

PHILLIPS LYTLE LLP CLIENT ALERT

CANNABIS



SEPTEMBER 2021

Key Appointments to the Office of Cannabis Management and the Cannabis Control Board

On September 1, 2021, New York State Governor Kathy Hochul nominated, and the State Senate confirmed, Christopher Alexander as Executive Director of the Office of Cannabis Management (OCM) and former New York State Assemblywoman Tremaine S. Wright as Chairperson of the five-member Cannabis Control Board (CCB).

As background and as discussed in more detail in an earlier alert, on March 31, 2021, the Marijuana Regulation and Taxation Act (MRTA) was signed into law. Effective that date, New Yorkers were allowed to possess, display, transport or obtain up to three (3) ounces of cannabis or twenty-four (24) grams of concentrated cannabis. Additionally, the MRTA made it legal for any person to lawfully possess up to five (5) pounds of cannabis in their personal residence or on the grounds of another person's residence.

Other aspects of the MRTA, however, including the cultivation, processing, distribution and/or retail sale of cannabis remain illegal until the licensure process is fully developed. Critical to this process is the appointment of members of the OCM and CCB, who will be responsible for drafting, receiving public comment on, and finalizing the regulations that will ultimately govern New York State's legal cannabis market.

The MRTA created the OCM within the New York State Liquor Authority. The OCM will be responsible for regulating and consolidating the recreational cannabis market, the existing medical marijuana program and the hemp program. It will be governed by a five-member CCB, with three of those members to be appointed by Governor Hochul, and the remaining two to be selected by the New York State Assembly and Senate. The remaining four appointments have not yet been made; however, the appointments to the CCB and the OCM suggest that further developments will come more quickly.

New York State has successfully passed the MRTA and with these appointments has taken steps to move the industry forward after a significant delay. However, in many areas, the MRTA and these two appointments continue to be the beginning for this industry. Further regulations must be issued before interested applicants will be able to obtain licenses.

To those interested in entering the cannabis space, Phillips Lytle's Cannabis Team continues to monitor and issue articles discussing these developments.

Additional Assistance

For further assistance, please contact <u>Tristan D. Hujer</u>, <u>Mary-Jane R. Morley</u> or the <u>Phillips Lytle attorney</u> with whom you have a relationship.



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