

OCM: board chair, Wright. We're ready to start when you are.

OCM: So good morning and welcome everyone. I'm Tremaine Wright, the chair of the Cannabis Control Board. It's great to be here with all of you today. Recognizing that we have a majority of the members present. I'm pleased to call to order another meeting of the Cannabis Control Board and to welcome all of you who are participating here in person as well as via live stream.

OCM: I'd like to note that board member, Adam Perry, is participating from a publicly accessible location in Buffalo and board member, Jennifer Gilbert Jenkins is participating from a location that is publicly accessible. At Suny Morrisville.

OCM: So now go over today's agenda. Today's agenda includes welcoming and opening remarks.

OCM: Then we'll have an approval of the meeting. Minutes from the December 20, ninth, 2023, and January twelfth, 2024 board meetings.

OCM: We'll have a consideration of adult use. Cannabis licenses. In consideration of a cannabis of 2 cannabis research, licenses. consideration of proposed adult use, home cultivation regs.

OCM: consideration of proposed adult use, cannabis regulation amendments. consideration of medical cannabis, regulation amendments. and then consideration of adult use. Application, window opening.

OCM: Then we'll have the executive Director's report public comment, and then the Board will adjourn.

OCM: So today we are prepared to approve the first nonconditional adult use cannabis licenses in New York State.

OCM: This moment has been a long time in the making, and we assure you it only represents the beginning.

OCM: The office has been diligently working to prepare as many applications as possible for consideration. and we, the Board, will continue to approve additional licenses at future board meetings.

OCM: Additionally, the card program is back on track

OCM: and licensees are opening stores. There are now over 70 cannabis dispensaries open and operational throughout this state.

OCM: You can check our web, so our webpage for a list of the open dispensaries. You can sign up for updates and hear when new dispensaries are opening in the regions

closest to you.

OCM: So it has been a Rocky start to 2024 for cannabis in New York State.

OCM: We've read your letters, and we've heard your concerns. Today's meeting aims to tackle a number of the matters that we hope will help propel our industry forward. So let's begin with today's agenda items as we move toward the many great things that sure to come for New York's cannabis market.

OCM: The first order of business will be to review and approval of the meeting. Minutes from the December 20 ninth.

OCM: 2023, and January twelfth, 2024 cannabis control board meetings.

OCM: May I please have a motion to consider and approve the January twelfth, 2024 board meeting minutes

Adam Perry: so moved

OCM: so

OCM: And I can consider you as a second. Sure. Thank you. So it's been approved, and I'm sorry moved and seconded. Are there any discussion?

OCM: Okay, Erin? Then I'll call for the vote all in favor.

OCM: That's unanimous. The motion to approve the December 20 ninth.

OCM: 2023 min is approved. And now we'll take up the January twelfth, 2024 board meeting minutes. May I have a motion?

OCM: On that? I'm sorry. May I get a motion on that to approve and consider those minutes. So

OCM: we have that may I get a second? Aye.

OCM: any discussion. hearing none, I'll call for the vote all in favor. Aye, aye. thank you. And so now we will, and

OCM: therefore it was unanimous. So the motion to approve the January twelfth, 2024 board meeting minutes carries as well.

OCM: And now for our first resolution for today.

OCM: may I please have a motion to consider resolution number 2024, dash 53, a consideration of adult use. Cannabis licenses.

Jen Gilbert Jenkins: So moved.

OCM: Yeah, first thing. Second, thank you. I'll now ask our executive Director Chris Alexander to provide a brief overview of this resolution.

OCM: Thank you, madam. Chair, and good morning. Good afternoon, almost. Good morning. Still. To everybody joining us. Before the board today is our first cohort of adult use. Cannabis licenses from the most recent general licensing window.

OCM: These applications for licensure have clear the multi-step review process, and are being recommended to be approved by the board.

OCM: These applications are from the application window that opened on October fourth, and closed on December eighteenth. The applicants include retail dispensaries, micro businesses, cultivators, processors, and distributors. I also want to echo the chair's initial statements. That this is just the beginning. The license review process takes time and requires many different teams with specific skill, sets within our office to review and clear an application to get it ready for board consideration

OCM: as ownership review background checks, municipal consideration, location, proximity, analysis that needs to be checked on each application.

OCM: I'm very proud of the licensing team, who continues to work very hard to pay as many applications as possible for consideration. I'm also very excited for this first group of applicants to move forward and begin the process of launching their businesses. This is another major milestone for the program, and I'm happy to answer any questions that the Board may have.

OCM: Thank you. Are there any questions from the board, Chris? Could you? Could you speak a little bit on the Enforcement Review of all the license applicants

OCM: absolutely. And so every applicant for licensure does have to submit fingerprints for background checks while previous drug convictions do not disqualify an applicant. In fact, in our program certain drug convictions are positive. But we do have a requirement to guard against licensing individuals who've been convicted of fraud

OCM: or employment related offenses. And so we go through previous convictions. But we also review folks current activity to ensure nobody is participating or opening or operating on this storefront and and to ensure that the rules that have been set by the board being on it.

Thank you

OCM: in the event that we do. This piece of
it holds.

Jen Gilbert Jenkins: Is Linda speaking?

OCM: Can you speak to a mic? Sorry

OCM: in the event that we do? become aware of information that we didn't have at the time of the review.

OCM: We can always go back and take another look to make sure that the licensee meets the qualifications for the license

OCM: there any other questions from board members.

Jen Gilbert Jenkins: Gilbert Jenkins, so I was just wondering if, through all of the conversations that we've had have. We've now removed that cap on the number of license, and that we are now doing rolling applications.

OCM: There's not a cap on the number of licenses. There was an approximate number provided previously, and and before the application window opened of the non provisional licenses that will be awarded just for that particular group was the number, you know that that the office was advancing to the board for consideration for the other license types. You know, for example, for the cultivator and micro license types.

OCM: the conditional cultivator licensees are able to choose which license type they'd like to transition to, and so we couldn't set You know, numbers or estimates we have estimates, but we couldn't set firm numbers, and what those counts would be, as the choice remains with the license as they transition. The only group that, I think you know, folks were have been discussing is that non provisional group. and

OCM: of course the law requires that we ensured opportunities made available. Folks who don't have access to retail locations and don't have access to to to real estate. And so we do still have that total provisional group, those folks who applied with the December eighteenth deadline who will be also considered. And so there's plenty of time to increase that number and ensure that we're giving as much as many people opportunities as possible. Right? I just feel strongly that there is no number.

Jen Gilbert Jenkins: And I wanna make sure that that is something that we're talking about, that there is no number that you can have a target, and that's fine, but there is no top number. We. The board is not provided a top number, and I think that we need to make sure that the public knows that there is no top number, and that as they're that we will continue to review.

Jen Gilbert Jenkins: I think that's very important for us to to discuss.

OCM: Is it possible that you can give some

OCM: background on what type of products are being are proposed to be processed by the people who are presented to us today.

OCM: What types of products are supposed to be processed? I mean, I think, the you know, we've seen already in the market the the gamut of different types of process, of processed products come into market. We've seen beverages. We've seen tinctures. We've seen babes and other concentrates. I mean, I think the process is being transitioned now are already providing you know, a great deal of services and variety and products. So

OCM: is there a specific product unit? I wanted to know what they, these people, were actually processing.

OCM: Are there any other questions, comments from the board.

OCM: I just wanna just, I guess, commend the agency staff for for all the work and getting to to where we are today. I know that we could always go faster. But there's a lot of work involved. And I see that every day when I talk to all of you. So just

OCM: thank you. I appreciate that board member. I just wanna again emphasize the work that the licensing team, the enforcement team the equity team, the policy team. Everybody has been on deck trying to get these licenses out, so I just wanna shout them out.

OCM: No other comments. I'll call for the vote.

OCM: Dr. Gilbert Jenkins.

Jen Gilbert Jenkins: Aye.

OCM: Mr. Perry.

Adam Perry: aye.

OCM: Ms. Knight. Aye, Ms. Garcia, aye, and I vote in the affirmative as well the motion to approve resolution number 2024, dash 53. Consideration of adult use, cannabis licenses carries.

OCM: Do we have a list of where it was a list of those licenses posted here. Yeah, it was always posted

OCM: wasn't on the screen. But yeah, it's it's posted. It was supposed to

OCM: for our next order of business. May I please have a motion to consider resolution number 2024, 54.

OCM: Consideration of cannabis research, licenses

Jen Gilbert Jenkins: so moved right

OCM: except yours is a second. Thank you.

OCM: I'll now ask

OCM: our executive director. Please provide a brief overview of the research licenses before us. Thank you. Thank you, madam. Chair. Today we are presenting 2 applicants for cannabis research license. Both applicants are small businesses whose studies focus on developing new cannabis cultivation methodologies and techniques.

OCM: The office has assessed the application based on the requirements outlined in Section 38 of a cannabis law, and I've satisfied that they have been met if approved. Today, these 2 applicants will become New York State's first cannabis research licensees.

OCM: I really wanna underscore as we rolled out the research regulations, the research application and the team led by Dr. Keisha Abel. Have rolled out this first in Nation research program. That this has been a a super important component of the work that we're doing to ensure that we continue to move the ball forward, as it relates to cannabis research while also creating access to a safer tested product. So I just wanna applaud that team and and I'm really excited. For this proposal to be in front of the board today.

OCM: Any questions comments from the board.

Jen Gilbert Jenkins: I'm super excited for these 2.

OCM: May I ask what type of research is being proposed under these 2 licenses. They're different activities, both focused on cultivation. If

OCM: not here. But we have a full download in in in the packet. But both focus on different cultivation techniques ways to grow in a more sustainable fashion. We, of course, are very proud of having the first entirely outdoor crop and we are trying to build on that that work. I just wanna clarify as well licenses. Cultivators are able to do R&D

OCM: themselves. The research licenses and authorization to cultivate cultivators are able to do R and B for the business side. This is purely for safer. And and you know, more efficient cultivation techniques.

OCM: Are there any other questions? Comments from the Board?

OCM: Hearing none. I'll call for the vote. Dr. Gilbert Jenkins.

Jen Gilbert Jenkins: Aye.

Adam Perry: Mr. Perry. Aye.

OCM: Ms. Knight. Aye, Ms. Garcia, aye, and I voted the affirmative as well. The motion

OCM: carries. I'm sorry. The motion to approve resolution number 2024, 54, carries for our next order of business. May I please have a motion to consider resolution number 2024, 55,

OCM: consideration of proposed adult use. Home cultivation regulations.

OCM: have a motion, make it a second second again.

OCM: Thank you. I'll now ask.

OCM: John Kaggie. I'll direct the policy to please provide a brief overview of this regulatory package.

OCM: Thank you very much, Madam Chair. Thank you. Everyone.

OCM: In the Mr. Ta. The board is required to affect regulations permitting the home cultivation of cannabis within 18 months of the first sale of adult use. Cannabis in the State.

OCM: These proposed regulations proposed package will allow us to meet that timeline and to begin allowing adults over the age of 21 to cultivate cannabis, a small number of plants.

OCM: and within their homes. This regulatory regulatory package builds on the existing home cultivation regulations for medical patients and caregivers which have been in place for over a year. Now

OCM: now, while we know that home cultivation of cannabis and the idea around home cultivation of cannabis can raise fears of large groves and densely populated residential areas.

OCM: The experience from other States tells us that that really isn't the case, and it really informs our outlook for how personal cultivation might impact the New York adult use. Market

OCM: research shows that only a small percentage of cannabis consumers become home brewers. making it a fairly specialized hobby, something akin to people who want to brew their own beer.

OCM: Additionally, while growing cannabis might be easy growing good high quality cannabis is actually not that easy and so you invariably see home growers supplement or complement the cannabis that they're growing with products from the legal regulated market.

