



## NYCRA 2024 LEGISLATIVE AND BUDGET AGENDA

The New York Cannabis Retail Association (NYCRA) represents over 250 cannabis retailers across the state. On their behalf, we advocate for fiscal and policy issues designed to build a safe, legal, and profitable cannabis market in New York State. In 2024, our priorities are as follows:

### 1. **Establish the CAURD Program in Statute**

The CAURD program has been the target of legal challenges since its establishment. To enable this program to move forward, and to protect the millions of dollars in private investments that our members have made to establish legal cannabis retail businesses, we urge the Governor and Legislature to enact a law to establish the CAURD program in statute in early 2024. Any delay risks further lawsuits, which could drive some of our members into bankruptcy.

### 2. **Reform the Potency Tax**

The potency tax has proven to be a cumbersome strategy for taxing legal cannabis products. At a 2023 Senate hearing, it was universally agreed that this tax is unworkable and needs to be replaced. We urge the Governor and Legislature to replace the potency tax with a lower tax, not based on potency, that would be gradually increased as the legal market matures.

### 3. **Remove Unnecessary Marketing Restrictions**

The marketing rules established in regulations by the Office of Cannabis Management place unworkable, unnecessary, and counter-productive limits on the ability of cannabis retailers to promote their stores and the products they sell. NYCRA believes that cannabis retailers should be allowed to advertise in a manner consistent with alcohol, a product that is much more dangerous than cannabis and yet suffers from none of the onerous restrictions that OCM has applied to cannabis in New York State.

### 4. **Enact Laws to Shut Down the Illegal Market**

Depending on the source, it is estimated that there are hundreds to many thousands of illegal cannabis retailers operating with impunity in New York State. These illegal stores don't pay taxes, don't abide by union labor rules, don't sell safe products, and make the establishment of a legal cannabis retail market next to impossible. The Governor and Legislature must enact stronger laws that give OCM and local criminal justice authorities the ability to quickly shut down these illegal operators.

### 5. **Place a Retailer on the Cannabis Advisory Board**

The state Cannabis Advisory Board, established in statute, is a vehicle for providing OCM and state policymakers with input from diverse communities on every aspect of the cannabis marketplace. This 13-member board has no retailer representative, an oversight that NYCRA urges the Governor and Legislature to rectify by amending the law to require a retail member.

### 6. **Establish a Publicly Funded Cannabis Social Equity Fund**

New York attempted to support cannabis social equity licensees through a mostly privately funded social equity fund administered by the Dormitory Authority of the State of New York (DASNY). That fund has been an abysmal failure, plagued by administrators unfamiliar with the cannabis industry and terms that made it indistinguishable from the traditional financial market. The state should create a true publicly-funded social equity program to provide low-interest loans to social equity licensees. This fund should be administered by the Office of Cannabis Management and provide loans for a full range of needs, including build-out costs.

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