



Office of Cannabis  
Management

20  
24

# OFFICE OF CANNABIS MANAGEMENT CHIEF EQUITY OFFICER ANNUAL REPORT

[CANNABIS.NY.GOV/EQUITY](https://cannabis.ny.gov/equity)

# Table of Contents

- Letter from the Acting Chief Equity Officer..... 3**
- Executive Summary..... 4**
- I: The Social and Economic Equity Plan..... 11**
- II: Market Architecture ..... 13**
  - Strengthen Protections Against Predatory Practices ..... 16
  - Maintain Proactive Enforcement and Oversight of Ownership Rules ..... 17
  - Market Architecture Performance Measurements ..... 17
- II. Access and Business Viability ..... 22**
  - Technical Assistance for License Applications ..... 22
  - Technical Assistance Program (TAP) Grants ..... 23
  - Our Academy x CAURD Accelerator Program ..... 23
  - New York State Conditional Adult-Use Retail Dispensary (CAURD) Grant Program ..... 25
  - CHIP Academy ..... 26
  - Banking and Financial Institution Outreach ..... 26
  - Medical Cannabis ..... 27
- III. Consumer and Community Engagement ..... 29**
  - Office of Cannabis Management Veterans Taskforce ..... 29
  - OCM Office Hours ..... 30
  - Microbusiness & Cultivator Survey ..... 30
  - Conferences & Speaking Engagements ..... 30
- IV. Community Reinvestment Program ..... 32**
- V. A Look Ahead ..... 33**
  - Incubation Expansion..... 33
  - Regional Economic Development..... 39
  - Understanding CDIs and Enforcement Efforts..... 40
  - Ancillary Business Directory ..... 41
- Conclusion ..... 41**

# Letter from the Acting Chief Equity Officer

To the Cannabis Control Board and the New York State Legislature,

The Social and Economic Equity Team is tasked with building an equitable and economically durable cannabis industry in New York State. This work centers on developing and implementing the Social and Economic Equity (SEE) Plan, ensuring and promoting adequate access to licensure for equity applicants, maintaining an active medical cannabis market, and providing financial and operational assistance to cannabis market participants that hold equity licenses.

This report is a statement on the work we have done thus far and a look ahead at what 2025 holds for us. There are numerous additional projects and initiatives not outlined here, as they span a variety of efforts that don't fit neatly under a single category. I am speaking of the time spent researching, ideating, problem solving, and supporting our agency. The work described in this report represents intentionality and thoroughness. The SEE Team is not unique in this regard; the entire agency works in this manner.

Together we have created one of the strongest equity programs this nation has ever seen. We have surpassed the statutory goal for social and economic equity licensure. We have facilitated demographic representation in our supply chain across race, ethnicity, gender, and geography. New York's cannabis market will reach \$1 billion in sales revenue at this end of this year. Over 90% of those retailers entered the market through an equity program.

To my team - It has been an honor to build New York's Equity program alongside you. Never have I worked with a group of people so dedicated. We do this work because we believe New York can be the best market in the country. We believe that New York does not have to sacrifice economic growth for social equity. In fact, we know that New York needs equity in order to achieve its highest economic potential.

In earnest,

*Tabatha Robinson*

Tabatha Robinson  
Acting Chief Equity Officer

# Executive Summary



## Purpose of the Report

The Office of Cannabis Management (OCM) is committed to building an equitable and economically resilient cannabis industry. This is an agency-wide effort, in collaboration with the cannabis community and OCM’s partners across the state. Social and economic equity are the OCM’s lodestars, informing agency priorities, perspectives, and analyses.

This 2024 report serves to update New Yorkers and the wider public on the implementation of the OCM Social and Economic Equity Plan (SEE Plan or the Plan), which was released on May 11, 2023, in accordance with Section 12(3) of the Cannabis Law. This report details OCM’s many initiatives and progresses, led by Acting Chief Equity Officer, Tabatha Robinson and the Social and Economic Equity (SEE) Team, and is also one of many avenues by which OCM holds itself accountable — first to the agency’s equity mission, and second, to OCM’s community of stakeholders.

The SEE Team works each day to foster equity-driven outcomes in New York’s cannabis industry. Over the past year, the Team has conducted research, engaged with community members, provided regulatory oversight, and developed programs to further economic development, policy research, small business support, and business incubation.

# Key Updates

## Social and Economic Equity Plan

Following approval of OCM's SEE Plan in 2023, the SEE Team has worked to implement the recommendations found in the SEE Plan. These recommendations provide an equitable approach to market architecture, business viability, and consumer and community engagement.

### Promoting Access to Licensure

**200+**

**SEE applicants** received direct support from the SEE Team to address and cure deficiencies.

**800+**

**requests** for assistance from SEE applicants were fulfilled by Technical Assistance Providers (TAPs).

### SEE Team Licensing Support

- The SEE Team reviewed **over 1,500 SEE certification applications** and provided training to both the licensing unit and New York State Department of Labor to assist in reviewing the high volume of applications.
- In addition to the review and approval of SEE certifications, the SEE Team directly supported **over 250 applicants** with curing their SEE certification application deficiencies. Applications with uncured deficiencies are ineligible for SEE certification and, therefore, lose whatever SEE benefits they may have received, including reduced application fees.

### Volunteer Technical Assistance Provider (TAP) Network

- During the 2023 license application windows, OCM collaborated with community-based organizations, municipalities, academic institutions, and community stakeholders to form a volunteer application network called Technical Assistance Providers (TAPs).
- TAPs were dedicated to streamlining the application process for SEE applicants. They provided application curing assistance, **fulfilling over 800 requests for assistance** from SEE applicants and supporting all 10 NYS Empire State Development regions.

## TAP Grant Funding

- OCM provided TAP grant funding to community-based organizations, not-for-profit, and educational institutions that provided post-licensure support to early-stage licensees in the operationalization of their businesses. Many of these recipients also supported SEE applicants through the inaugural application window.
- OCM awarded **TAP grantees up to \$75,000** to provide expert guidance and support, with the first round of funding **totaling \$650,000 to nine organizations** across the state.



# \$650,000

awarded to nine organizations through TAP grants, providing up to \$75,000 each for expert guidance and support across New York State.

