



# Office of Cannabis Management

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## **CANNABIS ADVISORY BOARD DISCUSSES ROLLOUT OF COMMUNITY REINVESTMENT GRANTS AT BOARD MEETING**

*OCM Updates the Cannabis Advisory Board on Dispensary Openings, and Licensing Progress at Cannabis Advisory Board Meeting*

*Today's Meeting Included Meetings of Both Cannabis Industry & Market Subcommittee and the Community Grant Reinvestment Subcommittee*

**NEW YORK, NY** – Today, the Cannabis Advisory Board (CAB) convened its first meeting of 2024 to discuss the Community Grants Reinvestment Fund (CGR Fund) and to receive updates from the Office of Cannabis Management (OCM) on the growth of New York's cannabis market, with over 75 adult-use retailers now open and hundreds of adult-use licenses to be issued. With a focus on education, mentorship, and equity, OCM's efforts have laid the groundwork for a sustainable and socially responsible cannabis industry.

“As we seek to raise the standards of what legal cannabis can do to repair the past harms of prohibition, the Cannabis Advisory Board takes its responsibility to administer justice through the Community Grants Reinvestment Fund seriously and intends to do so in a thoughtful, and impactful way across New York State,” said **Joe Belluck Esq., Chair of New York's Cannabis Advisory Board**. “Today, we laid the groundwork for what's possible. Over the next few months, we will continue to do the hard work of identifying valued community partners who can help us make good on the spirit of the MRTA.”

The CAB is a multidisciplinary group of experts, comprised of 13 voting members appointed by the Governor, New York State Senate, and Assembly, and supported by a range of context experts from various agencies from across New York State, tasked with providing guidance and leadership to both the Cannabis Control Board and OCM on a range of issues related to adult-use, and medical cannabis, as well as cannabinoid hemp. The CAB is also tasked with governing and administering the CGR Fund which reinvests tax revenue from cannabis sales to those communities disproportionately affected by past cannabis prohibition policies.

The money in the CGR Fund will be administered and disbursed by the Office of Cannabis Management to provide grants for qualified community-based nonprofit organizations and approved local government entities to reinvest in communities disproportionately affected by past federal and state drug policies.

With New York topping \$180 million in total cannabis sales in 2023, the CAB will soon be able to begin issuing these grants from the CGR Fund to community-based nonprofits and local governments. Today's Community Grants Reinvestment Subcommittee meeting furthered the discussion of how the CAB will decide who to issue these grants to. Building on this momentum, the CAB has proposed a tentative timeline to establish goals for the implementation and distribution of the first funds in the CGR Fund:

- **Mid-April:** Public announcement of the CGR Fund opportunity and anticipated release date for the Request for Applications (RFA). Those interested in learning more about this opportunity shall register with the New York State Contract Reporter (<https://www.nyscr.ny.gov/>) to receive updated notifications on available opportunities. Nonprofit organizations must also be prequalified to receive awards and may visit <https://grantsmanagement.ny.gov/get-prequalified> to learn more about registering early.
- **Early June:** Goal to release the RFA, allowing applicants to start the application process.
- **October 1st:** Projected deadline for applicants to submit their applications.
- **November/December:** Anticipated Announcement of the awardees, culminating the selection process for community-based nonprofits and local governments.

### **Market Update: New York's Growing Cannabis Industry**

The legal cannabis market in New York has shown immense growth over the last few months. Since the last CAB meeting in December, the State has nearly tripled the amount of licensed operating cannabis retailers, with 77 dispensaries making sales now.

Representatives from OCM also shared end of year sales figures, topping \$180 million; discussed the more than 100 licenses approved to be issued to adult-use operators from the February Cannabis Control Board (CCB) meeting, with hundreds more planned to go out in the next few months.

After OCM recommended to the CCB the 109 adult-use licenses awarded at the February CCB Meeting, it analyzed the composition of such licensees. The OCM is pleased to report a significant milestone: two thirds (66 percent) of all such licensees are social and economic equity (SEE) owned businesses. One third (35 percent) are women-owned businesses and another third (32 percent) are minority-owned businesses.

New York tripled the estimated national rate for minority and women owned retail dispensary licensees in the state's inaugural round of adult-use licensing. An analysis of the composition of the adult-use retail dispensary licensees approved at the February meeting indicates that a full 88 percent are SEE-owned businesses. 60 percent are minority-owned businesses, 50 percent are women-owned businesses, and 20 percent are minority-women owned businesses. This early level of diversity of ownership within New York's retail industry will have positive ripple effects for years to come as diversely owned small cannabis brands seek out shelf space and reflect the goals of the MRTA.