OCM: And finally, while homecourse have the ability to grow the plants. If you really

have the time, the resources, or the technical expertise to produce the kind of high quality value added products that are now widely available in the in the legal market. You think things like

OCM: chocolates and beverages.

OCM: or or eye test concentrate. So while they may be growing their favorite strains, they often turn to the legal market to complement their experiences.

OCM: So for these reasons, we're very excited that New Yorkers will finally have the opportunity to start growing a small number of plants and the safety and comfort of their own homes, and we believe this is going to be an important complement. To the regulated medical and adult use markets, so the office will, leasing further guidance and providing additional information and education to our municipalities and to the general public about personal home group cultivation as part of this rollout.

OCM: So thank you, Madam Chair, happy, thank you. Are there any questions?
Comments from the board?

OCM: Can you speak to a little bit what the education question is gonna look like?

OCM: Oh, I'm sorry. Could you stay more about what the education components gonna look like.

OCM: Well, so we're working on that as we speak. But it is going to include several components. One is helping the public understand the rules, you know. So that maximum of 3 immature and 3 mature plants per person, a maximum of 6 and mature and 6 mature plants per household. it's helping folks understand where they can source the inputs for their cultivation and how that's going to be covered. It's going to help have folks helping folks

OCM: both at the community level and a household level understand the rules around things like odor management and how to minimize some of the odor impacts.

OCM: So we're working to put that together, and it will be aligned with with

OCM: the rollout of the regulations and the finalization of the rollout but we do want to make clear first at the municipal level, allay concerns that this is gonna turn into a large scale cultivation, free fall that is absolutely not the intent. And we're going to be very explicit without in our communications to consumers that this is an opportunity to grow at a personal level? Not at commercial

OCM: and then to ensuring that home culture is the people who want to take the try their hand at growing their own cannabis understand how to do so in a regulatory compliance in a safe way, and in a way that ensures that they are good neighbors in their communities.

OCM: I would I would also just add and emphasize the municipal education. We did provide quite a bit of resources for patients interested in medical cultivation home cultivation when we authorized that activity. But we've continued to work with municipalities. Work with our state partners. that, you know, ensure that both tenants maybe have certain restrictions around their personal cultivation.

OCM: And and folks in in, in certain communities have as much information about what is allowed and what's not allowed. And again, the ways to do so in a way that doesn't disrupt the community.

OCM: Thank you.

OCM: May I ask, can you explain if there are any departures? What are the similarities here with the a lot of people are familiar with medical home grow already. If there are any significant departures or differences between the medical and what we're being presented with today.

OCM: Yeah, I think really, the biggest difference is who gets to do it? The the. We try to make this as aligned as possible, partly because we didn't want it to create 2 different regulatory frameworks. And so the

OCM: for

OCM: medical rules really were a great template for us to follow. It's now just extended most of those authorizations to any adult over the age of 21.

OCM: And just to confirm that today you're asking for the ability to file these, they're not actually taking effect exactly. This is going to go through the public comment process, like all of our other proposed regulations, and the goal is to complete the full public feedback process, the sapper process in time for our our summit deadline.

OCM: How long will they have to make comments 60 days. Thank you.

OCM: Are there any additional questions? Comments from the board?

OCM: I don't think I see anybody okay, hearing none, I'll call for the vote. Dr. Gilbert Jenkins. Aye.

OCM: Mr. Perry.

Adam Perry: aye.

OCM: Ms. Knight.

OCM: Ms. Garcia, I have an affirmative as well. The motion to approve resolution number 2024, 55. Consideration of proposed adult use, home regulations, cultivation regulations, carries

OCM: for our next sort of business. May I please have a motion to consider resolution. Number 2024, 56. Consideration of the proposed adult use, cannabis, cannabis, regulation amendments.

OCM: motion. Make it second. Thank you.

OCM: I'll please. I'll I'll now ask our executive director feel, please provide an overview of regulatory amendments. Thank you, Madam Chair. And again, you know, we've we've done this a couple of times. And just to remind the public, this is an engagement process. We put out rules. We see how we can update them. We make adjustments and changes to ensure that the market is working

OCM: and that the rules are able to be applied appropriately. There's 2 updates to our adult use regulations. 2 main updates. The first is recognizing the authority that Dec has over pesticide use in our previous adult use regulation package we were guiding our cultivators to use approved pesticides, but being clear that that approval sits with Dec. And not with ocm.

OCM: The second is a clarification on the term exclusive use, as it is understood houses of worship. in particular. You know, particularly in in a lot of cities we do have houses of worship that are sometimes used for that purpose, and other times not used for that purpose, and in order for us to ensure that our distancing requirements are properly enforced. We're clarifying and incorporating the exclusive use term as it is in the rest of our regulations, in our law.

OCM: So those are 2 major changes. There's a couple of other like, not technical, but

OCM: I guess technical changes like moving commas. And such.

OCM: Are there any questions comments from the board?

OCM: I'm just wondering if this is gonna at.

OCM: This is what we sufficiently adding clarity to municipalities are

OCM: their role in approving, denying locations to it's actually aligning what we are already telling municipalities. We're already applying exclusive use. We're just making sure it's consistent with our own restrictions as we apply and evaluate locations, municipalities were already using exclusive use as their determining standard. Got it.

OCM: And just be clear, this mimics what we see in the Sla correct.

OCM: The people that are familiar with that will be able to rely on their understandings.

OCM: Okay, are there any other comments? Questions. Cairns. Okay, hearing none. I'll

call for the vote. Dr. Gilbert Jenkins.

Jen Gilbert Jenkins: Aye.

Adam Perry: Mr. Perry, aye.

OCM: tonight.

OCM: Ms. Garcia, I and I vote in the affirmative as well the motion to approve resolution number 2024, 56.

OCM: Consideration of the proposed adult use, cannabis regulations, regulation amendments carries

OCM: our next order of business. May I please have a motion to consider resolution number 2024, 57, a consideration of medical cannabis regulation amendments for adoption?

OCM: I'm so moved. Sorry I have a second.

OCM: I feel like we've been seconded.

OCM: Are there any comments? I'm sorry. I'll ask. Please, if executive director provide an overview first. Thank you, Madam Chair, this is the update to the medical cannabis regulation amendments. We had previously made these changes and had this package in front of the board. We've just completed the public comment process and are ready to file these Regs for adoption.

OCM: there are no significant changes other than harmonizing the packaging, labeling provisions. with our general rules for other licenses, particularly identifying and acknowledging that some our medical operators are operating in both markets. Now.

OCM: are there any questions, comments. concerns from the Board?

OCM: Hearing none, I will all 4 the vote. Dr. Gilbert Jenkins.

Jen Gilbert Jenkins: Aye.

OCM: Mr. Perry.

Adam Perry: Aye.

OCM: Ms. Knight, I, Miss Garcia. Aye, and I vote in the affirmative as well. The motion to approve resolution number 2024, 57. Consideration of medical cannabis regulation, amendments for adoption carries.

OCM: Next we'll have. May I? Please have a motion to consider resolution number

2024, 58.

OCM: Consideration of adult use, application, window opening

OCM: moved. May I get a second second?

OCM: Chris may ask you. Please provide us with an overview of this resolution as well.

OCM: Absolutely, madam. Chair. So there's 3 applications that we're we're looking to to reopen, one of which stay permanently open. The first is the transition for our conditional growers and processors, the AucCs and AccPs have been notified that they will have this additional opportunity to transition. I want to be very clear right now. The authorization for that program expires in June

OCM: folks were afforded an initial opportunity to transition in the general application window. We did get a good amount of applicants or licensees to do so. But we need now need the rest of you to do so. This program will expire, and that license, that conditional license will also expire.

OCM: Additionally, this resolution will allow the processor type 3, which is our brand license to be reopened. Under our regulations all cannabis brands must be affiliated with the license in order to be in the New York market, either as a Tpi during due to the revenue sharing or as a brand license. We also see this as a great opportunity to pull folks into the regulated market and create opportunity for brands to to start the process of growing their business organically.

OCM: The brand license will allow you enter into white label agreements with existing processors to manufacture and sell your cannabis brands. Lastly, the resolution allow for the reopening of the distributor license. Those who've been licensed under the cultivator processor license. The also is very important to keep this license type open. So cultivators and process, who are looking to distribute their own products, remain able to do so.

OCM: and we will be providing additional information on the opening of these license types, soon including exact date when applications will open.

OCM: Are there any questions, comments from the board?

OCM: So just to be clear, this application window is specifically for those who are already licensed under conditional adult use generally.

OCM: with the exception of those persons who may want to do a small processing license, which is a type 3 and type 3 is not list

OCM: actually just limited to branding, is it?

OCM: No, I mean, it's branding and packaging. I mean. So yeah, there's our processing.

Definitioning is broad enough to include just the packaging the packaging itself. But yeah, it's the smaller doesn't include extraction or infusion techniques. Those are required. Type 2 or type, one license.

OCM: And just be clear. A small processor fits under type 2, correct.

OCM: No, it's it's it's the techniques being used that distinguish the 2, the 3 rather. And so again, the the type. 3 that that we are proposing opening now

OCM: really has to work with another type, 2 or type, one processor, to get their business going and start ensuring that they are not. They are not themselves.

OCM: you know they they don't have to be plant touch. They can rely on another licensee to operationalize their part of the business. The type 2 and type one are distinguished by the activity, not necessarily the size of the operation. So then, where do where does the designated small processor fit into the

OCM: processing licenses that we've identified. I think it's I think it's it's really is the divorcing from the the size piece, and more so focusing on the activity. I mean. Yes, there are folks who are larger, who are engaged in heavy extraction and and and other techniques of creating pros products. But really, it's it's distinguishing between the types of certifications needed for the activity.

OCM: And so this is the minimum required. This is an operator who, may, you know, be a creative may have a brand that they wanna grow reaching out to another processor who source products for them can help help operationalize that business, but they don't have to themselves be plan touching in order to do this.

OCM: And we've seen this already with out of state brands. Contracting with in state processors. The brand themselves doesn't touch the plant. They make a deal with the processor, and that revenue sharing makes them a tpi of that license. This is an alternative pathway where they don't have to be confined or tied to a particular processor in order to have their brand enter the market.

Jen Gilbert Jenkins: So, Chris.

Jen Gilbert Jenkins: if if I were a person who wanted to make icing for cake and I could, I would get the type 3 license, and I would

Jen Gilbert Jenkins: work with a type 2 license to get the extract to put into my icing.

Jen Gilbert Jenkins: Right? So I'm not. I'm not plant touching, but I can still make. I can still process and make products.

Jen Gilbert Jenkins: Yup, and you can provide your your recipe for your icing to that to that process. And they can just make the make it for you, same same as any any white labeling deal. Yeah, okay, but that's but that's different. I don't want the type to person to

make it for me. I want to make it with my proprietary ingredients, right? I wanna just get the extract from them to then be able to make

Jen Gilbert Jenkins: my product, you would need the type. 2. Is it Jonathan correct?

OCM: You would need the type 2. If you are going to be the one making the product yourself. It's a white. It's a white labeling deal. It's it's very common in in the cannabis market, where brands will just rely on somebody else to produce their goods for them. Yep, right? No, I get that. My question was because you were saying, the difference is not plant touching. And so in my example, I'm not plant touching. I'm I'm getting the extract from somebody, and then you would capture the extract as plant touching.

OCM: we would capture your engagement with the extract this plant touch.

OCM: So just be clear. So then, at this time we don't have a space for the identified small processor.

OCM: No, a small scale processor can cause. It was a different price, supposed to be a different structure as well. So we had processor. And then we had small processing that had been identified back. And I think of May of last year.

OCM: Should we get enough for that? We amended the rights for it.

