



Office of Cannabis
Management

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COMMUNITY GRANTS REINVESTMENT FUND REPORT

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

January 31, 2025

Introduction

The New York State Cannabis Advisory Board (“CAB”) governs and administers the Community Grants Reinvestment Fund (“CGRF”) pursuant to Cannabis Law §14 and State Finance Law §99-kk. The monies in the CGRF are administered and disbursed by the Office of Cannabis Management (“OCM”) to provide grants for qualified community-based nonprofit organizations and approved local government entities, for reinvestment in communities disproportionately affected by past federal and New York State drug policies.

The CGRF consists of funds collected from the tax on Adult-Use Cannabis Products (Tax Law Article 20-C) and all other monies credited or transferred thereto from any other fund or source pursuant to law. Deposits in the Cannabis Revenue Fund are used, first, for administrative costs incurred by the State as outlined in State Finance Law §99-ii (2-a) and (3). Forty percent of the remaining funds in the Cannabis Revenue Fund are then disbursed into the CGRF and awarded pursuant to law.

Legislative Mandate

This report is issued pursuant to State Finance Law §99-kk(5), which provides, in relevant part, that the OCM shall provide a written report each year which details how the money in the CGRF was utilized in the previous calendar year, and is required to include the following:

- a. *“The amount of money available and dispersed from the fund and the award process used for such disbursements;*
- b. *recipients of awards from the fund;*
- c. *the amount awarded to each recipient of an award from the fund;*
- d. *the purposes for which such awards were granted;*
- 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” (State Finance Law §99-kk(5)).*

2024 Grant Cycle Priorities Established by the Cannabis Advisory Board

In September 2023, the CAB formed a Community Grants Reinvestment (“CGR”) Subcommittee. The CGR Subcommittee is primarily responsible for developing the process for community grant reinvestments, identifying and/or developing funding concepts or opportunities, and setting priority areas. In 2024, the CGR Subcommittee convened at the February 27 and June 26 meetings of the CAB to determine and approve the program focus areas for the initial RFA, funding amounts, and selection process.

By law, the CGRF will provide grants to support communities disproportionately impacted by past drug policies including, but not limited to, “job placement, job skills services, adult education, mental health treatment, substance use disorder treatment, housing, financial literacy, community banking, nutrition services, services to address adverse childhood experiences, afterschool and child care services, system navigation services, legal services to address barriers to reentry, including, but not limited to, providing representation and related assistance with expungement, vacatur, substitution and resentencing of marijuana-related convictions, and linkages to medical care, women’s health services and other community-based supportive services” (*State Finance Law §99-kk(4)*).

At a CAB meeting on June 26, 2024, the CGR Subcommittee identified clear alignment on prioritizing youth programming in the areas of mental health, housing, and workforce development targeting communities disproportionately impacted by prior federal and State drug policies, defining youth as individuals ages 0-24 years old.

The CGR Subcommittee established several other priorities for the first grant cycle including determining the following elements: (1) eligibility requirements; (2) geographical prioritization methodology (3) award value and duration, and (4) the applicant evaluation and scoring methodology.

Eligibility Requirements

The CGR Subcommittee determined that only 501(c)(3) nonprofit organizations that provide services for young people (individuals ages 0-24 years) related to mental health, workforce development, and/or housing were eligible to apply for this round of grants.

Geographical Prioritization Methodology

OCM and CAB developed a two-tiered method for prioritizing award dissemination. First, by targeting 13 priority counties that have a higher-than-average burden of children and teens living in poverty: Bronx, Erie, Kings, Monroe, Nassau, New York, Onondaga, Orange, Queens, Richmond, Rockland, Suffolk, Westchester. Second, by making at least one award within each Empire State Development (ESD) Region to ensure geographic distribution of awards across the State.

Award Value and Determination

The Cannabis Advisory Board determined that each award shall total \$100,000.

Applicant Evaluation and Scoring Methodology

The Subcommittee determined that applications would be evaluated against a standardized scoring instrument and a minimum score of 65/100 is needed to be considered for funding. Applicants would be scored by multiple evaluators, the average of which would constitute an applicant’s final score. Three sections of the application would be scored with the following allotment: Community and Organizational Description (30/100), Program Design and Implementation (40/100), and Budget and Budget Justification (30/100).

Request for Applications (RFA No. 2816)

Five million dollars was available in the CGRF in 2024. Given the CAB determination that each award will total \$100,000, it is anticipated that 50 grants will be awarded in late-Spring or early-Summer of 2025. The Request for Applications (RFA No. 2816) to disperse these funds was issued on October 16, 2024. RFA No. 2816 was solicited by the New York State Office of General Services on behalf of the CAB and OCM. To ensure limited resources are available to areas of the State where funding can have the most impact and in alignment with the priorities established by the CAB, RFA #2816 sought applications from youth-serving 501(c)3 organizations in three programmatic areas: mental health, workforce development, and housing prioritizing areas of the State that faced harms associated with prior drug policies, disproportionate enforcement, and incarceration.

Applications were due on December 18, 2024. A total of 451 applications were submitted to OCM's eGrants system and eligible applications will be scored by a panel of qualified reviewers. Application questions covered information about the applicant's organization, the community they plan to serve, the activities they're proposing, and included the submission of a proposed budget. Organizations will be selected based on scoring of all application materials assessing their ability to implement a successful project aligned with the goals of the Community Reinvestment Program. Evaluation of qualified applications is currently underway.

The CAB and OCM expect to announce awardees in the late-Spring or early-Summer of 2025. Details will be provided in the next statutory report, due February 1, 2026. Updates will be made available at cannabis.ny.gov/reinvestment. According to CAB guidance, the program may focus on different initiatives in the future.

Development of Community Reinvestment Program Capacity

Throughout 2024, OCM has been building the internal infrastructure necessary to develop, disperse and oversee CGRF grant awards and the Community Reinvestment Program more broadly. In September, OCM hired a Director of Community Grants Reinvestment responsible for the development, delivery, and oversight of the CRGF in accordance with CAB guidance. OCM is hiring to ensure adequate staff capacity to manage current and future RFA development, active procurements, contracting, reimbursements, and other programmatic engagements in support of the Community Reinvestment Program.

With Adult-Use Cannabis revenue in calendar year 2024 surpassing \$1 billion, 295 dispensaries open at the time of this report, and more slated to open throughout 2025, OCM anticipates that CGRF revenue will grow considerably in the coming years.