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NEW YORK STATE GRANTS FIRST ADULT-USE RETAIL LICENSES IN THE FINGER LAKES REGION

Office of Cannabis Management Shares Enforcement Update

*Board Approves 36 Conditional Adult-Use Retail Licenses, Bringing the Total
number of Licenses to 251*

Board Updates Number of Dispensaries Now Open Throughout the State

Today, the New York State Cannabis Control Board (CCB) provisionally approved 36 new Conditional Adult-Use Retail Dispensary (CAURD) licenses, including seven in the Finger Lakes region, the last region in the State able to accommodate licensed cannabis sales following the recent settlement of prior litigation. The number of New York's total retail-dispensary licenses issued now stands at 251.

The CAURD license program is a central pillar of the [Seeding Opportunity Initiative](#), introduced by Governor Kathy Hochul in March 2022. Through the Initiative, New York's first legal adult-use cannabis retail dispensaries are operated by individuals most impacted by the unjust enforcement of the prohibition against cannabis, or by nonprofit organizations whose services include support for the formerly incarcerated.

The CCB will continue reviewing CAURD license applications for consideration on a rolling basis. Applicants were required to either have had a cannabis conviction or be the family member of someone with a cannabis conviction, in addition to having owned a profitable business at some point in time. Nonprofits with a history of serving formerly incarcerated or currently incarcerated individuals were eligible to apply for a CAURD license.

As stated in the Marijuana Regulation & Taxation (MRTA), cannabis prohibition laws long disproportionately impacted Black and Brown communities. For the 30 years prior to the passage of the MRTA, Black individuals in New York had been 15 times more likely, and Hispanic or Latinx individuals were eight times more likely to be arrested for cannabis-related offenses than their white counterparts. These arrests perpetuated a cycle of poverty and incarceration in Black and Brown communities. Accordingly, the criteria for obtaining a CAURD license includes having been impacted by the disproportionate enforcement of the prohibition of cannabis.

"As of today, New York has granted adult-use dispensary licenses in every region of the State,"
said Chris Alexander, Executive Director of the New York State Office of Cannabis

Management. "This is only the beginning of expanding access to safer cannabis consumption. We've granted 251 licenses throughout the Empire State, and we're excited to continue empowering our entrepreneurs as they lead New York's growing cannabis industry."

"As Chair of the Subcommittee on Cannabis and a proud representative from Rochester, I am relieved and pleased to see the first CAURD licensees announced for the Finger Lakes Region," said **Senator Jeremy Cooney, Chair of Senate Subcommittee on Cannabis.** "This is a huge step forward for our region, its retail applicants, legal customers, and our communities, which have suffered disinvestment for years. I thank Governor Hochul and the Office of Cannabis Management for their commitment to resolving the lawsuit restricting access for our region, and look forward to attending the opening of the Finger Lakes' first dispensary in the near future!"

Office of Cannabis Management Shares Enforcement Update

At today's meeting, The New York State Office of Cannabis Management gave an update on their enhanced efforts to combat the illicit cannabis market within the state.

On May 3, 2023, Governor Hochul signed legislation enabling for enhanced enforcement by OCM on unlicensed cannabis businesses as part of the FY 2024 Budget. The legislation now enables OCM to also assess civil penalties against unlicensed cannabis businesses, with fines of up to \$20,000 a day for the most egregious conduct, among other penalties. The new law also makes it a crime to sell cannabis and cannabis products without a license.

As a result of the legislation, the Department of Taxation and Finance can now also conduct regulatory inspections of businesses selling cannabis to determine if appropriate taxes have been paid and levy civil penalties in cases where appropriate taxes have not been paid. The legislation also establishes a new tax fraud crime for businesses that willfully fail to collect or remit required cannabis taxes, or knowingly possess for sale any cannabis on which tax was required to be paid but was not.

By taking decisive action against unlicensed cannabis businesses, New York State is making a significant stride towards eradicating unlawful cannabis operations that jeopardize public safety, consumer well-being, and the integrity of New York State's legal cannabis market.

"Bolstering our enforcement actions, supported by recent legislation, demonstrates our commitment to eradicating unlawful operations that pose risks to public safety and the integrity of our legal cannabis market," said **Tremaine Wright, Chair of the New York State's Cannabis Control Board.** "New York State will continue working diligently to identify and shut down illegal operations throughout the state, ensuring consumer protection and supporting licensed businesses."

CCB Gives Update On Number of Dispensaries Opened Throughout the State

Today, the CCB also provided an update on the current number CAURD storefronts that have opened. As of today, June 15, 2023, 13 licensed dispensaries have opened for operation in five

regions throughout the state, with one dispensary to open in Syracuse and a delivery operator to open in The Bronx tomorrow.

The presence of these dispensaries ensures that consumers living or working nearby have convenient access to a wide range of high-quality cannabis products in a safe and controlled environment. The CCB reaffirms its unwavering commitment to the continued expansion and opening of more licensed dispensaries throughout the state. Recognizing the importance of providing accessible and regulated cannabis products to communities, the CCB remains dedicated to its mission of ensuring a robust and well-regulated cannabis market that meets the needs of all consumers.

New York State is deeply committed to working closely with licensed dispensaries, local authorities, and communities to ensure compliance with all applicable laws and regulations, prioritize public health and safety, and foster an inclusive and responsible cannabis industry.

For more information on where to find a verified licensed dispensary near you, please visit: <https://cannabis.ny.gov/dispensary-location-verification>. All regulated, licensed dispensaries must post [the Dispensary Verification Tool](#) near their main entrance.