## SEE Adult-Use Licenses

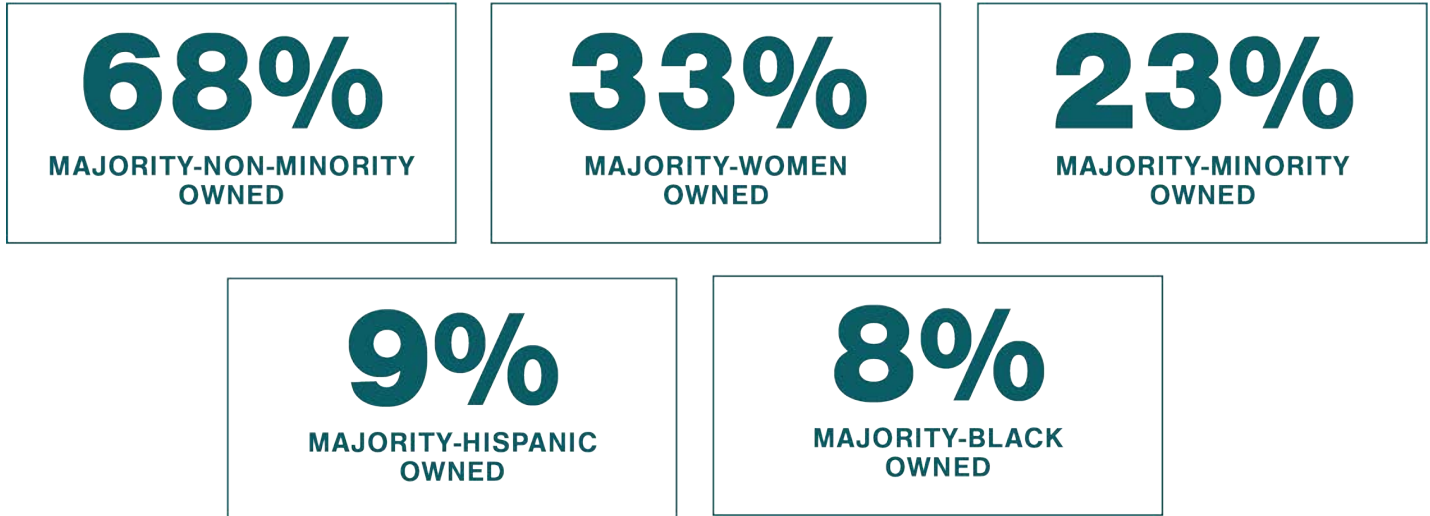


# As of December 2024, **54% of adult-use licenses** are held by SEE licensees.

- As of December 2024, **54% of adult-use licenses** are held by SEE licensees.
- SEE licenses fall into the following categories:
  - **43%** women-owned business (WOB)
  - **37%** minority-owned business (MOB)
  - **8%** distressed farmer (DF)
  - **7%** service-disabled veteran owned business (SDVOB)
  - **5%** individual from a community disproportionately impacted (CDI)<sup>1</sup>
- SEE categories and numbers may vary in the future due to a recent technological update that allows SEE applicants to certify as multiple SEE categories.

<sup>1</sup> A community disproportionately impacted (CDI) is a history of arrests, convictions, and other law enforcement practices in a certain geographic area, including, but not limited to, precincts, zip codes, neighborhoods, and political subdivisions, reflecting disparate enforcement of cannabis prohibition during a specific time period relative to the rest of the state. *N.Y. CANBS § 87(5)(g)*. For more information, visit [Communities Disproportionately Impacted | Office of Cannabis Management](#).

- Some demographics of adult-use licenses are as follows:
  - **Note:** Totals exceed 100% because some businesses qualify under multiple categories. For example, a business may be both majority-women owned and majority-minority owned.



### Medical Cannabis & Registered Organization Expansion

- Registered Organizations are cannabis operators that serve the medical market. The Registered Organization (RO) Application opened in October 2023 and closed in December 2023.
- In 2024, **seven RO applicants** were granted registrations. Distinct from adult-use applicants, they were evaluated on their ability to serve the medical market and patients, specifically. These new ROs demonstrated their ability to be culturally, linguistically, and medically competent to serve unserved and underserved areas of the state, amongst other requirements. At this point, the new ROs are not participating in the adult-use market.

### Banking and Financial Institution Access

- The SEE Team is working to improve banking and financial institution access for cannabis businesses to address one of the industry’s most persistent challenges: lack of financial services and limited access to capital. Many cannabis operators struggle to secure reliable banking solutions, which increases risks and limits growth opportunities.
- To support these businesses, the SEE Team is developing a **Cannabis Banking Directory**, a resource designed to connect licensees with financial institutions that understand and cater to the unique needs of the cannabis industry.
- Our goal with this initiative is to grow New York’s cannabis industry economically and provide operators with the tools needed to succeed in the emerging market. The directory will be available to licensees in the first half of 2025.

## Technical Assistance and Training Programs

### Retail Accelerator

- From February through August 2023, the SEE Team launched and completed the first cohort of the Conditional Adult-Use Retail Dispensary (CAURD) Accelerator program. The CAURD Accelerator program strove to prepare CAURD licensees to successfully start and operate their cannabis business, emphasizing cannabis compliance, marketing, and financial literacy.
- Following the success of the CAURD Accelerator, OCM initiated a contract expansion to include **750 CAURD and SEE Retail Dispensary licensees**, offering comprehensive services and educational resources, at no cost, through December 15, 2024.

### Cannabis Hub and Incubator Program (CHIP) Academy

**53**

**live virtual webinars** were delivered by CHIP Academy, conducted at twice a week.

**65+**

**hours of teaching time** were provided through CHIP Academy's webinars.

**863**

**times** the recorded webinar replays were viewed.

- OCM established CHIP Academy in Winter 2023 to educate and support conditional and new licensees maintain compliance with regulations, Good Manufacturing Practices (GMPs), and best practices.
- CHIP Academy was separated into three different sections, concluding in December of 2024. OCM created this program after analyzing feedback sessions and surveying CHIP Academy participants, which helped OCM recognize the most pressing educational needs within the pool of recent SEE licensees.
- **Live Expert-Led Webinars:** CHIP Academy conducted virtual webinars at least twice weekly, covering essential skills and knowledge for licensees, such as Record-Keeping, Virtual Inspections, compliance regulations for cultivation, Good Manufacturing Practices (GMP) compliance and third-party certification for processors, and retail compliance.
  - A total of **53 live virtual webinars** were delivered, with **over 65 hours of teaching time** delivered in total.
- **Online Course Content:** Replays of the webinars were made available as online courses, with additional resources and exercises. These allowed participants to learn at their own pace and gave participants scheduling flexibility. Recorded sessions were viewed a total of **863 times**.



## CAURD Grant

- The NYS CAURD Grant Program will provide CAURD licensees across the state with \$5 million in funding earmarked for startup costs, security, and other necessary investments to help jumpstart operations, to maintain compliance, and to ensure continued business development opportunities in the adult-use cannabis space.
- On behalf of OCM, NYS Empire State Development entered into a contract with an independent third-party vendor to administer grant funding to eligible applicants. The Request for Proposals (RFP) to secure the grant administrator closed in September 2024. Funding is anticipated to reach CAURD licensees in the first quarter of 2025.

