



Office of Cannabis Management

KATHY HOCHUL
Governor

JOE BELLUCK
Cannabis Control Board Chair

JUNELLA CHIN
Cannabis Control Board Vice Chair

EBRO DARDEN
Subcommittee Chair

PETE SHAFER
Subcommittee Chair

CHRIS ALEXANDER
Executive Director

Meeting Minutes

Title:	New York State Cannabis Advisory Board Meeting
Time & Date:	May 7, 2024 at 1:00 PM
Location:	Roswell Park Comprehensive Cancer Center, Gaylord Cary Conference Hall, 665 Elm Street, Buffalo, NY 14203 and Virtual via Webcast

Attendance

Board Chair:	Joe Belluck, Esq.
Board Vice Chair:	Dr. Junella Chin, MD
Board Members Present:	<p>Voting Members: Joseph Belluck, Esq., The Arthur A. Duncan II, Esq., Allan Gandelman, Sarah Ravenhall, Chandra Redfern</p> <p>*Attending virtually from a private location due to extraordinary circumstances: Alejandro Alvarez, Dr. Junella Chin, Ebro Darden, Garry Johnson, Nikki Kateman, Marc Ramirez, Armando Rosado, Peter Shafer</p> <p>Ex Officio Members: Allan Clear (virtual), Patrick Foster (virtual), Scott Wyner, Esq. (virtual), Mary Brewster (virtual - designee of OASAS), Daniel Kaufman-Berson (virtual - designee of DOL), Emma Muirhead (virtual - designee of OCFS), Leonard Skrill (designee of HCR), Emily Steinbach (virtual - designee of OCFS)</p>
Board Members Absent:	Kathleen DeCataldo
Others Present:	Chris Alexander, John Kagia, Alexandria Lepech

Agenda

- I. Welcome and Opening Remarks – Joe Belluck, Esq., CAB Chair
- II. Approval of Meeting Minutes - February 27, 2024 CAB Meeting
- III. Industry and Markets Subcommittee Update – Peter Shafer, Committee Chair
- IV. Executive Director Report – Chris Alexander, Executive Director, OCM
- V. Community Grants Reinvestment Fund – Update from the Office
- VI. Advisory Board Member Discussion – All
- VII. Thank you and Adjourn – Joe Belluck, Esq., CAB Chair



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Notes & Comments

- Chairperson Joe Belluck stated that since they are here in Buffalo, he wanted to acknowledge Assemblywoman Crystal Peoples-Stokes for all of her effort in getting this law passed and her continued advocacy in helping to amend and shape the law and the rollout. He stated that also since they are in her hometown, he wanted to acknowledge and thank the Governor in her efforts and her team to try to improve the cannabis market and her focus on enforcement. He commented that this is a challenging effort creating a new industry from scratch and that Chris Alexander and his team work tirelessly to try to get this program off the ground with not enough resources or staff, and they should not let any meeting pass without acknowledging their efforts and the work that they are doing. He further commented that they all in these roles need to do better in customer service to the licensees and potential licensees, and that they have to remember that the Office of Cannabis Management (“OCM” or “the Office”) is not just a regulatory agency that has to hold licensees and people in the market accountable, they also have to give them customer service, try to answer their questions, and be transparent. He stated that these are business owners and potential business owners who have spent a lot of time and their own money and put their financial and their family’s financial state at risk. He further stated that he gets a lot of phone calls every week that sound something like, “I’m about to open a dispensary and I can’t get my product list approved.” “I got proximity protection, and it was taken away.” “I own a farm and I want to set up a farm stand to sell cannabis”. He noted that these are questions that they need to be able to answer and answer quickly so that these businesses can operate as efficiently as possible and thinks they just all need to remember and focus on the customer service part of what they are doing.
- Upon a motion from Board Member Sarah Ravenhall, and a second from Board Member Garry Johnson, the Minutes of the February 27, 2024 Cannabis Advisory Board (“CAB”) Meeting were approved unanimously.

- Executive Director Chris Alexander, John Kagia, Senior Director of Policy for OCM, and Alexandria Lepech, Program Analyst II for OCM, provided the following Executive Director report.
 - Legislative Update
 - Enforcement Bill
 - Padlocking Illicit Storefronts – The Office can immediately padlock an unlicensed business following an inspection. Removing or damaging a padlock will result in a Class A misdemeanor.



