



NEW YORK STATE SENATOR

John W. Mannion

Gov. Kathy Hochul looking at 'changes' in cannabis leadership, frustrated with rollout

SENATOR JOHN W. MANNION February 6, 2024

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Syracuse, N.Y. — Gov. Kathy Hochul, who was in Syracuse to discuss the budget on Monday, doubled down on her frustrations with the way the state's cannabis regulators are operating.

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"I'm not satisfied. I want more enforcement, I want to make sure that we are looking at leadership. I'm looking at opportunities to make major changes."

This was part of her answer to CNY Central's questions about whether leadership at the Office of Cannabis Management should be concerned about their jobs given the glaring problems. A sluggish rollout of legal licenses has allowed tens of thousands of illegal cannabis shops to pop up statewide. Playing catchup, the state employs just 14 investigators to look into illicit operations.

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"We have to have enforcement to make sure the illegal shops are shut down," Hochul said.

The governor is backing legislation to give local law enforcement the capability to padlock illegal shops quickly and easily, with data making it clear the current system isn't working. On Monday, the OCM announced that its investigators, partnering with officials with the Department of Taxation and Finance, have inspected 60 shops over the last few years, seizing hundreds of pounds of drugs with an estimated value of \$3,391,545. Experts believe there are around 36,000 illegal shops currently operating across the state.

Hochul's public criticism of the agency echoes concerns in a letter sent by six of the 12 members of the Senate Subcommittee on Cannabis on Friday to the Cannabis Control Board and OCM. The bipartisan group demands state regulators "do better," pointing to a meeting that the board abruptly canceled in January to look at retail licenses. Only three dispensaries were set to be approved when previously the stated goal was 250 retailers.

Central New York signatories include state Sens. John Mannion (D-North Syracuse) and Pamela Helming (R-Canandaigua). According to data cited in the letter, New Jersey has recorded more than double the marijuana sales of New York with about half the state's population.

Cannabis Practice Group leader Joe Park at Park Strategies argued that the only way out of this hole is to get more adult-use shops approved, noting that thousands of New Yorkers have already paid for physical shop locations left in limbo waiting for a license.

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The governor has said what we've all been saying privately, which is this program is a disaster. It's going at a glacial pace, if it was going any slower it'd be going in reverse.

Rossi believes that Hochul can "right the ship," and the governor said her team is working around the clock on fixing the issues at hand. She was quick to point out that the original recreational use laws came under Gov. Andrew Cuomo, claiming she had no control over how legislation was written as his lieutenant governor in early 2021.

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