## Staffing



- The SEE Team is split into two units – **Small Business Development** and **Economic Development**. The Small Business Development unit provides direct resources and supports to help licensees and potential licensees be successful in the industry. It also works on incubation initiatives including educational programming for licensees. The Economic Development unit focuses on market policies and ensuring that the agency's systems and opportunities support equity applicants and licensees.
- The staff bring subject matter expertise in various fields, including commercial cannabis, agricultural policy, criminal and racial justice, labor, banking, corporate law, education, and economic development.

- The team has also prioritized diversity and multilingualism in its hiring process, and many of its members have personal connections to the communities they are serving. For example, some staff members live in and/or are from CDIs , other staff members are farmers, and others have close ties to the veteran community. These personal experiences inform the work the SEE Team produces.

# I: The Social and Economic Equity Plan



The Cannabis Control Board (the Board) is tasked with the development and implementation of a social and economic equity plan in accordance with Section 87 of the Cannabis Law. This responsibility is undertaken in consultation with the OCM Chief Equity Officer and OCM Executive Director is built upon public input. The goals of the SEE Plan include the promotion of racial, ethnic, and gender diversity when issuing licenses and the promotion of diversity in commerce, ownership and employment, and opportunities for social and economic equity in the regulated cannabis industry.

The Board adopted the SEE Plan on May 11, 2023, after many months of community engagement, data gathering, research of national social equity trends, and program development. The SEE Plan is a living strategic and iterative plan of action that OCM will update ongoingly to reflect the intersection of New York's evolving cannabis landscape and OCM's social and economic equity mission.

SEE Plan implementation rests upon the following pillars:

- Bringing to life an industry that gives small, independent, local businesses access to market opportunity
- Building relationships and trust in the communities most impacted by the inequities of the War on Drugs through educational and social programs.

- Investing resources, including grants, loans, and technical assistance to equip SEE licensees with supports needed to maximize their participation in New York’s cannabis market.
- Educating communities on their rights to consumption, licensure and expungement in accordance with the Cannabis Law and regulations.
- Collecting data and evolving programming to adapt to the needs of SEE operators

## SEE Plan Recommendations

The SEE Team made several short-, medium- and long-term recommendations to guide the growth of New York State's legal cannabis market. Balancing economic opportunities, public health concerns, and social equity objectives requires a nuanced approach. These recommendations consider key aspects of cannabis policy--addressing regulatory frameworks, taxation strategies, community involvement, and social justice initiatives to lay the groundwork for Plan implementation.

Recommendations are divided into three categories based on the SEE Plan's pillars:

- **Market Architecture:** Commitment to developing a well-balanced supply chain, a well-paced licensing roll-out, public health and safety measures, and economic development strategy.
- **Market Access and Business Viability:** Promoting access to licensure and facilitating business viability by removing situational barriers to licensure for SEE applicants and small business owners and expanding access to impactful business supports.
- **Consumer and Community Engagement:** Prioritizing consumer and community needs by facilitating ongoing dialogue and incorporating feedback into OCM initiatives.

## II: Market Architecture



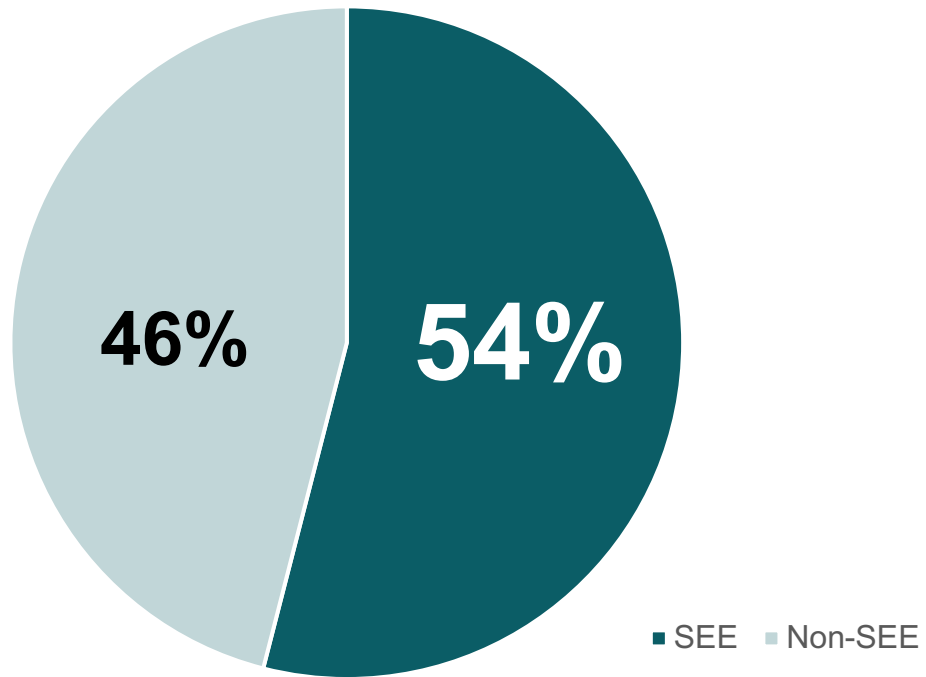
The Cannabis Law establishes a goal to award 50% of adult-use cannabis licenses to social and economic equity applicants. N.Y. CANBS § 87(2). The SEE Team has been deeply involved in designing the licensing process, with an eye to lowering barriers to entry, and in reviewing applications for licensure to ensure conformity with the law and OCM regulations.



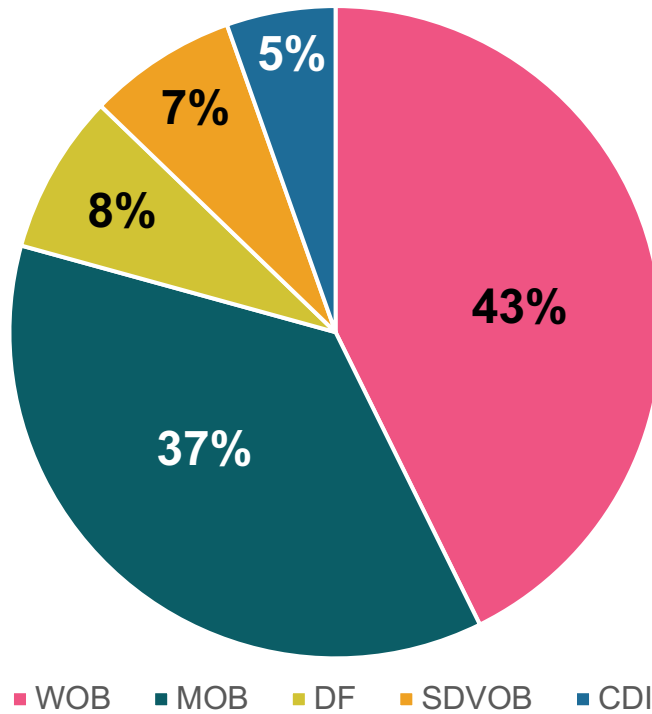
As of December 2024,  
**54% of adult-use licenses**  
are held by SEE licensees.