OCM: So the 3 types of processor licenses. Just kind of to to level, set on the the tiering of authorizations. So the type one processor has full scope, scope authorizations. You can buy the biomass from a cultivator, do the processing so create the extracts, whether that's

OCM: browsen, hash distillit, isolate.

OCM: infuse that into the products. So make chocolates, dummies and beverages, package, label it and sell that onto the distributor. Or if you have a distribution license to the retailer. So for a type. One is a full, intent license. The type 2

OCM: has all those authorizations except the ability to buy the biomass from the producer, from the cultivator and process it and and do the extraction themselves. So a type 2 processor can buy the the extracted

OCM: oils from a type, one processor, and then do the infusion themselves. So if you are a beverage manufacturer and your expertise is in beverage making, you can buy the extract from a type, one processor and make the formulations to create your blended beverages as a type 2 processor.

OCM: a type 3 processor. And the reason we're calling it the the white label license is an analog, and and analog, I've been using that seems to resonate. Is Hosco coffee?

OCM: The coffee sold in Costco is made by Starbucks and the the most of that is

delivered, fully packaged, labeled as a Kirkland brand, or as a Costco brand coffee, even though it is made by a separate company that has its own line of products.

OCM: So the type 3 processor is really well suited for folks who either have formulations that they want to make. To Dr. Jenkins, example, who have the icing formulation that you want to manufacture but they don't actually have either the space to do that or they don't actually want to engage in all that plant touching.

OCM: You can partner with a type 2 or a type, one processor, have them manufacture that for you, and then provide the branding, and you are authorized to do the packaging yourselves yourself as a type. 3. Position.

OCM: So the the type 3 processor isn't additive in terms of the amount of new material being creative. Part of the reason why we viewed this as an untapped license is, it creates

OCM: significant brand diversification in the space without increasing the amount of biomass that we have in the space, or the amount of amount of material that has to be created in the space

OCM: so for the type, 2 processors would be the type, the processors who are able to make the products without having to do the abstractions themselves. But for the type 3. You lose the authority to do both the manufacturing and the infusion, but it allows you to source the materials to do the

OCM: branding agreement with other stakeholders.

And it allows you to participate in this market without having to be a true party of interest in any other operator in the space it allows you to operate independently.

OCM: And what is the price on the type? 2 processing.

OCM: So I guess I just wanna bring us back. The question really is about, where does our small processor fit into this? Because the questions and the amendment to the regulations, was about finding a pathway.

OCM: for the example that Dr. Gilbert Jenkins identified, which was a maker that wanted to make something that may be infused with cannabis, but they're not large scale. They're very to oftentimes micro businesses never seen more than maybe 50,000 to 100,000 in profit. So we had a con, a very lengthy discussion about trying to find pathways. For what this?

OCM: What does it look like for those markets, those players to enter the market, and we wanted it to have it differentiated. So that's really what we're

OCM: yeah. I mean, I would say, the type 2 and type 3. I think that just says \$4,000 for the for the the license fee, not the application fee, the license fee which is paid every 2

years for that activity that being said. I think the type 2 and type 3. Both are avenues of participation for smaller operators. Type 3. Obviously you don't have to touch anything. And big operators are using Type 3 as well.

OCM: But for type 2. Again, it doesn't require you to have the heavy extraction equipment

OCM: and then what is the distribution price, the license for distribution? Because the conversation was about them having the ability to make. but which process as well as distribute. Yeah, their products. So what is the price tag on the distribution licenses that they would be

OCM: availing themselves of?

OCM: Yes. So we're at 500.

OCM: Thank you.

OCM: And maybe just on that distribution piece, also confirming that for cultivators and processors the idea was always that you would maintain the ability to to self distribute as it's an addable authorization to these licenses at a nominal cost. We do want to ensure folks have the flexibility to do that.

Thank you.

OCM: Are there any other questions? Comments

OCM: hearing none. I'll call the vote Dr. Gilbert Jenkins.

Jen Gilbert Jenkins: Aye.

OCM: Mr. Perry.

Adam Perry: Aye.

OCM: Ms. Knight.

OCM: Ms. Grace, I,

OCM: and I vote in the affirmative as well. The motion. I'm sorry. Yes, the motion to approve resolution number 2024, 58. Consideration of adult use application. Window opening carries.

OCM: Yeah. Sorry. Just meant to make sure.

OCM: your next order of business. May I please have a motion to consider resolution number 2024, 59, consideration of adult use, conditional processor relocation.

OCM: We have a motion. May I have a second

OCM: second?

OCM: So this resolution would approve 2 adult use conditional processor relocations to begin operations at a new facility.

OCM: The processors have submitted all required documents for a new location, and in accordance with section 120.18 of the regulations. It requires board approval.

OCM: Is there any discussion, question, or comments from any board members regarding these 2 relocations?

OCM: Hearing none, I'll call for the vote. Dr. Gilbert Jenkins. Aye. Mr. Parry.

Adam Perry: Aye.

OCM: Ms. Knight. Aye.

OCM: Ms. Garcia, Hi. And I vote in the affirmative as well. The motion to approve resolution number 2024, 58. Consideration of adult use. Application? Oh, sorry. That is duplicative. That's not what I'm talking about.

OCM: Consideration of the processor relocation.

OCM: and I hope I read the correct number. It is 2024, 59 is approved.

OCM: We'll now go to our executive director for his executive report. Please.

OCM: Thank you, madam. Chair

OCM: First. I just wanna say a big congratulations to all those who receive licenses today. We are very excited for you all to get up and running for your businesses to become operational for you to become a part of this New York cannabis market.

OCM: We have done quite a bit in the last couple of months. As the chair said earlier. We've nearly tripled the dispensary, count the both the total retail businesses, as well as the current open dispensary, count. By the projections that we have. I believe an additional 10 dispensaries so far will be opening throughout the course of this month.

OCM: folks, and we do have additional card licenses who've been issued final licenses that are just preparing and taking their final steps to get open.

OCM: We are obviously still in need of more dispensaries and still trying to get folks through that process. We have a significant number of our car licensees that are going through that. And of course, with the new non-provisional count being added, I believe

that's 38 new licensees as well able to to join and add to that retail footprint across the State. But this is gonna continue. This is. This has been the work. I've

communicated time and time again that the same time it takes for a restaurant to go from concept to serving customers is what we should expect for our dispensary operators to go from licensure to being able to serve New York's consumers.

OCM: That being said, we have spent a lot of time on the application review process. To be for folks who are in the room who are licenses and folks who are watching, you know. It's it's a painstaking process. Not only as we discussed earlier, are we going through to ensure folks are eligible for licensure. But we also have to make sure that locations work, whether they be for dispensaries or cultivation or processing.

OCM: We also have to make sure that the ownership rules that we put forward are being maintained, ensuring that the 2 tiers are not being violated

OCM: or that there are no agreements that essentially provide too much access to the market to individuals who who should not have that access? We have to make sure that we are staying true to our goals of having a true diverse market the sea certification process also, takes time. But we are, as we'll hear shortly, very pleased with the numbers that we've seen from these initial

OCM: licenses. So this, this is a process. But we are happy to have the 109 applications or new. Now soon to be final licenses. Going out the door.

OCM: I want to flag something for applicants who are waiting.

OCM: You have received. Many of you have received communications from the office to cure deficiencies. I've got like 150 unresponded requests to cure deficiencies. The time that this takes is a lot, but it also takes more time in waiting for you all to cure those deficiencies. That's a statutory requirement that you have that 30 days to respond to inquiries. We want to be clear with you that 30 days is 30 days.

OCM: We've got a lot of people that want opportunities. We want to get people moving. And so delayed responses could result in you foregoing that opportunity. Obviously for working with you, we're gonna keep working with you. But the goal is to move quickly and to get you started in launching your business.

OCM: But those of who who have received an application or license today please be on lookout for further communication from the office. Obviously for our retail folks. The final license is not a sign that you can begin operation. You still need to have virtual inspections conducted to ensure your site is up to code. You still have to ensure your local approvals are secure. And

OCM: of course we do reserve the right to. We're doing virtual inspections as much as possible, but we will do on-site inspections if if we need to.

OCM: Once your application is approved and you paid the license fee. The office will issue a license certificate that email should be coming in a couple of days. If not sooner. And then we can start and work with you, and you'll get a packet on how to get your your license operationalized

OCM: before we turn to our Damien, I think you're up next. But before we turn to a report out on how we performed in terms of ensuring diversity.

OCM: And Mark, I just want to emphasize this is the beginning. I know folks have a desire to get going. Folks have invested resources. This is intentional and methodical. Rollout we have seen, and and part of the lessons learned not to knock any other State, but part of the lessons learned is ensuring that the businesses that we license are not just the right people, but that they are viable.

OCM: which means that we can't just say everybody go. So we're gonna go through this process when it grow at a responsible rate. We do not wanna be in a place that we were last year where we had product and and no shelves to put them on and and on the flip side don't wanna have shelves and no product.

OCM: So we're gonna keep working through this. This is gonna be the next couple of months of work of getting these licenses out. We will, as as you've heard me and the Board members, and particularly the chair, talk about this is we're not trying to create. Scarcely. We just wanna make sure that we're growing the market responsibly. So there will be future licensing windows. We will clarify with everybody as we've done previously with another statewide tour when we're ready to roll out

OCM: that next application window. Right now, we're focused on getting these licenses out the door and all of our licenses operationalize. I wanna just remind our cultivators and processes one more time this transition has to happen. Now, I do not wanna get calls in July. Folks trying to submit. Paperwork

OCM: is due in June. This is statutory expiration of that program. So please, please, please, once we open and we'll send notice as soon as possible. Once we reopen the window for you all to transition, please do so as promptly as possible. I just wanna also flag 2 common deficiencies that we keep seeing. Obviously, Tpi disclosures. If you're over 10% owner on license, you will have to submit a disclosure to show

OCM: who you are. So we know who are owning and operating the companies in the State as well as fingerprints. I know a lot of people aren't familiar with doing fingerprinting, but is a quick process, and we've gotten a lot of deficiencies cured there. But it keeps coming up. And so we've put forward a webinar. We've sent out emails, prompting you, giving you step-by-step instructions. This are applicants on how to do that. Please review that to make our jobs a little easier as we get these licenses out the door, Damien.

OCM: I'm sorry. Well, I know. Question not really a question more of a comment. And I ran through a lot of them. I appreciate all the work that goes into approving of licenses.

I'm hopeful that we've, you know, after this

OCM: this

OCM: bunch we've figured out the kinks we know how to do this well, and so I would urge chair and agency, and Chris to, if we have to meet more often, if we have to meet not every 30 days, because 30 days is a long time for someone to wait. We, we should do that and I'm ready to make myself available so that we can roll these along and get these approved. As as the agency staff is is going through them.

Jen Gilbert Jenkins: Can I? Can I ask a question as well.

OCM: just just real quick, just to respond. I absolutely appreciate that. I definitely wanna emphasize to our applicants listening. You can help expedite this process as well. This 30 day process. It does as we go through. It holds up everybody else in the queue. So I just wanna emphasize that as well and appreciate the openness to meet more frequent.

OCM: I'm sorry, Dr. Gibber Jenkins.

Jen Gilbert Jenkins: So I want to stop dancing around this and actually have the conversation. There are too many people that have been told that if they didn't get a number that was low enough, that their application was denied. And I wanna make sure that that is clear. That that's not the case, and that people that that there is no application top number, and that the office is doing a great job, working super hard and getting this app. We're not

Jen Gilbert Jenkins: giving out all these licenses all at once. We're rolling out these licenses, and then we'll continue to review them and go through them and that there, that there is no stop, that there is no end. And yes, you're. We've had this conversation before, Chris, that you're right, that someone who wasn't ready in November or December, and that once I entered this market later needs to have the opportunity. So we will need to open

Jen Gilbert Jenkins: for applications again. But we have a ho! A whole lot of applications here, and to tell 1,000 people that they're not going to get licenses, I think we need to address this now, and that we need to state it publicly. Wha what's happening? Because we've sort of dancing around this?

