use Conditional Cultivators, There Are Now 242 Farms in New York Approved to Grow Adult-Use Cannabis

The Cannabis Control Board approved 19 Adult-use Cannabis Conditional Cultivator Licenses, growing the total number of approved Adult-Use Cannabis Conditional Cultivator Licenses to 242. The awarding of the licenses demonstrates the further advancement of the Seeding Opportunity Initiative.

The now 242 approved licenses are from a pool of more than 300 applications submitted to the Office of Cannabis Management following the March 15 opening of the online application portal.

The deadline to submit an application was on June 30, 2022, and the OCM will continue to review and approve the valid applications submitted before the deadline.