To date, SEE licensees make up **54% of all adult-use licenses**, which include distressed farmers (DF), service-disabled veterans (SDVOB), minority-owned businesses (MOB), women-owned businesses (WOB), and individuals from communities disproportionately impacted (CDI). This number surpasses the 50% statutory goal for social and economic equity licensure. See Table 1.1 for an overview of SEE Certification and Table 1.2 for Licenses by SEE Type. See also Table 1.3 for a Licensing Overview of SEE Applications by Type.

**Table 1.1. SEE Certification**



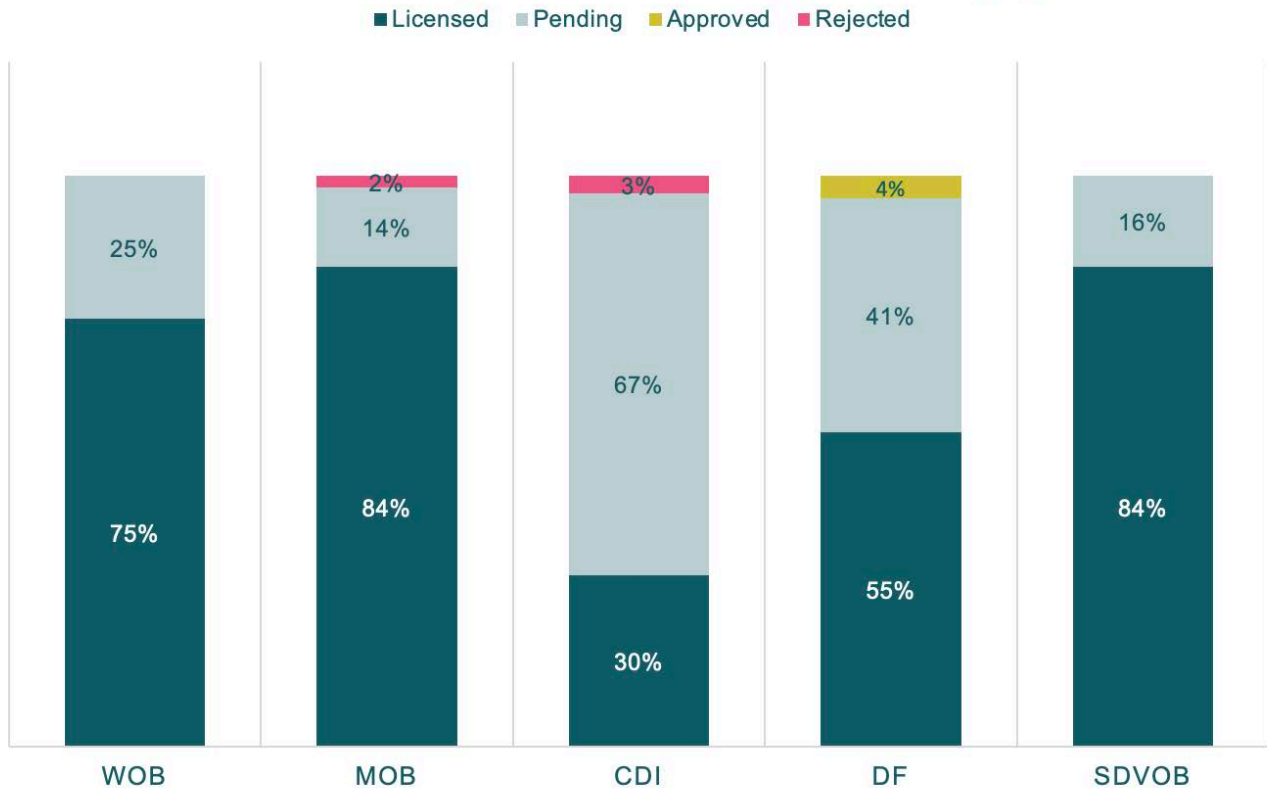
**Table 1.2. Licenses by SEE Type**



**Table 1.3. Licensing Overview of SEE Applications by Type**

The number of SEE applications by type, categorized by whether the applicant was approved for licensure, rejected, or still pending under OCM review.

**Table 1.3. Licensing Overview of SEE Applications by Type**



SEE licensees exist across the entire supply chain, with strong participation in all license types. Adult-use cultivators, processors, distributors, microbusiness, and retail dispensaries all include SEE licenses, with the lowest participation occurring amongst cultivators and distributors. The highest SEE participation occurs amongst the retail dispensary licenses. See Table 1.3.

Table 1.4 also suggests some SEE categories prefer specific license types, although the reasons for such preferences are not always known. For example, distressed farmers gravitate towards the adult-use cultivator (20%) and adult-use distributor (23%) licenses. This tendency is, perhaps, due to alignment with those licenses and the operational skills of distressed farmers. The concentration of minority-owned businesses within the adult-use retail dispensary license is the highest of any SEE category and of any license type but the reason for this preference is less self-explanatory. Nonetheless, this data presents an opportunity to identify areas of underrepresentation across the supply chain and an opportunity to engage with key stakeholders to better understand these patterns. See Table 1.4.

**Table 1.4. SEE Categories by License Type and SEE across the Supply Chain.**

	Adult-Use Cultivators	Adult-Use Processors	Adult-Use Distributors	Adult-Use Microbusiness	Adult-Use Retail Dispensary
<b>CDI</b>	3%	6%	8%	8%	2%
<b>DF</b>	20%	9%	23%	5%	1%
<b>WOB</b>	43%	46%	31%	48%	41%
<b>MOB</b>	25%	34%	31%	27%	50%
<b>SDVOB</b>	9%	5%	7%	12%	5%
<b>SEE / Non-SEE</b>					
<b>SEE</b>	38%	45%	38%	58%	81%
<b>Non-SEE</b>	62%	55%	62%	42%	19%

Toward the end of 2024, OCM began redesigning its SEE data collection strategy. Previously, applicants and licensees could only be counted in a single SEE category, regardless of whether they qualified for multiple categories. In 2025, applicants and licensees will be counted in multiple SEE categories, in as many as they demonstrably qualify. OCM expects that the data will show higher participation amongst CDIs, who may have been previously captured by another SEE category.