OCM: Well, I mean, I think

OCM: I think the first thing is, of course, we have not issued denials yet. As we go through the queue it's a ordering of review. It's not a a pure lottery in the sense that if your number is selected, you win. If somebody is ineligible they will not be licensed. And so the truth of that is, you know. Yes, we wanna license as many people as we can.

OCM: But of course not. Everybody's going to be able to to receive a license we also,

despite not having license caps are a limited license market. And so no, not everybody's going to a license of 7,000 retail applications, as they cannot support 7,000 dispensaries, and I think that dispensary operators would not want to step into a business in which there are 7,000 dispensaries

OCM: that that are not viable and so we we wanna make sure that we're growing responsibly there's been no denial sent at the time. And so you know, the message to folks waiting is is, you know we're going through this process. as we've said earlier, there are no license caps per se. But we do wanna make sure that we're growing a market responsibly. And I'm gonna keep saying that because again, we just we're we're watching other states as businesses. Even folks who are

OCM: well capitalize are unable to run a viable business, because there's excess, either excess cultivation, as we see on the West coast, or or in other places, you know just excess licenses out there. And so, in order to ensure that this equity experiment works we have to both prioritize and ensure that the businesses the people are creating opportunities, for not an opportunity is gonna be wasted because the business isn't viable.

Jen Gilbert Jenkins: or I will continue to push back, because I think that we have more than 7,000 liquor stores in this State. And I think that we probably have more than 7,000 illegal stores in this state, if and if we walk around right now. The issue isn't that there isn't enough market for us to have all these legal stores. The issue is that we still haven't closed down all the illegal stores. And so, as we are working to close down the illegal stores, there will be space for the legal ones, and a. And I, this needs to be an open conversation that we continue to work on.

OCM: Yeah, I'd love love to have. Sorry about you.

OCM: I'm just gonna say I think that, she said, that

OCM: Dr. Gilbert Jenkins hit the nail on the head. A lot of the concern in the State is around the enforcement, and

OCM: people do believe that their stores are going to be more viable if we have better enforcement. So can you share at this time what we're doing in the enforcement space? Can we get that update as well, of course. But I just want just to start with the response. The fact that there are an excess. Amount of illegal stores does not mean that that footprint, being filled by a legal store, is going to have a viable business. There are people and illicit operators right now, who are, you know, operating 10

OCM: illegal shops across the State, balancing risk and balancing. you know, capital needs for each business, and some of these businesses are not May having the success that folks may have you believe so. The replacement theory. I mean, obviously, the solution to dealing with the illicit shops is more legal shops, of course. But that does not mean that we tip the scales to a point

OCM: where all of this work that we have put in to create this market that does not exist anywhere else is all for naught.

OCM: Because, again, I'm sure our 270 plus conditional cultivators. The farmers who are given this initial opportunity also don't want to see us over licensed cultivation to a point where the price point is not viable. So the same logic applies on the retail tier. In regards to enforcement. Folks know that the Governor

OCM: most recently in the budget advanced a new proposal to update the enforcement powers. I want to say a couple of things related to that.

OCM: We have now as this new, the new Estate agency that we are taking on this task. Our team is doing what we can with with what we have.

OCM: But just like any other law, there is no world in which the initial bite at the apple is going to be perfect. What we have found is that while we have been successful in seizing cannabis from the illicit shops, we have had issues closing them down.

OCM: And so the governor has updated. Is an updated proposal that would make that process more efficient to get to closures. But there's still a lot of work to be done. There's still a lot more state coordination. We've been able to train local law enforcement local governments to help be a part of the solution here. This is also a major transition of what would previously be treated as a criminal activity to now being treated, as

OCM: you know, through a civil enforcement process. And so that's also a major transition for the State. But as it relates to enforcement activities, we are continuing to do the hard work our team has run around the State every single day closing down these listed shops. The problem is, it's just not efficient. It's not. It has not been efficient. And so I'm I'm very pleased with the proposals that the governors before, to to update those

OCM: powers, to make that closure a little bit. Work a little bit better.

OCM: Anyone to go into the

OCM: all right next slide, please.

OCM: before I provide that

OCM: before I provide an overview of social, economic and equity. Adult use licensing. I wanna express my sincere gratitude to the office licensing and the policy teams.

OCM: You continue to get it done under enormous pressure, and it has not gone unnoticed.

OCM: The office received over 4,000 applications for social and economic economic

equity status. We have begun review of approximately 670 c. Applications, with over 200 applicants certified to date.

OCM: This requires the office to go through dozens of documents to confirm that applicants are, in fact, who they say they are.

OCM: and that their submitted materials match the requested designation. Those who successfully qualify C. Receive reduced application fees and licensing fees. Extra party applicants are given extra priority

OCM: applicants wishing wishing to receive assistance in their corrections. Process can contact the office for one on one support through our technical assistance providers. An intake form is included in every C deficiency letter we send out. Remember, you'll you have precisely 30 days to cure these deficiencies, and so we encourage everyone to take advantage of that opportunity.

OCM: I am pleased to report a significant milestone over 2 thirds of all adult use. Licenses issued today by the board have been awarded to social and economic equity owned businesses. 35% of all, 109 licenses went to women-owned businesses, 32% to minority-owned businesses and 10% to minority. Women owned businesses.

OCM: A quarter of all licenses were awarded to applicants qualifying as extra priorities. Cdi service, disabled veterans and distressed farmers.

OCM: 45% of licenses awarded to transitioning farmers, hemp farmers. We're also social equity, including 10 women owned New York farms.

OCM: The Mra states clearly that the granting of micro business licenses shall promote social and economic equities applicants. Today, 60% of the first micro business licenses awarded in New York State, went to see owned businesses.

OCM: women and minority owned businesses, accounted for nearly half of all licenses issued 20% to individuals from communities impacted and 14% to serve disabled veterans.

OCM: Later in the presentation, I will discuss the significance of this License in a little bit more detail.

OCM: According to Mj. Biz, Daly's 2,023 cannabis industry di report, cannabis industry, ownership rates are estimated to be 16% for women and 18% for minorities nationwide.

OCM: New York. Just 3 X. That rate for minority. Women own retail dispensary licensees in the State's inaugural round of adult use, licensing

OCM: a full 85% of adult use. Retail dispensary licenses issued today were awarded to c-owned businesses, 60% to minority owned businesses, 50% to women owned businesses and 20% to minority women owned businesses.

OCM: The early establishment of this 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

OCM: geographically, the licenses awarded were split almost down the middle between the city and the rest of the State.

OCM: based on the makeup of the applicant pool. The office does anticipate similar proportions across all nonproftional licenses, issued

OCM: the office successfully met the cannabis law's goal of 50% C. Licensure through a three-part strategy.

OCM: First, the office intentionally designed an application process that was accessible and simple, allowing many to complete it within a single afternoon.

OCM: Second, we enlisted the support of over 60 community-based organizations, academic institutions, nonprofits, law firms who assisted more than 800 prospective C applicants prepare and submit their applications.

OCM: Third, extensive outreach and educational efforts by the office, and our partners ensured that communities prioritize under the cannabis law, were well informed and adequately prepared for this historic opportunity.

OCM: It should then come as no surprise that these efforts, coupled with an impartial lottery system produced outcomes that closely match the present day demographics of New York State.

OCM: The facts are right there. The vast majority of the State's residents are women minorities, or both, and a sizable proportion live in communities disproportionately impacted.

OCM: The C plan released by the office in May 2023 forecasted much of this work with a thorough examination of the barriers to entry, and recommendations to avoid replicating the unforeseen consequences of legal markets that came before New York.

OCM: In truth, we have so normalized the inequitable distribution of opportunity in this country that we can barely remember what a level playing field actually looks like we do ourselves and the generations to come. A disservice by continuing to double down on this legacy

OCM: any industry that erects barriers that can only be overcome with significant financial resources is deeply unamerican.

OCM: Reflecting on today's landmark issuance of New York's inaugural C. Licenses, I am reminded of a group of New Yorkers whose tireless efforts in many ways paved the

way for today's results.

OCM: The unpaid advocates and organizers who dedicated much of the last 5 years of their life to organizing, educating and empowering their communities in and in anticipation of the opportunities to come

OCM: from late night panels at the Harlem Business Alliance to first Fridays at Restoration plaza workshops with the New York hemp flag at the Rochester Public Library.

OCM: Dozens of legal legacy, advocates pro bono attorneys, farmers, public defenders, and cannabis consumers were the ones booking the venues, locking down the sponsors and combating the stigmas in their own communities, ensuring that when the applications did open, their people were prepared.

OCM: while their names may go unmentioned today. Their invaluable contributions to New York cannabis resonate in every C license we issue

OCM: so congratulations to all the new license holders. Today the C's team stands ready to support you in launching and growing your business. Next month we will begin offering comprehensive virtual training sessions twice a week.

OCM: covering various complex cannabis compliance topics. Over 40 classes will be recorded

OCM: and hosted by our partners at Suny, Morrisville, providing sea licensees with convenient access to invaluable resources.

OCM: We hope to have more announcements soon regarding specialized technical training for our retail and micro business operators

OCM: know that we are deeply invested in your success and the success of every single cannabis licensee.

OCM: When the licensees here today do open their doors, they will not only be the standard bearers of this incredible new industry. They will begin generating the revenue needed to fund critical sea initiatives, such as incubators.

OCM: low-interest loans, grants, public health programs and community reinvestments.

OCM: advancing opportunities for the next cohort of C licenses and uplifting communities disproportionately impacted under prohibition.

OCM: This is the vision of the drafters of the cannabis law. The establishment of a legal cannabis market, characterized by a rapidly scaling, self-sustaining cycle of broad economic opportunity and reinvestment.

OCM: 2 years ago, almost to the day, Governor Hochel signed Senate Bill, S. 8 and 8 4, a granting conditional licenses to New York hemp farmers for the cultivation, processing and distribution of adult use, cannabis products.

OCM: recognizing the need for broader benefits. The legislation also required the establishment of a mentorship and training program to diversify the pipeline of farmers and processors preparing to enter New York legal market.

OCM: Jim Rogers, our director of business development, led the C team in designing and launching the Cctm program which was modeled after existing farmer apprenticeship programs. Our team work closely with New York State Department of Labor to evaluate over 900 applications based on narrative submissions.

OCM: keeping the process anonymous to encourage participation from existing cannabis market participants.

OCM: By spring of last year over 200 Cctm. Graduates had completed the rigorous agribusiness, management and regulatory compliance training provided by Suny, Morrisville. Cornell University, and other industry professionals.

OCM: Today 15 graduates were granted. The first adult use micro business licenses in New York State. 11 of them qualified for the program based on their previous experience in the legacy market. 6 were awarded to women on farms.

OCM: 4 went to service, disabled veterans.

OCM: with their entry into the market. New York becomes the first state in the country to successfully successfully implement a legacy to legal adult use licensing program

OCM: in honor in honor of how far the State has come. I'd like to dedicate this achievement to the memory of Arthur Mandela. whose story I came across at the beginning of my my entry into the industry, and profoundly altered my own perspective on cannabis and the people who grow it.

OCM: There are many compelling reasons why legacy to legal should be prioritized in any legal market. New York's legacy producers have been serving this market for decades, if not generations.

OCM: These legacy producers are the reason why pre legal legalization, new York had the nation's most sophisticated cannabis consumers displacing them without consideration, betrays the cannabis law's legislative intent and harms the very communities it was intended to uplift.

