

Political Jockeying May Delay Sales of Adult-Use Cannabis in NYS



By [Ryan V. Stearns](#)

June 25, 2021 | **CLIENT ALERTS**

New York's passage of the Marijuana Regulation and Tax Act ("MRTA") on March 31, 2021, legalized adult-use cannabis in New York State. However, the MRTA only created a framework for the sale, regulation and taxation of adult-use cannabis. The issuance of the governing regulations to allow for the sale of cannabis, including the issuance of various tiers of licenses, rests solely on the Cannabis Control Board ("CCB") which will oversee the Office of Cannabis Management ("OCM"), an independent regulatory authority, pursuant to the MRTA.

The CCB will consist of five board members. Governor Andrew Cuomo is entitled to appoint the director of the CCB (subject to confirmation by the state Senate) and two additional members. The state Senate and Assembly each select one of the remaining two members of the CCB. Governor Cuomo also has the authority to select the OCM's executive director. The OCM and the CCB will establish an advisory board ("Advisory Board") consisting of 13 voting members, seven of which are appointed by Cuomo, three by the Senate and three by the Assembly. The Advisory Board will be responsible for making recommendations to the CCB.

As of the end of the most recent legislative session, Governor Cuomo and the legislature had not made any

appointments to the CCB, OCM or Advisory Board. Unless a special session is convened, it is possible that the appointments will not be made until January 2022. As such, there is still no board or agency that can create and govern the rules for the issuance of licenses and sales of adult-use cannabis. It has been estimated that, even if the necessary appointments were made this month, it would take at least a year for the OCM to draft and issue the regulations. The actual granting of adult-use licenses will undoubtedly trail behind the approval and issuance of the regulations.

Those who wish to get involved in the adult-use cannabis business in New York State will have to continue to wait until the necessary appointments are made and the regulations are issued.

Related Team



Ryan V. Stearns
Partner | Team Co-
Leader - Cannabis



Thomas B. Hughes
Senior Associate |
Team Co-Leader -
Cannabis



ALBANY | 54 State Street, Suite 1001 • Albany, NY 12207 • 518.462.0110

BUFFALO | 50 Fountain Plaza, Suite 1700 • Buffalo, NY 14202 • 716.853.5100

CHICAGO | 332 S. Michigan Ave., 9th Floor • Chicago, IL 60604 • 872.254.5500

GREATER TORONTO AREA (PRACTICE FOCUSED ON U.S. LAW) | 1100 Burloak Drive, Suite 300 • Burlington, ON L7L 6B2 • 905.319.8964

JACKSONVILLE | 10151 Deerwood Park Blvd. , Bldg. 300, Suite 300 • Jacksonville, FL 32256 • 904.660.0020

NEW YORK CITY | 477 Madison Avenue, 6th Floor • New York City, NY 10022 • 646.673.8633

WASHINGTON, D.C. | 1900 K Street, NW, Suite 730 • Washington, DC 20006 • 202.888.7610