## Strengthen Protections Against Predatory Practices

SEE applicants and licensees must maintain sole control of the business (9 NYCRR § 121.2). Sole control ensures that SEE licensees are legitimate in their status and operations. A SEE-qualifying individual or individuals must prove they have real, substantial, and continuing ownership of at least 51% equity share in the business and that they have the ability to exercise the authority to materially influence day-to-day business decisions.

The SEE Team reviewed over 1,500 SEE certification applications to ensure SEE benefits and fee reductions only applied to demonstrated SEE status. Applicants who sought to qualify as SEE but did not provide adequate proof of SEE sole control were denied SEE certification and benefits. While SEE licensees can make changes to their business structures, they must remain SEE-owned for at least three years from the date of licensure.



## Maintain Proactive Enforcement and Oversight of Ownership Rules

New York's adult-use cannabis industry is designed as a two-tier market consisting of a supply tier and a retail tier. Under this design, for example, operators must choose licenses in either tier, with few exceptions. The True Party of Interest (TPI) framework protects the integrity of this two-tier structure and establish procedures for monitoring and enforcing ownership restrictions (9 NYCRR § 118.1(a)(105)). TPIs are persons and entities with a direct or indirect stake in a license. Other TPI regulations require licensees to provide periodic reports on ownership arrangements, management-service agreements, any changes in ownership or sales of equity, and vendor contracts as well as conduct regular compliance inspections and financial audits. These regulations provide visibility into the market and protect the ownership interests of an industry built by small businesses.<sup>2</sup>

The SEE Team is a partner in compliance efforts between OCM departments to monitor and enforce these regulations. Along with the SEE Team, members of OCM's data, licensing, compliance, policy, and legal divisions collaborate to investigate, review, and enforce TPI rules among licensees and applicants.

This collaborative effort has been essential in publishing TPI-related guidance and ensuring that OCM fulfils its mandate to build equity into New York's cannabis industry.

## Market Architecture Performance Measurements

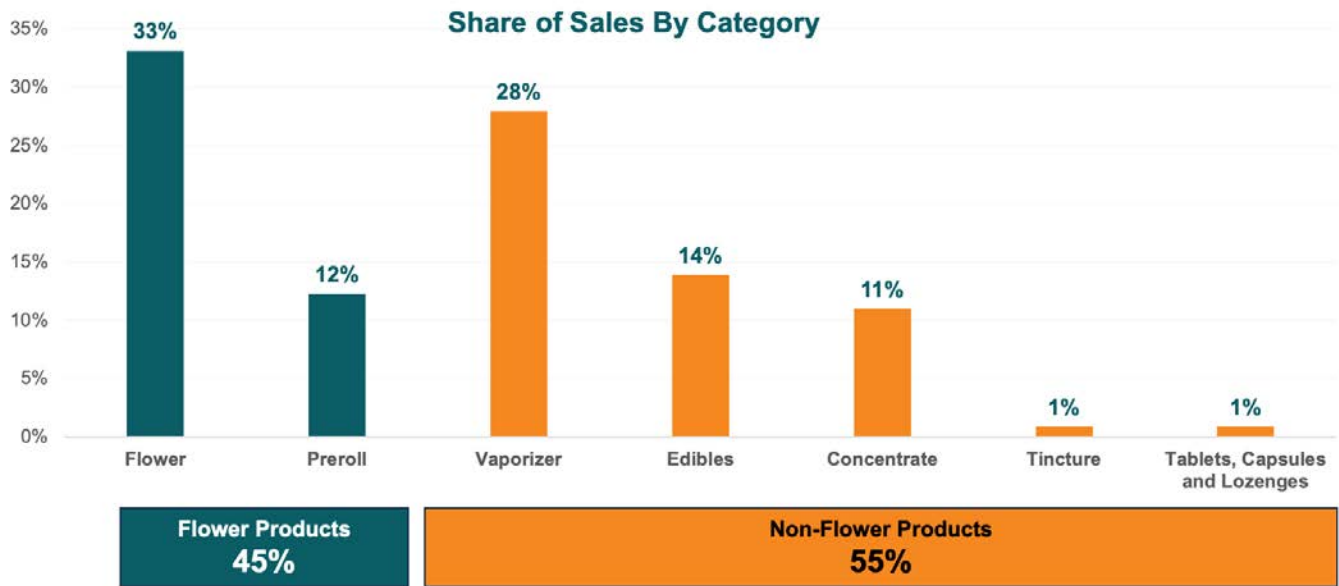
A necessary method for evaluating the success of New York's market architecture and overall market health is to develop and measure market participation, product movement, product pricing, and the density and distribution of cannabis licensees in each market segment. OCM is continuously evaluating these criteria to determine the health of New York's cannabis programs, and to gauge for regulatory adjustments. These measurements give an up-to-date snapshot of the cannabis market and project the future performance of the market. This enables OCM to be proactive about the performance and health of the market as it pertains to the distribution of licenses among the various race, ethnicity, gender, and geographic groupings present in New York.

**Market Concentration.** A healthy cannabis market needs a substantial mixture of flower and non-flower products. The SEE Team is tracking which types of products processors develop to ensure that the cannabis supply side can provide a broad range of cannabis goods.

---

<sup>2</sup> For more information on TPI regulations, visit [TPI Hub | Office of Cannabis Management](#).

# THE NEW YORK MARKET PRODUCT MIX HAS A HEALTHY COMBINATION OF FLOWER AND NON-FLOWER PRODUCTS



Based on sales from Week of 11/3/2024  
Note: Concentrates include infused flower, prerolls, blunts and chillums

**Market Growth.** CAURD, Conditional Adult-Use Retail Dispensary, another equity program designed by the SEE Team, and SEE licensees drive total aggregate retail sales in New York's cannabis market. Retail sales are on track to reach \$1 billion by the end of 2024.