OCM: My hope is that many New Yorkers soon recognize the cultural and political significance of this entrepreneurial community and begin to enjoy the products and strains.

OCM: Micro business is intended to serve as the foundation for New York's highly innovative and nationally competitive cannabis industry.

OCM: Most major adult use markets across the country are undergoing rapid consolidation as vertically integrated producers aggressively scale up and drive price wars that make it impossible for small independent producers to compete.

OCM: New York's laws and regulations are designed with the consumer in mind, and to prevent this race to the bottom and with the micro business licenses issued today, we have laid the foundation for the nation's leading consumer, driven small batch craft, cannabis, marketplace.

OCM: Consider craft beer, a growing 5 billion dollar industry in New York alone

OCM: for New York cannabis. Hundreds of highly specialized micros and small farms across the State will compete based on the quality of their flour.

OCM: the uniqueness of their strains.

OCM: the sustainability of their cultivation practices, the innovations of their value-added products, and the resonance of their stories

OCM: rather than on their size, loss, leading strategies, or ability to buy their way onto retail shelves

OCM: as a national legalization approaches. New York has an opportunity to position a large community of sustainable homegrown businesses and brands to capture a sizable share of what will soon be a hundred 1 billion dollar industry.

OCM: We don't gain market share by competing in existing crowded market spaces with everyone else. Instead, we do so through differentiation and by creating new uncontested market spaces where the competition becomes irrelevant.

OCM: The combination of New York's two-tier markets serving millions of diverse cannabis consumers will not only enable a thriving craft cannabis industry, but but will also produce the best long-term solution to combating the influx of unregulated out-of-state products.

OCM: New York's gonna grow better we than everyone else

OCM: look forward to issuing more adult use cannabis licenses to cctm graduates in the coming months, as well as other applicants as well.

OCM: Congratulations to all those who received a micro business license. Today I look forward to seeing your products in the craft section at my local dispensary dispensary. Thank you, and I will turn it over to John.

OCM: Thank you, Damian, and before I begin with market update. I would just like to first applaud the efforts by the equity team, the external Affairs team and all of the partners who worked so hard in the run up to the opening of the application window to to engage public, to educate the public about this emerging opportunity, and to help New Yorkers understand that they had a seat at the table.

OCM: New York cruelly is the first state that can say it's applicant pool reflects the demographics of the State. No other state in the country can say that.

OCM: and that in and of itself, the the universal kind of recognition that this is a new market. This is a market that presents very significant opportunity, and every New Yorker, from every part of the State

OCM: can have has an opportunity to get a seat at this table, I think, is an extraordinary achievement. So I think that's worth noting, and an extraordinary start to the rollout and the build out to this market by New Yorkers who reflect the communities that they that they come from.

OCM: So some update on how the market has been performing thus far, and and what the outlook will be as we look ahead through 2024.

OCM: So since we began our purse sales in December 2,022, we've now sold a total of 183 million dollars worth of product 174 that has come through retail store shells. So consumers going to stores and buying cannabis we've sold now over 9.2 million dollars. Through the cannabis grow showcases that sunsetted at the end of the year.

OCM: and just a reflection of how quickly the store openings of our conditional licenses are moving. I was just looking back at an email from 2 weeks ago announcing our fiftieth store opening. A historic marker. But we're already at 70 today. So we have a couple more opening today. So thank you. To all of the retailers who have been moving so quickly to get their stores open, and to the consumers who are recognizing that

OCM: legal regulated canvas in New York is amazing.

OCM: We continue to see both store openings as well as increased revenues as our sales revenue grows. December was our banner month for 2023 with, over 27 million dollars brought in. Now, December was a bit of a weird month, because it had

OCM: nearly could have 5 reporting periods rather than 4, but a great illustration of once the injunction lifted, we got doors open quickly, and the revenue started spooling up

OCM: for January. We haven't even got all of the reports in from January from our retailers, but we're already at 24 million dollars and momentum is building, and so very much looking forward to being back here in March and talking about the performance of the new retailers who opened the doors at the beginning of the year.

OCM: So 24 million dollars so far, but well on on our way to surpassing over the first

quarter of 2024, anything that we saw in 2023.

It's like.

OCM: you know, it's it's sometimes worth talking about and thinking about this market, not just in dollars, but in terms of how much product is actually flowing through the system.

OCM: So in 2023, we sold over 4 million individual packaged units of cannabis, 2 million dollars. 2 million packages of flour products, 2.4 million of value-added products.

OCM: Nearly 900,000 pre-rolls, I mean, you know, New Yorkers are enjoying the pre-roll market edibles have been very strong performers. We see greater demand for edibles in New York than we've seen in in many other markets and beverages have been one of the catalysts behind that

OCM: so just worth understanding that you know the not to think about this market and abstraction around just the money being made, but the breadth of products, the number of units that consumers are walking out of dispensaries with. And these numbers are growing very, very quickly. So a reflection of the innovation we're seeing in the brands reflection of the returning customers who every time we walk into a dispense, we are finding products that they haven't seen before

OCM: for, and that is translating to a lot of turnover of retail products in our dispensaries.

OCM: As we were trying to kind of understand the evolving dynamics in this market. One of the areas that I was curious about the team was curious about was the genetic diversity

OCM: and this really speaks to the point that Damian was making about having a large number of small producers, rather than having a small number of highly concentrated larger producers.

OCM: Through the end of 2023

OCM: we had nearly 600 unique

OCM: strains available in our stores. And initially, when I saw that number, I actually didn't think it was right. I was like, surely there's got to be some double counting in there. And so we went line by line and based on what our cultivators have produced was we are seeing extraordinarily rich genetic diversity. And this is only going to continue to grow as we have more type. 3 processors coming to the market as we start issuing more cultivation as micro businesses come online.

OCM: The breadth of genetic diversity in this market, I think, is gonna be one of the things that enables the legal market to really challenge the unregulated market,

because, not only are there a huge number of individual strains available, but those are translating to increasingly innovative, value-added products as well. We're seeing strain branded gummies strain branded

edibles.

OCM: and so the the combination of a large number of strains and a lot of innovation at the product level, I think, portends very well for the outlook for 2024

OCM: next slide.

OCM: Hmm. so we'll be providing a much more detailed market update. As we get into March.

OCM: The the office continues to curate the data that we're getting in and use this to help us better understand the momentum that we're seeing in this market.

OCM: But all of this needs to be done in a data-driven way. We have been very grateful for the feedback for the insights that we have gained from other jurisdictions who have been doing this. The West Coast markets who've been operational for more than a year.

OCM: The strategies that we are we are deploying to for both licensing and for regulatory oversight for compliance management are based on not just trying to serve the interests of New York's legal regulated market and the best way possible, but also to ensure that we try and avoid some of the challenges, some of the issues that we have seen in other jurisdictions, as they have matured.

And learn from those lessons.

OCM: Those certainly applied to licensing are speaking recently to a counterpart in a West Coast market and not going to name names, but who talked about some, you know, retail licenses which were once selling at 2 or 3 x, their their retail sales now being sold for less than one x their retail sales. That's a reflection of what a hyper saturated market looks like, and that that

OCM: while and that is sort of capacity or over capacity, that

OCM: just needs to be carefully considered as one as building a regulated market. There's going to be significant opportunity in New York. We certainly want to capture that, but we also don't want to end up in a scenario where the front gets so loaded that over time it becomes increasingly challenging for these businesses to be sustainable.

OCM: A key aspect to this market is not just environmental, sustainable, but economic sustainability. And we've certainly laid the groundwork for that. And over the coming months over the coming years. We believe that we are strongly positioned to build, not just the most innovative market in this industry, but the most sustainable one as well.

OCM: Thank you, John. And may I ask

OCM: one of the marketing concerns that has been presented to me specifically, and I know a number of other board members is the demand for blackening out of the windows of our retail stores.

It is

OCM: somewhat, I guess, a challenge, and I'm

OCM: to understand that that is actually not the mandate from the office. Can you please explain? Certainly. And, Madam Chair. We we looked into this after we had spoken, and and spoke at length with our compliance team about this. So

OCM: the rules around visibility interstores.

OCM: The restriction is around the visibility of product in the store, not visibility, into the store. We understand that that some folks were under the impression that the stores had to be blacked out from the public, and that's not actually the case. And speaking to our compliance unit, part of the concern is, if you black it out, it actually creates an additional security concern because you can't see what's happening inside

OCM: and so to be clear for folks who are currently open and for those who are going to be opening in short order the restriction is not meant to be that you cannot see inside it is that you're not supposed to be able to see product from the street level. Now, for we we have many of our dispensaries have vestibules which allow you to see into kind of the 4 year of the space, and then you'll pass through a secondary door to get into the main

OCM: area. Sometimes there's a door connecting, sometimes it's just you. You'll turn a corner. But the visibility into the vestibule is entirely permitted. The restriction is truly around, just making sure that just that the product is not seen exactly. And then also, can you elaborate on artwork?

OCM: So we're also getting concerns about the ability and marketing and

OCM: mandates from the office to destroy artwork that may exist near the spaces, so can you speak to that as well?

OCM: thank you, Madam Chair, just to be clear as well. The office.

OCM: We're not advise or mandate destruction of artwork. The rules require that. The exterior design does not have any graphics that are attractive to children, and so in the case where a graphic or an operator has decided. Or, you know, building has, some graphics that could be attractive to young people. That is

OCM: not allowed. And so it's not a destruction of artwork or or directive to cover up. It's

the acknowledgement that the rules say that the outside, whatever artwork you decide to have should not be attractive to children. And so we we have had a couple of cases of

OCM: you know our work that, was determined to be attracted to children, and the corrective action is given to the operator to decide how to how to deal with that license. The the office is not, direct operators to take any particular action with their building.

OCM: so that is a very

OCM: loose standard that might be

OCM: attractive. Is there any way that we can give a little more color and guidance to operators regarding that

OCM: I mean, we. We put out guidelines when we've rolled out the package labeling, marketing, advertising regulations which were one of our initial regulatory packages. We did put out examples.

OCM: And and those are on our website in terms of what? When it comes to packaging of product the type of on the type of package of product, the type of bubble letters or or graphics that would not be allowed in in the regulations themselves. We do speak to particularly as it gets relates to product gummies or candies that would be known

OCM: by A child, for example, a mocking of an existing candy for buildings themselves. It is a little bit different, because

OCM: the design of the building really rests with the operating. So we have, a standard that we have tried to implement. And you know, yes, there are situations where it is not as black and white, and we try to ensure that an opera is able to get going with minimal interference. But in the case that a determination made by the compliance team that something is attracted to kids.

OCM: We will tell the operator to to address it.

OCM: not how to address it. That's the the point I wanted to make.

OCM: Thank you.

OCM: Thank you for your presentations. Everyone, Amy and Chris and John.

OCM: are there any questions from the board or comments?

Jen Gilbert Jenkins: I just wanted to ask a quick question about communication.

Jen Gilbert Jenkins: I I've received many, many, many emails over the past month and a half by frustrated people who are having trouble getting contact with the office.

Jen Gilbert Jenkins: And I'm sure that I'm receiving the emails from the people that are frustrated and angry, and not the many people who are being served and getting in touch with folks in the office. So I'm not saying that this is a I'll have no idea what proportion of people. This is, I just know that I've received many, many emails from people saying things like, I sent this email. I sent this email. I sent this email. And I'm getting no response.

Jen Gilbert Jenkins: So I'm wondering if there's a way that the office can work to establish a new communication route, whether there is a person or an actual phone number that folks can reach out to. So that you know, maybe you call a phone number and you get you. You are tenth in line, and we will give you a call back when it's your turn, right? So that people can

Jen Gilbert Jenkins: actually get in touch with a human being to ask their question to, because it seems like there's some disconnect where folks are sending emails and not getting responses by sending to the the generic email addresses.

