

THE MARIJUANA REGULATION AND TAXATION ACT: THE NEW YORK MODEL

In 2021 New York legalized adult-use marijuana and established the Office of Cannabis Management (OCM) to develop and oversee regulations.

New York's law embeds groundbreaking social and economic equity provisions into the fabric of cannabis regulation. The law requires that OCM grant 50% of all available licenses to designated groups most harmed by the war on drugs. To limit the establishment of large commercial entities in the market, New York State created a two-tiered system that prevents the vertical integration of a single business from operating in two license categories roughly divided between commercial supply and consumer distribution. The intention is for New York to develop a robust ecosystem of small- to medium-businesses owned an operated by a diversity of stakeholders, including those harmed by marijuana prohibition.



EXCHANGE GOAL

The delegation of 12 included the attendance of government members, NGOs, and academia from Brazil, Colombia, and Mexico. The Latin American region has divergent approaches toward drug policy. Most still rely on the prohibitionist mindset from the '60s and '70s. Some countries have undergone discussions about decriminalizing the possession and usage of prohibited substances, while others are exploring solutions to regulate the adult-use marijuana market. This diversity of approaches enabled rich discussions about different models of regulated access to cannabis and consideration of how concepts like "social equity" and restitution might apply in different country contexts.



INSTITUTIONS

ORGANIZATIONS

BUSINESSES

COMMUNITIES









- New York State Office of Cannabis
 Management
- New York City Small Business Services

- Drug Policy Alliance
- Bronx Cannabis Hub
- Our Academy
- NY Small Farma
- Cannabis Justice and Equity Initiative
- On Point

- Housing Works Cannabis Co.
- Union Square Travel Agency
- Hudson Cannabis
- Back Home Farm
- Humboldt Cannabis

- Cannabis Farmers
- CAURD License Holders
- Consumers
- People formerly incarcerated

EXCHANGE STRATEGIC PLANNING

This exchange goal was to introduce participants to the New York model and show a balanced landscape of stakeholders across government, industry, and civil society. This included state-level policymakers, small business owners, license holders, business incubators, technical assistance providers, advocacy organizations, researchers, farmers, agricultural laborers, and people who suffered the consequences of punitive policies directly.

POLICYMAKERS CHANGING THE LAW

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NEW INSTITUTIONS

Policy-makers provided technical guidance on the overarching intentions of the regulated framework and candid reflections on challenges, lessons learned, and the political courage needed to advance a new agency despite many uncertainties.



ENTREPRENEURISM AS AGENCY

The tiers and vertical integration controls proposed by regulators prevent big companies from accessing the New York market, creating a small business ethos.



CROSS-STATE CONTRIBUTIONS

Although the approach in New York is new, we saw how organizations like the Cannabis Regulators of Color Coalition are informing proposals built on the experience of other states and cities.



EMPHASIS ON REPARATIONS

New York is elevating a justice-oriented model through automatic expungement, preferential licensing for "justice-impacted" individuals, and re-investment of tax revenue back into communities most harmed by the war on drugs.

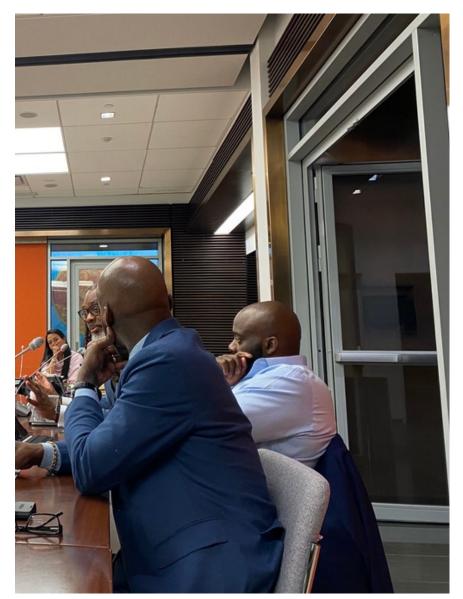


OPEN SOCIETY FOUNDATIONS

ADVOCACY AND ENTREPRENEURISM

For a balanced conversation, we invited advocates of several causes related to the barriers that still exist in the new legalization landscape, proving that changes in the law are just the beginning of solutions that should address the social, economic and cultural context:

- Obstacles to the de-carceration of people with more than one charge related to marijuana.
- Workforce development to help people reintegrate into society.
- Lack of education, mentorship, and financing sources for entrepreneurs.
- Access to markets for farmers and producers.