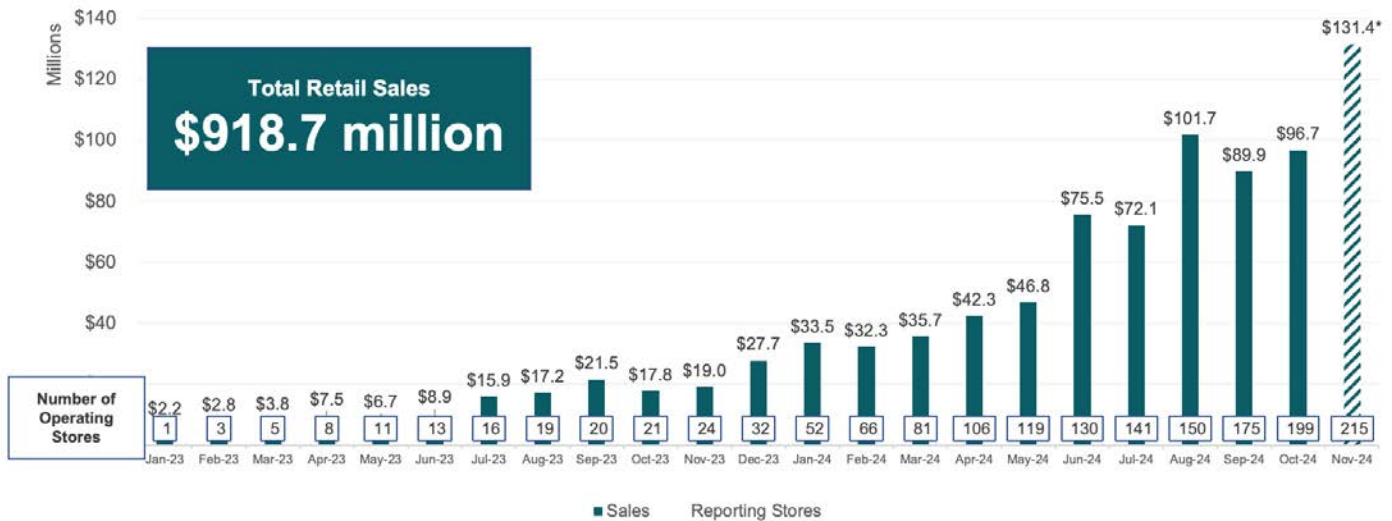
**Diversity of Ownership.** The SEE Team tracks race and ethnicity across ownership. Based on TPI data, the majority of TPIs are White and non-Hispanic. Most of the non-White TPIs participate in the retail dispensary license.

**Table 1.5. Race and Ethnicity Amongst TPIs by License Type**

Race / Ethnicity	Adult-use Cultivator	Adult-use Processor	Adult-use Distributor	Adult-use Microbusiness	Adult-use Retail Dispensary
<b>Race</b>					
White	75%	71%	74%	69%	52%
Black	3%	4%	2%	12%	12%
Asian	5%	6%	6%	3%	18%
Other Minorities	4%	6%	4%	7%	10%
Not Disclosed	13%	13%	14%	9%	8%

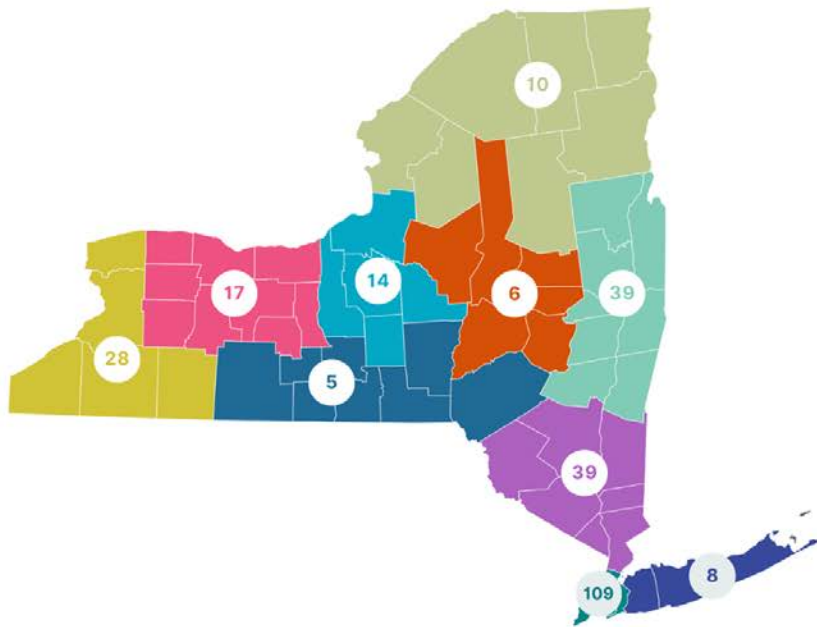
# TOTAL SALES SINCE MARKET LAUNCH ARE ON PACE TO HIT \$1 BILLION BY YEAR END

## NY Cannabis Retail Sales



\* November had 5 reporting weeks, contributing to the higher monthly total

# REGIONAL DISTRIBUTION OF OPEN ADULT-USE DISPENSARIES

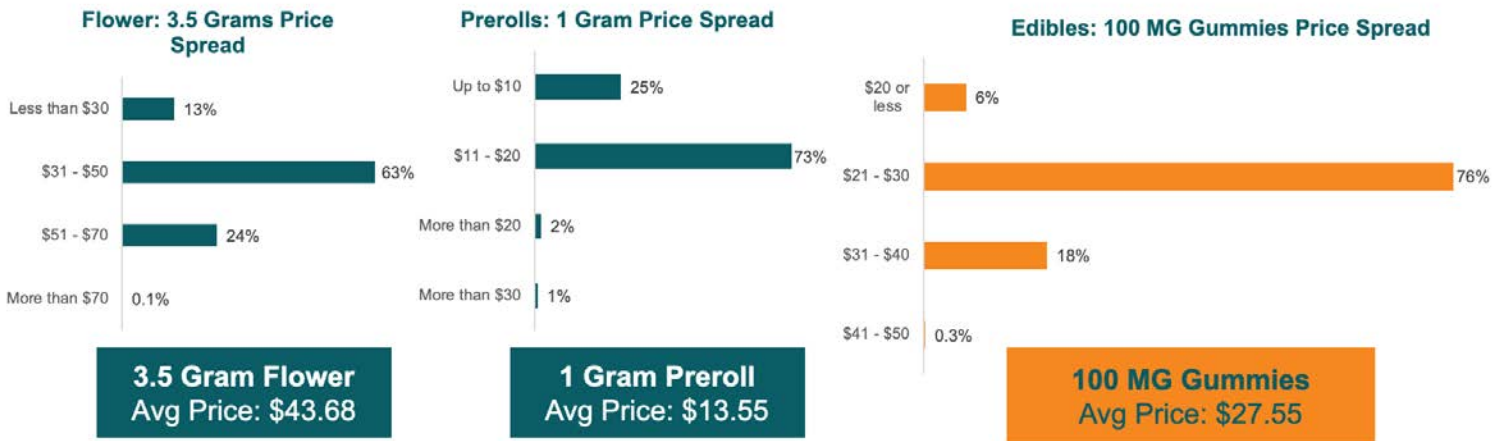


New York State Regions	
Western NY	28
Finger Lakes	17
Southern Tier	5
Central NY	14
Mohawk Valley	6
Capital Region	39
Mid-Hudson	39
New York City	109
Long Island	8
North Country	10

Ethnicity					
Hispanic	6%	8%	7%	8%	9%
Non-Hispanic	77%	76%	78%	79%	82%
Not Disclosed	16%	16%	15%	13%	9%

**Geographic Distribution.** OCM utilizes NYS Empire State Development maps to break areas of the state into 10 distinct regions. Of all regions, NYC has the highest number of open adult-use dispensaries. upstate, downstate has a lower number of open dispensaries.