OCM: Sure. So

OCM: I think, you know all of our open our emails, that we utilize for either licensing or compliance purposes. Those emails are checked and clear daily. I think the at least from the responses that we see is, is folks not getting the responses that they want.

OCM: You know, there's whether it's a standard response that your application is in review because we can't provide additional detail at that time, and I know that's not satisfying to hear. But sometimes that is the situation that it is just in review, and I know that's not satisfying to to folks.

OCM: What I can say is that you know we do have a call center. Folks are able to call in again. I know folks have complained about not having satisfactory responses from the call center or long wait times. We update the resources that the call center operators have pretty regularly so that they're able to answer some of the most basic questions. But it is challenging when the questions are related specifically.

OCM: specifically to licensure and that particular applicant's situation. Now there are always complex situations where the office is trying to. Again, we're doing a lot of this stuff for the first time, trying to identify a pathway, and to ensure that the response that we provide aligns with the rules that we've put forward. And so there are definitely cases such as that where we will put somebody on hold for a bit while we work through with our office of general counsel.

OCM: and and you all to ensure the response is consistent, I mean, but it kind of falls into those 3 buckets I know for applicants who are waiting and want to know when they're gonna be up. It's not satisfying to hear

OCM: we're we're gonna get to you. But that's all we have. Right now, if we continue to

work through this process, as we said, the application robot process is pretty heavy. And it requires a back and forth with a license examiner as well as other folks on the team. So I think it's it's it's really just more of the satisfaction that we can provide in those cases. Of course, you know, when you all flag stuff to us that

OCM: come to you all. It's it's never the first time that we're seeing something. It's something that we are working through. It's something that a person that we have spoken to multiple times, and they just not. We've not given them the resolution just yet that they're seeking. And I acknowledge those situations, but it's never the case that you know. Somebody is reaching out, and they haven't received a response. But

absolutely

OCM: oftentimes the case. They haven't received a response they want to hear. So I acknowledge that. And we're just continuing to work to get better as we go through these different situations. It does allow us to improve on our policies and procedures. It allows us for our legal team to have more standardized responses. For example, when somebody asks specific kind of complex question about what to do in this situation of that. And so this is a process of us also internally getting just getting better.

OCM: What's the telephone number?

OCM: I don't. I don't have it on top. I get it. I get it.

OCM: So if we can bring that at the end, because right now, I guess then we'll be moving. Thank you. Guys. if we can

OCM: move on to our public comment section, we'll bring the number up. Thank you. Thank you. So

OCM: at this time we're going to provide the community and the public with an opportunity to address the board again. We're not going to be answering any questions, and everyone that comes to the mic will be allotted 2 min, and please be respectful of everyone's time here, and confine. Limit yourself to the 2 min window.

OCM: So with that, let's begin. Do we have a list?

OCM: Is this inclusive of

so

OCM: just like to make sure

OCM: proper in. So

OCM: so we're going to begin with Eli. And since Burger, I'm sorry if I'm messing up the name, and Eli will be followed by Pete Longo, so if we can have folks come to the mics

when your name's a call, so that we can kind of keep things moving. So let's begin with Eli, followed by Pete, and then it'll be Paul suits.

OCM: Hello, I just wanna say Hi! To the board and thank you. I want a card license in April, and it's been

OCM: a learning experience and say, it's probably been the hardest year of my life, and I went to prison.

OCM: I just appreciate everything you guys have done. I know it's a hard job, and there's a lot of criticism. I wanted to be somebody to stand up and say something positive about the whole thing, that this has been a long road, and that it takes time and energy that you guys have all put into this to make this happen, and to get to the point where you can start releasing the regular licenses. Everything before this was pre rollout. This is the rollout.

OCM: So thank you.

OCM: Pete's followed by Paul suits. Then Trent Paskins.

OCM: members of the Cannabis Control Board. I'm here today to express my deep concerns and respectfully ask for your help in addressing critical issues regarding the current state and direction of the cannabis licensing process.

OCM: My name is Pete Longoon. I'm the owner of Long goes legacy. Llc. We've submitted an application for a nonproffitional retail license. My journey at this point has been difficult, urgent, and costly, unnecessarily so, and I'm probably one of the lucky ones it involved negotiating of commercial real estate lease in a remarkable short span of 2 weeks, a task that typically could take months.

OCM: This effort was fueled by the understanding as supported by the Ocms. Faqs. Released just days before the application window open and initial communications throughout the application process, indicating that having site control would result in an application being prioritized. So my team pushed, and I signed my lease a mere hours before the application window, close driven by the fact that my business isn't just a side project or hobby. It's it's my livelihood

OCM: we pushed, knowing, knowing and appreciating the fact that those Cdis and C applicants would have priority, and hoping that our efforts

OCM: to obtain obtain site control would be enough to secure us one of the remaining 1,000 licenses at stake.

OCM: and we were encouragemen at the Cannabis Advisory Board meeting in December, on December twelfth, 2023. It was stated that even more licenses might be awarded, however, then we heard

OCM: rumors of only 250 provisional licenses being available.

OCM: This information came from just one letter to the editor and a brief clip on a local news station. So we tried not to worry and continue to invest thousands of dollars into, to ensure. So to ensure we'd be ready when the Ocm. Was

OCM: so, when confirmation that merely just 250 licenses would be given to the more than a thousand applicants who pushed just like us have left this bewildered and discouraged. therefore

OCM: I, like many others, and seeking clarification on why this number had been drastically reduced, and the process of selecting applications so dramatically change. Except this change.

OCM: this change affects not only potential licenses, licenses, but also the broader implications for the market and community at large, understanding the rationale behind this decision is crucial for all stakeholders involved, and with greatly aid in the maintaining and maintaining a sense of transparency and trust in the process. Many of us have been part of this legacy for years, and don't want to continue in realms of smoke shops or legal dispensaries. We are responsible operators, eager to transition into

OCM: the legal framework. Excuse me, Mr. Longo, so you have hit the 2 min mark already. However, I'm going to say, please submit your comments in writing. It will be posted with the other comments online. Thank you. Alright, thank you.

OCM: And I'm gonna ask the timekeeper to please come. Yeah, can we get somebody? Thank you so that they can see

OCM: that was Pete, followed by Paul suits. Then Trent Paskins, and then, Charles Robinson.

OCM: First, I just want to congratulate those awarded any licenses today. The Lake House team is genuinely happy for you

OCM: through a simple search is worth pointing out that 2 of these awarded retail licenses form their companies. In the last week of November seventeenth, application, deadline application, 1,456 was formed on November thirteenth. It was on a queue as Number 26, applicant, 2,026 was formed on November fifteenth. It was on a queue is 13. We've been a company since 2021 and applied on October fourth, and we were applicant number 62. Now we're coincidentally in a lottery as 2,026. You have to understand how this feels in our shoes.

OCM: and I want to implore you to please listen to Dr. Gilbert Jenkins on her mention of the 250. That is not something Ocm. Employees are allowed to set that is, at the Board's authority. I don't know where it's coming from that certain people have that authority. It is completely unfair to get people invested after 3 years, and then tell them.

Hold on, Nope. Never mind.

OCM: thank you.

OCM: Trent Passcans, followed by Charles Robinson. Then Mark Robinson. Hi, there! I'd like to start off like the first speaker, and I want to thank you guys. I'm a card licensee. I'm 30 years deep in this industry, and my entire family has suffered for that.

OCM: I am part of legacy. I'm a cultivator. I'm a master cultivator. I've been part of 5 rollouts in 5 different States. And what Chris was talking about this balancing technique. If we don't do this, we're gonna be like Colorado.

OCM: Okay, people are out of jobs. People don't have money there. For in the cannabis industry. What you guys don't understand is there is a balancing technique we can't put out because we had a lot of cultivators backed up. We can't put out a bunch of dispensaries right away. It doesn't work like that as good as it sounds to everybody. It doesn't work like that. I'm not here for myself. I'm here for my good friend. That's Dominican. He's from Corona Queens, and he's got no help. I look at all the social equity stuff going on there.

OCM: There's no contact for him. He's not able to be here because he lives 3 h away, and he's got a he's a single father, and he's got a job.

OCM: but he's he gets no feedback from the Ocm. He's got nobody to contact, and I'm the only person here that's trying to put out his voice form because he can't be here. So I love the numbers are up there. They they're excited. Okay, this is unique. What we did here in New York, this social equity, this card licensing. You can discredit it all you want. But we're the first people to do this all right, and to give these guys as much crap as you guys do, for that is entirely wrong of you.

OCM: If you guys were part of this industry as long as I have been, you would understand what they are doing is amazing.

OCM: But do not forget about these social equity people.

OCM: because right now my friend has nobody to contact. And, Chris, I know you know me. We've talked to before. You're amazing. I've always complimented you. Okay. But right now my friend needs help, and I'm hoping that somebody contacts comes to me after this and gives me a contact for him for the social equity program, because he hits all the markers except for the veteran, and he should not be left alone there. Okay, I have my own issues, my own problems. I'm not gonna do that today. I'm not telling you guys about that. But I want you guys to know you guys are doing the right thing.

OCM: Okay? Regardless of what everybody says. Thank you very much.

OCM: And now we'll hear from Charles Robinson, followed by Mark Robinson, followed by Chris. George. Yeah, it's funny you should say that because I'm gonna piggyback on

what he just said.

OCM: I heard the I read an article a couple weeks ago.

OCM: I read the article a couple of weeks ago where your boss said she wasn't happy about the job you're doing. Once I read that article that she's not happy about the job you're doing, you you are doing. I realize the job you are doing, you're doing it right. Why are you doing it right? Because she's being pressured

OCM: by her big donor lists that donor list that contributed to her her campaign in the beginning.

OCM: So when she said your job was, the rollout was slow, and y'all wasn't doing. No, you're doing a fine job. Yes, you are. You're doing a great job, you, the only ones that's supposed to.

OCM: Please everybody. No, you can't please everybody. It's not the way it works. It's just not the way it works.

OCM: You're doing a fine job. Keep up the hard work, keep up the good work, and keep up the energy that you pull you, that you're putting forth to make sure the foundation of this whole industry

OCM: is strong.

OCM: I'm a carpenter, by Nick, but by by nature, and as a carpenter, I understand any any building that you build.

OCM: the most important part of that building is the foundation.

OCM: If the foundation is weak. Everything after that is going to be weak. If the foundation is strong, everything after that is going to be strong.

OCM: So you're doing a great job. Keep up the good work. Now I just want to go back to this right here.

OCM: I was awarded like a license in July.

OCM: happy like everybody else that got their license in July. But you didn't tell me what to do next.

OCM: He didn't tell me what to do next. I started this process 3 years ago, when I first started this process, I started this process under the assumption that I was gonna get this loan in order to make it happen? I never got that loan.

OCM: but that's not the problem right now. I got everything invested my whole life, my father's life

OCM: and and my friend's money that he got from his father through death.

OCM: And now we having problem with our our local municipality about getting our building permit when we put next the the application for this building permit 3 months ago.

OCM: and it's slowing us up, and I can't call nobody in this office in order to help us make this

OCM: frutration because I'm dealing with a municipality. The only thing they understand is red lighting somebody like me. I need your help. I need your help to help me

OCM: get my building permit, so I can get open. Thank you. Thank you, Mr. Robinson.

OCM: Mark Robinson, followed by Chris George, then Anique Monk Goldsmith.

No.

OCM: Good afternoon, everyone. My name is Mark Robinson. I'm a Albany County legislator, representing the fourth legislative district in Albany County.

