



# 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>	April 14, 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
<b>Others Present (virtually):</b>	Nicole Quackenbush

## Agenda

- I. Call to Order
- II. Welcome and Opening Remarks
- III. Approval of Meeting Minutes from March 10, 2022 Board Meeting
- IV. Consideration of Recommended Conditional Cultivator Applications for Licensure
- V. Consideration of Medical Home Cultivation Revised Regulations
- VI. Update on the Social Equity Fund
- VII. Executive Director Report



VIII. Adjourn

Action Items

Table with 3 columns: Resolution No., Description, and Vote. Contains two rows of action items.

Notes & Comments

- Chair Wright commented on the progress made in the first six months by the Cannabis Control Board and the Office of Cannabis Management. Since the Board's first meeting on October 5, 2021, the CCB and OCM have taken action by:
- Expanding the Medical Cannabis Program.
- Expanding the types of providers who can certify patients.
- Authorizing the sale of whole flower.
- Establishing the Cannabinoid (CBD) Hemp Program regulations.
- Moving swiftly to get the adult-use market off the ground. Governor Hochul signed into law a new Adult-Use Cannabis Conditional Cultivator License and announced the Seeding Opportunity Initiative.
Executive Director Chris Alexander provided an overview of Resolution No. 2022-07 Amended, Issuing Conditional Adult-Use Cultivator Licenses. The Office of Cannabis Management received over 150 applications for this program, and as of March 31, 2022, OCM completed the review of and recommended 52 applicants for an Adult-Use Conditional Cultivator license to the Board Chair. The Office is reviewing applications on an ongoing basis and will be making recommendations for licensure.
Nicole Quackenbush, the Director of Health and Safety for OCM, provided an update on the Medical Home Cultivation Regulations. The public comment period for these regulations closed on January 18, 2022. Over 160 comments were received from a wide variety of stakeholders, including Drug Prevention and Awareness Coalitions, small farmers, industry associations, clinical associations and more. Proposed changes include:
- Updated definitions to clarify outdoor cultivation is permitted.
- Amended storage and security requirements.
- Clarification of the plant limit for designated caregivers.
- Provision for the sale of medical cannabis seeds and immature plants for home cultivation by entities licensed or registered by the Office of Cannabis Management.
A new 45-day public comment period will begin on May 4, 2022.



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- At this time, home cultivation of medical cannabis is not yet permitted.
- Board Member Reuben McDaniel provided the following update on the \$200 million public-private fund that will provide funding to certain eligible applicants from communities impacted by disproportionate policing during the decades of cannabis prohibition.
  - The Fiscal Year 23 Enacted Budget includes the \$200 million public-private fund that will provide funding to conditional retail dispensary social equity applicants part of Governor Hochul's Seeding Opportunity Initiative.
  - The Fund will provide support to social equity entrepreneurs and assist with the costs of establishing and operating adult-use cannabis retail dispensaries with DASNY delivering a range of services including identifying locations and building out facilities.
  - To date, DASNY has preliminarily looked at 75 sites physically around the state and has identified another 450 sites around the state for review.
  - The initiative is the first of its kind and recognizes the struggles social equity applicants have had entering the cannabis industry in other states.
  - The Fund will help position the first retail dispensaries opened in New York and will prioritize social equity fulfilling the founding goal of the MRTA.
- Executive Director Chris Alexander provided his Director's report.
  - Public Education Campaign – Cannabis Conversations
    - OCM launched the first phase of its first public education campaign on April 4<sup>th</sup> in both English and Spanish.
    - *Cannabis Conversations* informs the public about the State's new Cannabis Law, where you can legally use cannabis and how to consume safely and responsibly.
    - Signifies a new approach to educating the public on facts around New York's Cannabis Law, including information to help protect youth and keep roads safe.
    - Every advertisement points New Yorkers back to the OCM website, [cannabis.ny.gov](https://cannabis.ny.gov), with fact sheets, FAQs and more information under the *Cannabis Conversations* banner.
  - Cannabis Workforce Development and MLK Event
    - The NYS Department of Labor launched a new Cannabis Workforce Site, a one-stop shop for resources and tools for individuals interested in working and building professional skills in the New York Cannabis Industry.
    - OCM participated in the Annual Dr. Martin Luther King Jr. Career Fair on April 7<sup>th</sup> at the Empire State Conventional Center in Albany.
  - Enacted Budget FY 23 280(e)
    - Due to federal prohibition (IRS code 280(e)) cannabis businesses cannot deduct normal businesses expenses when paying taxes. This can have a huge impact on a businesses' tax liability disproportionately impacting small to medium sized businesses.



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- The Enacted FY 23 Budget includes language which “decouples” NYS Tax code from the federal tax code (280(e)) allowing cannabis business to deduct normal business expenses when calculating their tax liability.

- Board Member Jen Metzger commented that the growing season is here and that she is open to meet on a more accelerated schedule to help move the remaining applications through the process.

- The Board adjourned the meeting.