**Pricing Patterns.** Maintaining a healthy balance between the supply and retail segments of the cannabis market is crucial to ensuring that prices remain within a range that enable all market participants to sustain their businesses. OCM tracks these prices to provide insight into market development and determine regulatory action. Although current data is limited to flower, preroll and gummies, OCM is in the process of updating its data collection system to track other product segments.




## II. Access and Business Viability

### Technical Assistance for License Applications



**75**  
**Technical Assistance Providers (TAPs)**  
were engaged and trained to provide application assistance in all **10 NYS ESD Regions**.



**800+**  
**requests** from SEE applicants were fulfilled through the TAP network.

OCM recognized a need to provide SEE applicants with technical assistance to navigate the intensive application process. The agency identified the following objectives: strategic network support, collaborative partnerships, training and development, resource dissemination, and additional support and funding for community partners.

OCM created the Cannabis Hub and Incubator Program (CHIP) to address this need. CHIP includes resources and supports for cultivation applicants and licensees, such as counseling services, education, small business coaching, financial planning, and compliance assistance. CHIP offers a continuum of entry points into the industry with services tailored to meet entrepreneurs where they are, including obtaining licenses and staying operationally compliant.

OCM engaged and strategically collaborated with key community stakeholders, referred to as Technical Assistance Providers (TAPs). The primary objective of these collaborations was to have TAPs render pro-bono application assistance to SEE-qualified applicants, in-person and virtually. To facilitate this support, OCM engaged voluntary community-based organizations, municipalities, academic institutions, and key community stakeholders, bringing together over 75 TAPs [across all regions in New York](#) to form a network dedicated to streamlining the license application and curing deficiencies for SEE applicants.

Partner training included a series of instructional sessions focused on SEE eligibility and familiarizing TAPs with the particularities of the application process – thereby, transforming TAPs into SEE Application specialists. Other resources included a detailed review of OCM’s Frequently Asked Questions [document](#), a [slide deck](#) with links to OCM and external resources, curated resource guides, and guides about issues most encountered in previous application rounds, e.g. TPI, location changes, acquisition procedures, and more.

- Engaged and trained 75 TAPs to provide application assistance.
- Fulfillment of over 800 requests from SEE applicants.
- Coverage of all 10 NYS Empire State Development Regions within the TAP network.

## Technical Assistance Program (TAP) Grants



# Up to \$75,000

in reimbursement was awarded to TAP grantees in the first round of funding to provide guidance and support to SEE applicants and licensees.

TAP grants provide funding to technical assistance providers. In the first round of funding, TAP grantees were **awarded up to \$75,000 in reimbursement** to provide guidance and support SEE applicants and licensees.

Additionally, grantees provide 1-on-1 mentorship, application curing assistance, post-licensure support, new business guidance, supply chain education, and SEE certification assistance. The first round of TAP Grants **awarded over \$650,000 in total funding to nine grantees** across the State.

## Our Academy x CAURD Accelerator Program

### Increase Access to Meaningful Business Support Services

The CAURD Accelerator program, funded and administered by OCM, is a program designed to support representative equity in New York's cannabis market by increasing CAURD licensees' chances of long-term success in the highly competitive cannabis retail market. The CAURD Accelerator prepares CAURD licensees to successfully launch and operate their cannabis business, emphasizing cannabis compliance, marketing, and financial literacy. It provides one-on-one mentoring and intensive training through hands-on assistance, 40 distinct workshops, and consultations with finance specialists.

To provide this service, OCM partnered with [Our Academy](#), a 501(c)(3) non-profit workshop, mentorship program, and open education resource for cannabis equity applicants, operators, and others impacted by the War on Drugs, with a track record of performing these services nationwide. OCM holds ownership of the CAURD Accelerator and all written materials produced through the program as a foundation for future business development programming.

### Retail Accelerator Program Expansion

Following the success of the CAURD Accelerator in 2023, OCM initiated a contract expansion to include 750 CAURD and SEE Retail Dispensary licensees. This expansion offered

comprehensive services and educational resources at no cost through December 15, 2024. Key services included **83 live expert-led workshops**. These workshops have engaged an average of **95 participants per session**, totaling **115 hours of instructional time**. The accelerator continues to provide personalized 1-on-1 office hours, with over 690 recorded touchpoints, pro forma services to aid financial decision-making, and a free library of Standard Operating Procedure (SOP) templates for dispensary operations.



## **92.3% satisfaction rate**

was achieved by the Retail Accelerator Program, which offered online courses with interactive features to effectively address the needs of CAURD and SEE Retail Dispensary licensees.

The program offered online courses with interactive features, achieving a **92.3% satisfaction rate** among participants, demonstrating the program's effectiveness in addressing the needs of CAURD and SEE Retail Dispensary licensees. This strong feedback affirms OCM's continued effort to deliver high-quality, relevant content and support to entrepreneurs as they face the challenges of building and operating cannabis businesses.

### **Additional Program Statistics:**

- **900 hours** of 1-on-1 engagement recorded between Subject Matter Experts ("SMEs") and licensees.
- **170 pro forma models** prepared, with walkthroughs of pro formas, enabling clarifications, updates, and scenario testing.
- Open-source library of standard operating procedures (SOPs) specifically for New York retail operators.





### **Live Technical Assistance Event in Brooklyn:**

- Our Academy hosted over 150 CAURD and SEE Retail licensees throughout an 8-hour event with in-person technical assistance training by 7 mentors. During the event free pro formas were created for licensees, with the opportunity to book time with experts in finance, marketing, community boards, fundraising, real estate, operations, inventory management and more.
- Our Academy hosted a job fair at the event where any budding retailers who attended the prior day's training could meet retail licensees looking to hire staff for their store, with a photo booth set up on-site to provide free professional headshots.

## **New York State Conditional Adult-Use Retail Dispensary (CAURD) Grant Program**

The CAURD Grant Program offers CAURD licensees \$5 million in funding, earmarked for startup costs, security, and other necessary investments to help jumpstart operations, to maintain compliance, and to ensure continued business development opportunities in the adult-use cannabis space. Eligible CAURD licensees will be awarded with \$30,000 each.