OCM: Recently Osium, along with other agencies, conducted inspections in Albany County.

OCM: resulting in settling several illegal smoke shops. Thank you. But we must keep the pressure on. We can't let these illegal shops continue to thr.

OCM: A column was written by Joe Rossi and New York cannabis insider. He wrote about the number of illegal shops in New York State, and that the only way to offset them is to give everyone who have proven site control. Like a license.

OCM: I say to you to continue to do your due diligence, and do the best that MRTA. Mission says

OCM: you can walk into any neighborhood, Bodega, and buy untested cannabis for the low.

OCM: A good portion of these applicants are the same ones who who operate these illegal neighborhood old days

OCM: because they already have commercial real estate in doing business size.

OCM: It's preposterous to say.

OCM: just give everyone a license you must keep the pressure on. I am aware of ocean's position on Fentanyl lace cannabis.

OCM: but when you have sufficient, when you have sufficient, sufficient suspicious deaths

OCM: in communities with communities, conversations speculating that this Fentanyl lace cannabis is being sold from these corn. Historical daggers is threatened quality of life.

OCM: It's so imperative that we have these available resources that we have these resources available to put an end to these bad actors again. Some of them even have applications with the Ocm. To sell cannabis legally.

OCM: so no way is it a good idea just to give someone a license because they demonstrate site control. I would like this. I would like Ocm. To encourage municipalities.

OCM: Excuse me, I would like Ocm. To encourage municipalities to stop all the red tape that's making it difficult for these

OCM: legal

OCM: car holders to open their shops because everyone is experiencing high levels of stress, just trying to get their doors open. Thank you. Thank you.

OCM: Chris. George, followed by Anek. Monk Goldsmith. Then we'll hear from

OCM: Thomas Balustria. I'm so adamant.

OCM: Oh, Chris left. Thank you.

OCM: And so, if we can hear from Anique, is Anique here. Thank you. There you go, and

OCM: she'll be followed by Thomas Balustr.

OCM: Oh, I'm so short.

OCM: Thank you so much. I'm Anique Monk Goldsmith from citricino Lse. We applied in the premises. Secure group. I'm someone who has had to navigate the criminal justice system for nonviolent cannabis felonies. You've asked those of us who have the least reasons to trust government entities to come to the table in earnest with good faith, and we did. We did not engage in the highly profitable gray market, and we risked everything to participate in this regulated market.

OCM: I trusted your pre-application guidance, both written and in multiple webinars. I successfully navigated lease negotiations with a ticking clock and no leverage. Now that the list is queued, I have no idea how long I can continue to bear the cost of hope.

OCM: It's enormous. I also know that I'm not alone in being harmed by the seemingly capricious and on the fly policy making. I implore you to make good on your commitments to those of us who took on economic burdens based on your policy guidance. There is a clear and direct conflict between your guidance in both the prioritization of C applicants and allocation of secure privacy, priority licenses, and its execution.

OCM: I appreciate the desire to maintain a balance between supply and demand, but I believe this is possible without being paternalistic, especially when those paternalistic policies are applied after the application window was closed. The New York State market can handle 2 to 3,000 dispensary licenses. Your own research has shown this.

OCM: You have the ability to make good on your commitments, to secure premises, and see candidates by licensing all the licensing, all those who qualify from that list. Once you remove duplicates, there are only about 1,000 applicants. I do also want to thank Dr. Gilbert Jenkins for her continued advocacy for those of us who submitted applications with secure premises, and wait in a nebulous limbo. Thank you. Thank you.

OCM: Thomas Thomas here. Yes, ma'am.

OCM: and Thomas will be followed by Scott Sweeney. Then, Johnny Chebad.

OCM: what's good? I hope everyone's well.

OCM: My name is Thomas Bell Strea, Junior. I'm a graduate of the Cctm program

OCM: founder as well as

OCM: CEO of Cannabis, Clc. I came here today, first and foremost, foremost, to extend my gratitude to all the individuals at the Board and at the office for guiding our community through this inflection point in human history.

OCM: There's a multitude of topics that I considered addressing with my comments today. But after much consideration, I found that for me, focusing on what is rather than what isn't, was most important.

OCM: and I will address some of my other concerns regarding the rules and regulations and my written comments for the Board's consideration, as there is much work still to be done for me, this moment provides some answers to the question of

OCM: how do we start to move forward from the traumas inflicted by cannabis prohibition enforcement? And when does that healing begin? I would say that perhaps your efforts today say that time starts now.

OCM: and I find it noteworthy that all of you have made a valiant effort to start that healing process for all of us for that. I wanted to sincerely say Thank you. We have

made much progress towards normalizing cannabis and attempting to make reparations for the injustices that occurred during cannabis prohibition.

OCM: My hope is that the significant step forward we make here today we will be a beginning to community hearing, healing for us all. and a path towards mutual understanding, built off the commonality that we all find in cannabis

that will lead us to mutual prosperity.

OCM: I'm humbled to have the opportunity to become a part of the solution. and I can't express in words my gratitude for this privilege. Thank you for your consideration

OCM: and continued support from me. All the mentees of the Cctm program as well as all of our community.

OCM: I look forward to writing the next chapter in post cannabis prohibition history with all of you. Thank you.

OCM: Scott Sweeney, followed by Johnny Chabot, and then Jeff Hoffman. Good afternoon, everybody. It's nice to be here. Thank you to the board and to Ocm for hosting this meeting today. And it's really interesting to see this all unfold. I look around this room and I see a lot of small businesses, a lot of passion in this room, and it's great to be a part of it. And I just want to commend you guys for for doing something very difficult here, and I think, as somebody who's really been in the thick of things watching this industry enroll for the last

years.

OCM: I don't envy you, and it's difficult to stand up a market like this.

OCM: But I do just wish upon more communication from you and your team. It's we have to make decisions. A lot of them have financial impacts associated with them. You know, we applied as a nonproftional applicant, my wife and I, where local Poughkeepsie born and raised. We have Site plan approval. We have our special permit. We're ready to go, and we're paying a lease, and we just don't know how much time we have.

OCM: And and I think, Chris, you said, like we're gonna get to you. And as long as we hear we're gonna get you, that's a good feeling that makes us feel really good. And I think, as as women pointed out, there's about 1,000 applicants, and we know the barriers to entry here are real, and I think we need to stand up this market to the illicit market, and I just want to be a part of it. And I just want everybody in this room to be a part of it, and everybody to have their fair enough little shot to do this.

OCM: I think there's plenty of business to go around here, and and I think this two-tier system and I'll close was the right way to do this. It stands up the small business. My mother owned a liquor store. It was one. We have a lot of of liquor stores in our area,

and they were owned by all small business, and that's how this market should play out, and that 2 tier system should help help do that. Thank you very much.

OCM: Johnny, followed by Jeff Hoffman and Lafont, then Lafonso Bonner. Good afternoon.

OCM: The I am the first Us. Born citizen in my family, and at a very early age my mother and my father taught me.

OCM: Nobody cares just work harder.

OCM: Now I pass that on to my kids.

OCM: So rather than air my grievances today for 2 min. I'm gonna use my time to get your attention. I'm gonna work hard at getting your attention. I am ready. Tree head culture.

OCM: 6, 65 North French, Amherst, New York. I've been ready for a few months. I got my proximity protection.

OCM: I got my municipality approved. The State is approved. I went through my virtual audit.

OCM: Please let me open tree head culture. I look forward to working with New York State as a great partner. Thank you. Thank you.

OCM: Jeff Hoffman, Lafonso Bonner, and then ravens dispensary.

OCM: Alright. Good afternoon. I want to thank the Board on behalf of my clients that you've awarded licenses to today.

OCM: I know it was hard work to get here.

OCM: There's a lot of hard work to go. The definition of success in the State will be these stores that were giving licenses, getting open and being successful. We all know that is the true, the true goal. But, ocm, you're killing it as far as getting this done. As far as I'm concerned, I think the application process for all the complaints, and we can quibble. I think the application process went very well.

OCM: I've said this at many meetings. I think the Ocm. Staff is fantastic. I've had a tremendous number of interactions with folks all up and down the chain at the Ocm. And the staff at Ocm is incredibly professional.

OCM: They're tremendously understaffed. I'm gonna meet with a lot of representatives here. It's caucus weekend. I'm gonna meet with several assembly members next week in the city.

OCM: Whatever money you need. Let me know. I want. I want to get these people to give you the money you need to get this job done. I know you're probably half you need double the amount of staff that you have

OCM: some real quick things. We have some real problems out on Long Island. I know that you met with Babylon to talk with them about what your guidance would be to Long Island about their zoning rules.

OCM: I have tons of clients out on Long Island that are ready to sue. We need your opinion letter, for those localities about what your opinion is, what they're going to do. And then I'm going to start suing them, because what they're doing out on Long Island is ridiculous

OCM: for card. There's about 50 or 60 or so cards that are still waiting to even hear about their license. We need to get them licenses, and we still need to codify card.

OCM: We're doing a lot of expungement work in the State with the law. I wanna thank the chief equity officer for his assistance in getting some modifications to the law. There's still plenty of judges in the State that are not doing it right. They are not following the expungement law. I have appeals up in the third department where we're gonna fix that. But we're gonna need your help at doing that. 2 other things. There's a bill in the Legislature to get

OCM: funding for the State funded health Insurance Providers for medical cannabis. We absolutely have to get that passed.

OCM: I have a bill that I'm talking with many legislators about to require medical cannabis. Excuse me, medical professionals to take Cmes about the endocannabinoid system medical professionals are going to see more and more people that are willing to talk about their cannabis use those professionals need to know about the endocannabinoid system and about cannabis in order to properly give the medical assistance that they're going to provide. Thank you.

OCM: Lafonso, followed by ravens dispensary. Then Lisa Barone.

OCM: Hello! How's everybody doing today.

OCM: Thank you. Board for having this meeting. I represent Frenchie, Ic, 20220000728. We reward our license July nineteenth, and, like the gentleman said, since we've been awarded that license, the communication has not been there. We've had little to no direction. We send emails, and then we get email back saying to send the email to another email.

OCM: I have a daily job. I run my own business. My my business partner goes to work every day for the State. We don't have 8 h to spend on the phone trying to get a human being. When we do get a human being. Sometimes the phone does get cut off, and then we have to repeat the process. So thank you, Dr. Gibb, with Jenkins for bringing that up.

If there's a a call waiting system where somebody was definitely gonna call us back.

OCM: we would get our issues addressed. We submitted August seventh of last year for our property. We've been in a lease agreement ever since then. We have a great location. We've been navigating everything ourselves

OCM: with little to no direction. We're meeting with the city, planning boards and all of that stuff. We have site plans. We have floor plans all ready to go. We don't even know if it's going to be okay with Ocm. Because every email that we've sent has gone unheard. And then we got a message last week where they offered us a building.

OCM: So we have the property. We are ready to go. We just would like our concerns to be heard. Really like to talk to a human being.

OCM: And again, this is Lafont Obama from Frenchy, Urb. (202) 200-0728. We are ready to go, and we appreciate all your efforts. We're not here to bash you.

OCM: We're happy to be here. We're part of this. We're happy to be part of this process of you know, post prohibition. We believe that we're going to help

OCM: you make money, so help us help you. And congratulations to everybody who's got a license here, and the cultivators processors all that. We understand that it's a lot of work, 7,000 6,000 7,600 4,240 applications review.

OCM: We would like some help as a card licensee. Thank you.

OCM: Ravens dispensary, followed by Lisa Barone. Then Joseph Guidarelli.

