



NEW YORK STATE SENATOR

Michelle Hinchey

Senate Agriculture Chair Michelle Hinchey Lauds Cannabis Legalization Bill Passed by the State Senate Today

MICHELLE HINCHEY March 30, 2021

| ISSUE: **ADULT-USE CANNABIS LEGALIZATION**

| COMMITTEE: **AGRICULTURE**



ALBANY, NY – Today, the State Senate passed legislation co-sponsored by Senator Michelle Hinchey (SD-46) to establish a comprehensive regulatory framework for the cultivation, taxation, and sale of adult-use cannabis in New York under the Marijuana Regulation and Taxation Act (MRTA). The legislation ([S.854-A/A.1248-A](#)) prioritizes social equity and investment into historically disenfranchised communities, promotes diversity and inclusion in business ownership, and establishes new revenue sources for local governments across

the state.

Under the MRTA, the development of an adult-use cannabis industry is poised to deliver significant economic opportunities for New York, spurring job creation and increased tax revenue for municipalities. Tax collection from the adult-use cannabis program is projected to reach \$350 million annually with the potential to create 30,000 to 60,000 jobs across New York State. Cannabis products would be subject to a 9% state tax and a 4% local tax. The local tax would be split with 1% going to counties and 3% going to cities, towns, and villages.

“Today’s vote represents a historic moment for our state with the creation of an adult-use cannabis industry that will drive economic development and bolster our Main Streets, strengthen opportunities for Upstate New York, and provide social equity to communities that have been disenfranchised for decades,” **said Senator Michelle Hinchey**. “New York has taken the best practices from states across the country to design a truly unique program that will bring a new and equitable industry to grow our local tax base and generate business opportunities for our small farmers and minority-owned ventures. Through this legislation, we can also begin to right the devastating wrongs of the failed War on Drugs, which has disproportionately harmed communities of color.”

“This bill is the culmination of years of advocacy and dedicated work by Senator Liz Krueger, Assembly Majority Leader Crystal Peoples-Stokes, and a wide range of advocates to create the most diverse and inclusive adult-use cannabis industry in the country with the necessary safeguards to ensure that a legalized market can be implemented safely and responsibly. I am proud to have worked with the sponsors to ensure that our upstate communities and our small farmers benefit from an equitable approach to this new industry,” **said Senator Hinchey**.

Hinchey, who chairs the Senate Agriculture Committee, successfully advocated for two key provisions to support small farmers that were included in the final bill. One provision would permit hemp flower--one of the fastest-growing segments of the CBD market--to be sold in adult-use retail stores. Hemp flower is the easiest point of entry into the market for small-scale growers but hemp regulations from the state DOH prohibit its sale in New York, effectively squeezing small growers out of a lucrative avenue and hurting existing businesses with established product lines. Another provision secured by Senator Hinchey gives licensing priority to small-scale farmers to ensure that cannabis cultivation in New York does not become another commodity of big, industrial agriculture.

The legislation would create a social and economic equity program to provide loans, grants, and incubator programs to encourage participation in the cannabis industry by small farmers, people from minority communities, women, and service-disabled veterans, and includes a goal of distributing 50% of licenses to social equity applicants.

Allan Gandelman, President of the New York Cannabis Growers & Processors Association, said, “This is a historic moment for the state of New York, and one that will bring with it good jobs, investment, and cutting-edge entrepreneurial opportunity through the creation of an entirely new sustainable and equitable industry. Cannabis legalization will jumpstart our state’s economic recovery and serve as a real investment in a forward-looking culture that puts New York cannabis consumers, small business owners, farmers and cultivators first. We’re grateful not only to the Governor and the legislative leadership for finalizing this critical legislation ending prohibition and opening the doors to cannabis legalization in New York, but also to Senator Hinchey and Assemblywoman Lupardo for ensuring the inclusion of the hemp flower provision and that legalization will bring opportunities to our Upstate communities.”

In addition to legalizing the purchase and possession of up to three ounces, or 24 grams, of cannabis, individuals will be allowed to grow up to three mature plants and three immature plants at home with a household maximum of twelve plants.

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2021-S854A

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 - Delivered to Governor
 - Signed By Governor
 -

Enacts the "marihuana regulation and taxation act"; repealer

January 05, 2021

Signed by Governor

Sponsored by **Liz Krueger**

Do you support this bill?