DISPENSARIES

We visited 2 dispensaries - both social enterprises - during their peak customer hours to learn about their types of products, exhibition practices, safety measures, and operational considerations to comply with regulators. Some of the common requirements were:

SAFETY IN STORAGE
AND TRACKING
PRODUCTS

LIMITS ON EXTERIOR
ADVERTISING AND
PROMOTIONS

COUNSELING ABOUT PRODUCT USAGE, EFFECTS & RISK

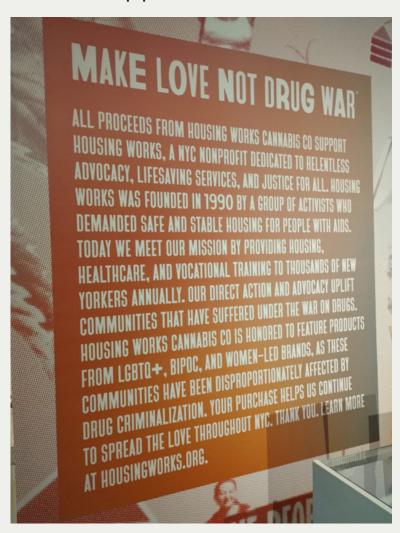




DISPENSARIES VISITED

HOUSING WORK CANNABIS CO

Profits support homelessness & harm reduction services







Housing Works is a non-profit organization that has worked since 1990 to provide housing and healthcare solutions to people with HIV/AIDS. They opened the first licensed dispensary in 2022, buying products from BIPOC brands and benefiting people historically harmed by the war on drugs.

OPEN SOCIETY FOUNDATIONS

UNION SQ TRAVEL AGENCY

Profits support The Doe Fund programs for formerly incarcerated





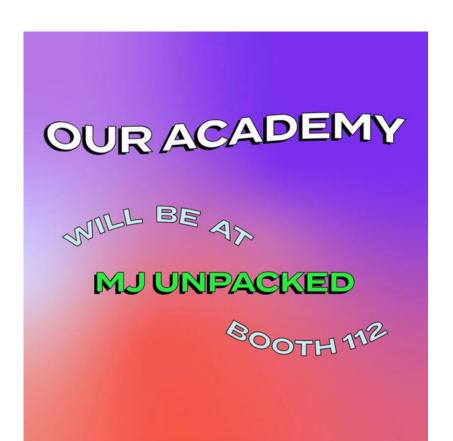


The Travel Agency is a dispensary that integrates a digital purchasing experience with their expertise in logistics and customer service. This innovative dispensary partners with the Cannabis Justice and Equity Initiative to provide employment opportunities to the formerly incarcerated population.

OPEN SOCIETY FOUNDATIONS

PEOPLE'S STORIES

In partnership with Our Academy, we welcomed a group of CAURD license-holders who are all justice-impacted individuals among the first to receive a license to operate a retail dispensary. We learned of their personal histories with the criminal legal system, their optimism for this current opportunity, the financial challenges they have faced to open their businesses, and the ongoing legal hurdles they continue to navigate.

















REGENERATIVE CANNABIS FARMING

The visit focused on farms that employ sun-grown and regenerative agriculture practices. By cultivating in restored soil, farms influence the flower's quality and play a role in safeguarding the ecosystem and its functions. A key aspect here is the emphasis on carbon sequestration, a systemic advantage that is given priority while also considering economies of scale. The goal is to mitigate the environmental challenges exacerbated by certain large-scale industrial operations.

OPEN SOCIETY FOUNDATIONS

MEDIUM SCALE REGENERATIVE CULTIVATION

Hudson Cannabis presented the methods used to restore soil health through their cultivation practices. The Hudson team provided information regarding plant reproduction from seed, organic pest control, drainage and water management.

SMALL SCALE ORGANIC CULTIVATION

Back Home Farm owner William Leibee guided the group around his small-scale farm growing food, flowers, and now cannabis. His expertise in producing high-quality culinary-grade organic ingredients informed the practices in his cannabis crop.

GREENHOUSE CULTIVATION & PROCESSING

Humboldt Cannabis Farm was an example of greenhouse cultivation. Their team is implementing and adapting practices from California in New York's conditions with reduced harvesting times.













ON POINT OVERDOSE PREVENTION CENTER

The event concluded with a visit to
On Point, the supervised consumption site in
Harlem. The delegation had a tour showing
the facilities, the procedures for the intake of
people, and the types of treatments offered.
They also visited rooms for acupuncture and
resting places for women.

The exchange concluded with a conversation with staff members, including nurses, psychologists, and volunteers, and a preview of the supervised consumption area where individuals can consume their drugs under the supervision of trained care providers ready to respond to overdose and adverse interactions.



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WITH THE SUPPORT OF

GOVERNMENT INSTITUTIONS





SOCIAL **ORGANIZATIONS**















DISPENSARIES





FARMS





HUMBOLDT CANNABIS FARM



THANK YOU