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- Actions Against Landlords Who Fail to Comply – Landlords will be subject to penalties up to 5 times the rent from when they received and a \$50,000 fine notice for landlords notified in NYC.
 - Expanding Local Authority – County and city governments can adopt their own laws to regulate and padlock illicit stores.
 - Statewide Enforcement Task Force – A statewide task force including key state agencies, county and local government focused on civil enforcement to shut down illicit stores.
 - Immediate Enforcement Powers for NYC – The New York City Administrative Code will be amended, allowing NYC to act under the law immediately.
- Changes to Cannabis Taxes
 - Changes to cannabis taxation were included as part of the 2025 State Budget.
 - The THC potency tax on cannabis has been repealed and replaced.
 - There is now a 9% wholesale tax for adult-use cannabis products.
 - The medical excise tax on cannabis has been reduced from 7% to 3.15%.
- Licensing Update
 - There are currently 139 Conditional Adult-Use Retail Dispensary (CAURD) licensees with approved retail locations.
 - There are 333 provisionally approved retail dispensaries.
 - 57% of adult-use licenses are Social and Economic Equity (SEE) owned.
- Market Update
 - Year to date, \$132 million in legal cannabis has been sold.
 - The week of 4/20 sales set a new record of nearly \$11million.
- Community Grants Reinvestment Fund (CGRF) Update
 - Request for Applications (RFA) is being drafted in collaboration with the Office of General Services (OGS) to facilitate the Community Grants Reinvestment.
 - Year 1 pilot round aims to award community-based programs serving youth funds to provide workforce, housing, and mental health services.
 - OCM External Affairs plans to conduct grant readiness sessions in communities across the State prior to the RFA release. The anticipated



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release date for the grant application is this summer 2024, with awards being announced in the fall 2024.

- CAB members were provided the opportunity to have a Member Discussion.
- Chair Belluck commented that these grants are going to be given out throughout the state and they are going to be given out in this community and other communities that were disproportionately impacted.
- Board Member Ebro Darden asked is there a way for them to provide some more concrete timelines around the rollout of not only the actual policy around this, but timetables on when they would be able to get dollars into the community, are they at that stage yet.
- Alexandria Lepech commented that a lot of this just depends on how long things take with OGS, so they are still on track to get the application out in the summertime.
- Board Member Ebro Darden commented that he would hope that after they are able to do this just like many things they have done, things can take time when you are doing it the first time, but in years to come, hopefully, they can lock into a calendar and a cadence so that the communities that need these funds can depend on them to deliver on that cadence.
- Alexandria Lepech commented that it is just important to note that this is first of all, the first year, so they are trying to make sure that the pilot round is done right and it sets a precedent for when they do have somebody full-time on staff and then, things like getting grants out on a renewal basis can speed things up, whereas, the first round takes a little bit longer.
- Executive Director Chris Alexander commented there will be a cadence where folks know this is the timeframe, this is the 60-days when they are accepting these grants moving forward.
- Chair Belluck commented that the materials are being drafted and will be circulated.
- Board Member Sarah Ravenhall commented that she wanted to confirm that in addition to community-based organization, local government entities are eligible to apply for these grants as well that includes local health departments, local departments of social service, and local government units that provide mental health services in communities.
- Executive Director Chris Alexander commented that at this time local governments are included.
- Board Member Allan Clear asked what happened to the harm reduction element that was in this funding.
- Executive Director Chris Alexander commented that the last conversation that they had, he was pointing to the separate funds that are going from their revenue funds to OASAS to provide some support, 20% of their revenue goes to support prevention education.
- Board Member Allan Clear stated that that does not please him.



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- Board Member Sarah Ravenhall commented that so it's a different pool of funding going through OASAS and asked are you saying that at the next CAB meeting they can get an update on how that will flow.
 - Executive Director Chris Alexander commented that they got the 40% that are going into this fund that they are talking about now, 40% going into the state lottery fund to support education, and then that last 20% goes and is administered by OASAS to support the broad arena of drug treatment, prevention and education.
 - Board Member Sara Ravenhall commented that she wanted to make sure that the voice of the CAB is included in whatever process or funding is happening through OASAS, and she doesn't know if that is happening yet.
 - Executive Director Chris Alexander commented that it is not designed exactly in that way, but they can definitely open up those lines of communications so that they can direct those funds in some way.
 - Chair Belluck asked if they can get an update at the next CAB meeting.
 - Executive Director Chris Alexander commented that they can do that.
 - Board Member Allan Clear commented that he raised the issue of harm reduction, and twice you mentioned OASAS doing prevention treatment and didn't mention harm reduction, so you don't look at OASAS either as a harm reduction entity.
 - Chair Belluck commented that he does not think there is anything that would prohibit grants going for harm reduction related to youth in this first round.
 - Executive Director Chris Alexander commented that it is not limiting right now, it is just what they presented, plus as they go through the drafting process, they can amend and update.
 - Board Member Allan Clear commented that the elements of the CAB asked for harm reduction, and now you have passed it over to OASAS.
 - Chair Belluck stated that they can look at that and try to clarify it.
 - Board Member Allan Clear stated that this funding is supposed to be addressing the impact of the war on drugs and there is no clearer evidence of social service agencies address the war on drugs than harm reduction organizations.
 - Executive Director Chris Alexander commented that when they get the draft, they will get the draft to him so that they can fine tune it and make sure that they are capturing any programs that they want to capture.
- The CAB adjourned the meeting.