OCM: Thank you. Chair right and thank you. The whole Ocm board. My name is Ben Doer, along with my partner here today, owner of ravens, dispensaries in clay. New York. Follow us at ravens joint on Instagram and Twitter. Cheap plug. So

OCM: yeah, I wanna echo, you know the hard work that everybody's doing, and for any of the cards or anybody listening at home was a Ga. 1, 8, 8, 8 Ocm 51 51 is a phone number. You can go 1, 2, 4 after that, and hopefully one of the great people there can help you. I know abes been very helpful. I wanna shout him out Tanya as well as plenty of other people who take our calls over there and

deal with me, and I'll

OCM: no less nice telling some time I'm trying to be better myself. So I wanna say thank you to to all those people there's as well as Winston Martin, who did our walk through and my MOS kinda changed coming here today, I just wanted to be a part of the community cause we got some answers in the last 24 h that you know changed what we were gonna do here today. So wanna say, thank you for that. And to everybody who's going through it. Keep your head up.

OCM: I know that business works a lot faster than government does sometimes, and they're caught in the middle, being pulled back and forth, because with us dollars have to make sense. Right? So I would say, a couple Youtube stoicism videos, Marcus Aurelius might help you out to help my mental state out a lot of times.

OCM: Mixing some suns who are to war when you need to. But hopefully, we can just get a little advisement today from from some of the people on the board before we leave. Just a minute of your time would be much appreciated, as we're right at that stage. Our store has been ready since December twentieth. It's week 4 after our walkthrough. So

OCM: our win is gonna be win for everybody in card. And if you guys have questions, not just another cheap plug hit us up at ravens, join the DM. We're happy to share that information and that frustration. Let you blow off steam if you can't get to anybody, we're all in it together. The rising tide raises all ships. That's what we're here for. Thank you very much, guys. Thank you.

OCM: Lisa Barone, followed by Joseph Guidarelli, and then he'll be followed by Max. Freed. Thank you. Good afternoon, madam. Chair. The members of the Cannabis Control board and the office of cannabis management.

OCM: Firstly, I'd like to show my deep gratitude for the opportunity to be standing here. My name is Lisa Barone, and I am the owner of the Herbal confectionery. One of the names on the lists of the licensees awarded today within our small thank you.

OCM: Within our small community of support, with no funding other than the shoes on our feet. This has been 8 years long, of a meticulously planned moment, operating at a grassroots level of edibles in New York City. In the legacy industry we have patiently waited for the legal market to be created.

OCM: I won't go into detail what it took to get here, but I am proud that we are here. I'm a generational farmer as well in the Hudson Valley, and have watched my fellow small farmers carry the opening of the first light of the New York cannabis industry rollout.

OCM: We understand the importance and the urgency to continue building this industry in their favor. This begins with sustainable packaging, and the herbal confectionery chooses to lead by example. We are set to launch a completely plastic, free, fully home, compostable, reusable, and returnable packaging product line. I could talk about the detrimental effects of adhesive. But that's another conversation for another day.

OCM: What I will leave you. Is this the Aus need support, and those coming into the industry in this round deserve a chance to supply the best products that we can possibly offer. We need financially and environmentally sustainability initiatives from our State.

OCM: Thank you again for this opportunity to step into the legal industry, and we will continue to lead the way. Thank you.

OCM: Joseph, followed by Max, freed. Then Chase Schuyler.

OCM: Hi, Joe Gooderelli. First I want to say it's a great day in New York long time coming.

OCM: I want to thank you for your service. I've sat on boards before I was on one for 5 years, and we are in unchartered waters, and

OCM: things are going to change. Policies are going to change. No one's doing everything right. No one can claim they're doing it right. But

OCM: we on the business side need to realize we need to respect the people in this office and our industry.

OCM: If we want it to work and grow.

OCM: We need to respect our laws, our procedures.

OCM: We need to respect the people we work with. We need to look at everyone as partners. We need to respect our business partners, our patrons, our competition.

OCM: We need to respect the people that don't agree with the cannabis industry and see the benefits of it like we do and want to get behind it.

OCM: So I wanted to get up to here to say that what prompted me to speak today. So I was speaking with my 92 year old, mom 93. She just turned 93. And

OCM: I was telling her, today's a good day. Here's what's happening, and we don't see eye to eye on some things.

OCM: but it really made me realize we need to respect the people that don't agree with our industry. And you hear about shops that are opened and the traffic that's around them, the disruptions to the other businesses.

OCM: We need to. We need to respect them. We need to respect this industry. We need to respect what you do. I've been in business 40 years, and one thing I know is, things will change the we will all make mistakes. You will make mistakes, we we will grow and get better together. And all of us in this industry need to focus on that. Thank you. Thank you.

OCM: Max, freed, followed by Chase Schuyler, then Sheldon Anderson.

OCM: Hello, everyone. I wrote a lot so you'll have to tuck me off, and I'll send in the rest. Dr. Max, freed, living in Troy, New York, a founder of aspiring your processing licenses zool

OCM: the possibility of imminent Federal rescheduling of cannabis draws new scrutiny

on the guidance documents reporting estimated numbers for the most critical primary extraction, tier one processing licenses to 55 nonproftional licenses statewide. In this round I deeply appreciate Dr. Gilbert Jenkins comments directly addressing those numbers. Unfortunately, even in the State in isolation.

OCM: Not only does the surprise refusal to grant provisional licenses to disproportionately small bootstrapping operators without premises control bias the landscape in favor of larger entities. It effectively burdens this group of startup enterprises that I'm a part of with micro business cultivation requirements we don't need or want

OCM: essentially a second whole business to start up and raise capital for which means less local control by small operators and greater possibilities of being replaced as leaders of our own startups. It's bad for me, and it has to be worse for aspiring C applicants

OCM: in the larger Federal context. Should that starter pistol go off and Federal rescheduling happen, it puts New York at a critical disadvantage against other States, such as Oklahoma, that are easier for Federal operators to start up in New York. Manufacturing can compete, but only if allowed to begin by this board.

OCM: The core of it is that small processors in tier one want to exist, too. I'm kind of confused by the references to heavy extraction equipment, the 3,500 square feet of indoor cultivation we're being pushed towards is more expensive than basic extraction equipment. Never mind the cost of doing both of those things

OCM: my barber was doing closed loop extraction for himself in the legacy era, obviously without the full suite of safety measures needed for responsible production. But similarly, a Roz and press can be had for 4 figures, or even 3, in a micro version. From where is this myth? That extraction can only be done, or is best done by an enormous heavy operator coming from. That hasn't been the experience of other jurisdictions where massive commodity operations have stumbled and lost billions.

OCM: You can submit it so that it can be included in with our board minutes. That would be helpful. Then his email address behind you.

OCM: No, it isn't, but I'll make sure. Thank you. My name is Chase Skyler, applicant number micro applicant 308 queue number 2,077 appreciate Dr. Gilbert Jakins for the questions that she asked regarding the Q. And a.

OCM: Regarding the 1,500 applicants that are left pondering, and whether or not we will get a review or not.

OCM: My wife and I grew up in New York, went graduated from Suny schools.

OCM: I've been living out in Oregon for the past 10 years, had a couple of kids and wanted to get them closer to their grandparents, and we saw this opportunity to open a

cannabis business to do exactly that. I leased up the space 20 months ago.

OCM: I've dumped almost \$400,000 into the space.

OCM: and

OCM: and I truly don't know what to do at this point. So just my request is to review everyone that's in the queue, and if they qualify for a license. Reward them a license, and they deserve it.

OCM: Thank you. Thank you.

OCM: Sheldon Anderson, followed by Joshita Dawson.

OCM: Hello, everyone. I'll be brief. So I just want to say thank you. To the Ocm. Board. Ocm. Is an agency to the architects of the M. Rta. Leader.

OCM: crystal P. Stokes, State Senator Liz Kruger, and congrats to all of the Awardees, who, you know, got your great news today. I know some people have.

OCM: you know, concerns and frustrations. So my name is Sheldon. Public Flower

OCM: Dispensary. That OP. Is open in Buffalo, New York, in the Allentown neighborhood. And

OCM: I think one thing that is just a little quick civics lesson is, we've got 3 branches of government.

OCM: you know, so it's not designed to be a speedboat. It's supposed to be like a battleship or a carnival cruise. So the best thing to do is just be patient. Think of it like an oven, and not a microwave piece of love.

OCM: You bye.

OCM: Sheeta Dawson, I mean. I see cannabis followed by our Kristen and Cindy Morris, for whose name I do not add. Sorry

OCM: best to see the please. Good afternoon again. My name is Ishita Dawson, founding director for Cannabis and Nyc. On behalf of the city of New York. I Wanna say congratulations. The work continues, in spite of equity being on trial, media spin and our LinkedIn lawyering, the numbers don't lie. If you are a conscious cannabis consumer, intentionally aiming to support social and economic equity. This is the most diverse market from seed to sale, as the former Czar, for the city of Portland

could not even shop my own market, and so is very proud for me to walk into stores and know that we've done that intentionally. This is the work we set out to do when we set to pass. The Mr. And the city of New York will continue to support with our cannabis, Nyc.

Loan Fund, lift our four dispensary days and the help of our fiber coalition leaders to continue technical assistance. This is a critical year for New York market, and as with any experiment. There's always an opportunity

opportunity for improvement and optimization. So I'll jump right into it. There are, according to our New York City sheriff's office, about 2,000 illegal storefronts in New York City. Our Joint Enforcement task force has done thousands of inspections over 40 million in fines, over 20 million in products confiscated. But it's not enough. Situation has become dire and presents an incredible risk for public safety. And

OCM: this equity-centered market that we're actively building. The communities are confused, and they actually think this is legal. And this is not it. So we're calling on the State to act, come back to the city and join us in the joint activity expressly delegate the State's expanded enforcement capabilities to our jurisdiction, and allow local jurisdictions to please pass laws to help permanently close these stores

in addition, we have the provisionally approved licenses, particularly card having challenges identifying available and viable sites that meet the State's buffer requirements, the absence of a map or list and scarcity mindset has made a perfect storm for anxiety, hostility, and even predatory behaviors among licensees. We're calling on the State to publish a map, or at the very least release the list of addresses with protection, and also consider potentially

OCM: looking at that 1,000 foot buffer being reduced for highly populated cities, such as New York City. Additional comments will come from cannabis, Nyc. And be provided in a written form. I'll leave you with you. Never look good trying to make someone else look bad. Right?

OCM: So I want to thank this office of cannabis management for your continuing dedication and the ongoing work we stand with you. Thank you.

OCM: And we have someone in Morrisville.

Jen Gilbert Jenkins: No, there was somebody here earlier, but she had to leave, and she wasn't on a speaking list.

OCM: Okay, got it. Thank you.

OCM: So then, at this time, I think that we are

OCM: just about done. So I wanna say, thank you to everyone for coming on participating with us, and once again thank the team at Ocm. For all the work that they've been doing to get us to this point. It's always great to have you here as we do the work of the people. So please note that the time location and the live stream link will be shared on canvas.ny.gov for the next Cannabis Control Board meeting and a recording of today's meeting will be available along with the Transcript

OCM: online. Oh, there's a telephone number. I wanna give you 2 pieces of information. It was request for a telephone number. And I'm gonna see if I got the

OCM: email address.

OCM: So if you would like to give us a copy of your written comments that please go to cannabis.inby.gov, there's a link on that page to submit comments for the board meetings, and if I can ask everybody to hold it down for 1 min, please

OCM: the telephone number. If you would like to call. Ocm is 8, 8, 8,

OCM: 2. I'm sorry. 6, 2, 6, 5, 1, 5, one again, (888) 626-5150ne.

OCM: Okay, thank you. And now, I'd like for a motion to adjourn this meeting, please. We have a motion. Can I get a second second

OCM: if there are no questions or comments by any board members, I'm going to call for the vote all in favor. Aye.

OCM: this meeting is adjourned, thank you.