



Office of Cannabis Management

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New York State Office of Cannabis Management: Community Grants Reinvestment Fund Report

February 1, 2024

The Community Grants Reinvestment Fund (“CGR Fund”) is governed and administered by the New York State Cannabis Advisory Board pursuant to the provisions of Cannabis Law §14(1) and State Finance Law §99-kk. The money in the CGR Fund will be administered and disbursed by the Office of Cannabis Management and the Urban Development Corporation to provide grants for qualified community-based nonprofit organizations and approved local government entities to reinvest in communities disproportionately affected by past federal and state drug policies.

The following report is issued pursuant to State Finance Law §99-kk(5), which provides, in relevant part, that the Office of Cannabis Management shall provide a written report each year which details how the money in the CGR Fund was utilized in the previous calendar year. The information required in this report is as follows:

- (a) *The amount of money available and dispersed from the fund and the award process used for such disbursements:* **No funds disbursed in 2023.**
- (b) *recipients of awards from the fund:* **No recipients were awarded grants in 2023.**
- (c) *the amount awarded to each recipient of an award from the fund:* **No amount awarded in 2023.**
- (d) *the purposes for which such awards were granted:* **No awards granted in 2023.**
- (e) *a summary financial plan for such monies which shall include estimates of all receipts and all disbursements for the current and succeeding fiscal years, along with the actual results from the prior fiscal year.* **Approximately \$5 million was reappropriated for CGR Fund grants in the FY 2025 Executive Budget. Receipts and disbursements for future years are still being determined as the Adult-use cannabis program continues to grow.**

No awards were granted from the CGR Fund in 2023. Disbursements into the fund are governed by the provisions of State Finance Law §99-ii, which established the New York State Cannabis Revenue Fund (Revenue Fund). The Revenue Fund consists of funds collected from the tax on Adult-Use Cannabis Products (Tax Law Article 20-C) and all other moneys credited or transferred thereto from any other fund or source pursuant to law. Deposits in the Revenue Fund will first be used for administrative costs incurred by the state as outlined in State Finance Law §99-ii(2-a) and (3). Forty percent of the amount remaining in the Revenue Fund will then be disbursed into the CGR Fund and awarded pursuant to the provisions of State Finance Law §99-kk by the New York State Cannabis Advisory Board (CAB).



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Adult-use cannabis sales have continued to grow over the last year, with 59 Adult-Use Retail Dispensaries now open for business across the State. As sales increased in 2023, the Office conducted research and development efforts necessary to support the Cannabis Advisory Board’s establishment of a community grants reinvestment program. This included conversations with other State agencies and jurisdictions to research innovative grant making models and sharing those findings with the Community Grants Reinvestment (CGR) Fund Subcommittee.

The CGR Fund Subcommittee is primarily responsible for developing the process for community grant reinvestment, identifying and/or developing funding concepts or opportunities, and reviewing grant and/or funding proposals prior to recommendation for CAB voting. In September 2023 this subcommittee was established and held its first meeting to review the intent of the subcommittee and kick-off discussions related to the development of grant guidelines. As a follow-up from this meeting, the Office also deployed a survey to CGR subcommittee members to assist in the determination of priority funding areas for community reinvestment.

It is anticipated that CGR Fund grants to reinvest in communities disproportionately affected by past federal and state drug policies will be awarded by the Cannabis Advisory Board in 2024 based on program guidelines currently under development by the CGR Subcommittee.