



WILL BARCLAY  
Minority Leader

THE ASSEMBLY  
STATE OF NEW YORK  
ALBANY

March 22, 2023

Hon. Kathy Hochul  
Governor, State of New York  
NYS Capitol Building  
Albany, NY 12224

Hon. Thomas DiNapoli  
Comptroller, State of New York  
110 State Street  
Albany, NY 12236

Dear Gov. Hochul and Comptroller DiNapoli:

We, the members of the Assembly Minority Conference, write to express our serious concerns with the implementation and impacts of the state's cannabis program. The passage of the Marijuana Regulation and Taxation Act (MRTA) in 2021 was met with celebration and lofty promises by those who supported the measure. More than two years later, few, if any, of those promises have been met.

To date, fewer than 10 stores have opened. The state's delayed and dysfunctional implementation has predictably opened a window for illegal cannabis shops to gain a foothold and they have seized the opportunity. Mayor Eric Adams estimates that approximately 1,500 illegal shops are operating in New York City alone. Aside from the financial issues this creates for legal retailers and the state's attempt to generate revenue, the explosion of illegal operators raises significant public safety concerns, especially regarding the increased access minors now have to THC and cannabis products.

The proliferation of illegal shops was entirely predictable. Prior to the passage of the MRTA, concerns were raised about the legalization of cannabis opening up a black market. Because the state is responsible for creating the current market conditions, we would like to know how state officials intend to respond.

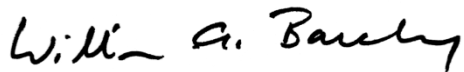
New York is not the first state to open up a cannabis retail market. However, rather than give proper consideration to qualified individuals and organizations with experience and a track record of success, the Office of Cannabis Management (OCM) prioritized applicants with criminal histories and drug offenses. In its attempt to fund this approach, the Dormitory Authority of the State of New York (DASNY) was tasked with raising a \$150 million Social Equity Cannabis Investment Fund. At last report, DASNY isn't close to meeting that obligation.

Before New York goes further down a road of inefficiency and potential fraud and before this growing problem becomes a full-blown crisis, we urge the state Comptroller to conduct a comprehensive audit of New York's cannabis program to identify the inefficiencies that have contributed to the failures in the early stages. In addition, we request that the Governor's Administration and OCM develop a comprehensive enforcement plan that will crack down on the growing number of illegal cannabis distributors. It is our opinion that a special enforcement unit with dedicated resources should be established in the state budget.

We appreciate that operational issues are to be expected in any new endeavor. However, two full years after marijuana's legalization in New York, far too many problems exist with no remedy in sight. For all stakeholders involved, the program's current path is completely unsustainable and demands a significant course correction.

Thank you for your consideration. We look forward to hearing from you.

Sincerely,



Will Barclay  
Assembly Minority Leader



Joseph Angelino  
121<sup>st</sup> Assembly District



Anil Beephan  
105<sup>th</sup> Assembly District



Scott Bendett  
107<sup>th</sup> Assembly District



Kenneth D. Blankenbush  
117<sup>th</sup> Assembly District



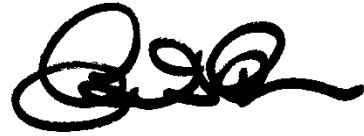
Jacob Blumencranz  
15<sup>th</sup> Assembly District



Karl Brabenec  
98<sup>th</sup> Assembly District



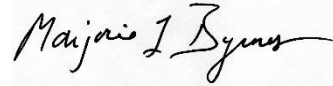
Alec Brook-Krasny  
46<sup>th</sup> Assembly District



Ari Brown  
20<sup>th</sup> Assembly District



Keith P. Brown  
12<sup>th</sup> Assembly District



Marjorie L. Byrnes  
133<sup>rd</sup> Assembly District



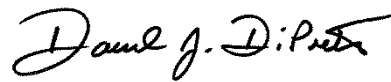
Lester Chang  
49<sup>th</sup> Assembly District



Brian Curran  
21<sup>st</sup> Assembly District



Joseph P. DeStefano  
3<sup>rd</sup> Assembly District



David J. DiPietro  
147<sup>th</sup> Assembly District



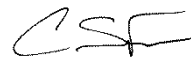
Michael Durso  
9<sup>th</sup> Assembly District



Michael J. Fitzpatrick  
8<sup>th</sup> Assembly District



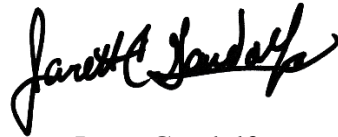
Edward A. Flood  
4<sup>th</sup> Assembly District



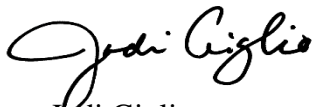
Christopher S. Friend  
124<sup>th</sup> Assembly District



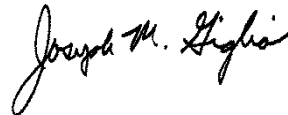
Jeffery Gallahan  
131<sup>st</sup> Assembly District



Jarett Gandolfo  
7<sup>th</sup> Assembly District



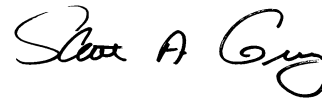
Jodi Giglio  
2<sup>nd</sup> Assembly District



Joseph M. Giglio  
148<sup>th</sup> Assembly District



Andrew Goodell  
150<sup>th</sup> Assembly District



Scott A. Gray  
116<sup>th</sup> Assembly District



Stephen M. Hawley  
139<sup>th</sup> Assembly District



Joshua T. Jensen  
134<sup>th</sup> Assembly District



John Lemondes, Jr.  
126<sup>th</sup> Assembly District



Brian Maher  
101<sup>st</sup> Assembly District



Brian D. Manktelow  
130<sup>th</sup> Assembly District



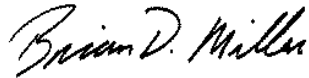
David G. McDonough  
14<sup>th</sup> Assembly District



John W. McGowan  
97<sup>th</sup> Assembly District



John Mikulin  
17<sup>th</sup> Assembly District



Brian D. Miller  
122<sup>nd</sup> Assembly District



Michael Novakhov  
45<sup>th</sup> Assembly District



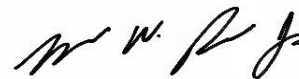
Philip A. Palmesano  
132<sup>nd</sup> Assembly District



Samuel T. Pirozzolo  
63<sup>rd</sup> Assembly District



Edward P. Ra  
19<sup>th</sup> Assembly District



Michael W. Reilly, Jr.  
62<sup>nd</sup> Assembly District



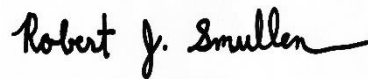
Matthew Simpson  
114<sup>th</sup> Assembly District



Matthew J. Slater  
94<sup>th</sup> Assembly District



Douglas M. Smith  
5<sup>th</sup> Assembly District



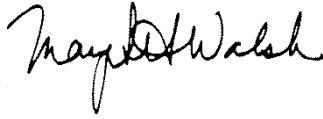
Robert J. Smullen  
118<sup>th</sup> Assembly District



Christopher Tague  
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Michael Tannousis  
64<sup>th</sup> Assembly District



Mary Beth Walsh  
112<sup>th</sup> Assembly District