On behalf of OCM, NYS Empire State Development (ESD) will contract with an independent, third-party service to administer the CAURD Grant Program. The grant administrator will perform

program outreach and marketing to prospective CAURD applicants and provide all infrastructure necessary to administer the grants, including but not limited to all hardware, software, security, and communication platforms necessary to meet ESD requirements. All applicants are eligible to apply for a grant to cover eligible expenses and, once the third-party administrator is operational, applications will be accepted on a rolling basis until funding is exhausted.

## CHIP Academy

OCM established CHIP Academy to educate and support conditional and new licensees in maintaining compliance with regulations, Good Manufacturing Practices (GMPs), and best practices. The inaugural phase of the CHIP Academy (Part 1) ran from November 1 to November 21, 2023. Part 2 followed in spring of 2024, with Part three running from November 4 to December 11, 2024. CHIP Academy 1 and 2 covered a wide range of compliance and regulatory courses for new operators, including AUCC and AUCP transition guidance, common application deficiency issues, walk-throughs for each license type, and detailed security compliance overviews for licensees. At the conclusion of Part 2, the SEE team gathered stakeholders and licensees across New York State to identify knowledge gaps and prioritize educational needs.

CHIP Academy 3 built on these sessions by delivering foundational compliance education to new operators with a focus on changes in regulations and issues that operators found particularly complicated, such as proximity protection, third-party certification for processors, and an overview of Department of Labor resources and insights. These in-depth compliance educational sessions which were paired with standing question and answer sessions at the end of each course, were vital in helping small business owners across New York navigate the regulations of each license type.

By fostering direct feedback loops between licensees and the agency, OCM was able to provide a unique and critical link that ensures small business owners receive the tailored support they need. This connection strengthens their ability to build compliant and sustainable businesses.

## Banking and Financial Institution Outreach

### Underwrite Default and Loan Loss Risks for Commercial Lenders

In 2024, the SEE Team has continued to prioritize engagement with legislators and financial institutions to deepen understanding of New York State's cannabis regulatory framework. In July 2024, SEE Team members participated in the Monthly Banks Advisory Committee meeting. The team delivered an overview of Cannabis Banking Compliance, highlighting seed-to-sale tracking, true party of interest regulations, and the two-tier system. These discussions were designed to inform policymakers and banking industry representatives about the compliance standards established by OCM and the role financial institutions play in facilitating a sustainable and equitable cannabis market.

The SEE Team has also held multiple conversations with banking institutions, third-party cannabis compliance vendors, and associations such as the New York State Banking Association and the Independent Banking Association. These engagements have provided a platform to address the unique challenges and opportunities in providing financial services to the cannabis industry, emphasizing the importance of aligning banking practices with regulatory requirements. These collaborative discussions have been critical in developing partnerships and building trust within the financial sector to support the cannabis market effectively.

In October 2024, SEE Team members participated in the New York State Credit Union Association's Cannabis Banking Conference. This event addressed the challenges financial institutions and cannabis businesses face in navigating the complexities of federal and state regulatory systems. The SEE Team's presentation focused on OCM's compliance measures and the practical implications for financial institutions seeking to serve cannabis-related businesses.

As part of its ongoing efforts to bridge gaps between cannabis operators and financial service providers, the SEE Team is also developing a Cannabis Banking Directory. This resource will enable licensed cannabis businesses to identify financial institutions offering cannabis-specific services. SEE Licensees can expect to have access to the Cannabis Banking Directory in the first half of 2025.

## Medical Cannabis

### Promote the Registration of Additional Organizations

The Cannabis Law states that additional ROs must be registered to expand access to medical cannabis. Such organizations are required to reflect the demographics of the state, represent communities that have been disproportionately impacted by cannabis prohibition, and be culturally, linguistically, and medically competent to serve unserved and underserved areas of the state. (N.Y. CANBS § 35(9)). In response to this mandate, OCM presented an opportunity to the public to submit applications for new medical cannabis registrations as part of the RO Expansion program. The application period, which opened in October 2023 and closed in December 2023, sought applicants who demonstrate their ability and capacity to serve the public interest by: providing affordable products for patients; protecting environmental sustainability; meeting diversity, equity and inclusion goals; and showing medical, cultural, and linguistic competency to serve areas of the state identified to be medically unserved and underserved.<sup>3</sup>

---

<sup>3</sup> Medically unserved and underserved areas are identified through a health disadvantage scoring system applied to census tracts across the state. This scoring considers metrics commonly used by state and federal agencies to assess medically vulnerable communities requiring additional resources. For more information, visit [Unserved & Underserved | Office of Cannabis Management](#)

To evaluate Registered Organization applications, the SEE Team developed RO scoring rubrics, application review, and trained RO application reviewers from OCM and other New York State agencies. OCM received 10 applications; 7 RO applicants received registrations in 2024.

### III. Consumer and Community Engagement



#### Office of Cannabis Management Veterans Taskforce

The SEE Team leads OCM’s Veterans Taskforce. The Taskforce is an interagency consortium of employees and representatives of NYS agencies that regularly interact with veterans. The Taskforce prioritizes: 1) creating an education campaign for consumer awareness and business opportunities in cannabis, and 2) expanding cannabis research to include veterans’ health.

The Taskforce seeks to achieve these goals by implementing plans and strategies detailed in the SEE Plan. This includes ensuring OCM reduces barriers to entry for interested service-disabled veteran owned businesses (SDVOBs), promotes equity for veterans in cannabis research and maintains a constant engagement with the veteran community to gain their perspectives as both consumers and business owners in the cannabis industry.

The Taskforce includes over a dozen OCM employees and partners from several other state agencies, including Office of General Services, Department of Labor, Department of Health, and NYC Housing Development Corporation. Together we created educational material on veteran consumption and risks of cannabis and disseminated it at the Veterans for Economic Transition Conference. The Taskforce continues to conduct outreach, cultivate relationships, and hold discussions with community-based organizations that serve veterans.

## OCM Office Hours

The SEE Team continues to support the work of the Public Affairs Team by providing leadership and planning support for the OCM 'Office Hours' tour. Office Hours is a series of seven live community engagements across the state, five of which occurred in 2024. OCM's executive team, local elected officials, and cannabis community stakeholders come together to discuss the state of the cannabis ecosystem and strategize new industry opportunities.

## Microbusiness & Cultivator Survey

The SEE Team is in the process of conducting a survey aimed at microbusiness and cultivator licensees to better understand the educational resources most needed by cannabis growers. This type of outreach is part of a broader effort to gather input from industry stakeholders about the challenges they face as the market continues to grow. Their feedback will help shape future programs and resources that are tailored to the evolving needs of New York's cannabis growers. By actively listening to licensees, we aim to provide meaningful support that strengthens the industry and helps businesses succeed.

## Conferences & Speaking Engagements

Throughout 2024, the SEE Team attended several cannabis-related and economic development conferences, events, and panels.

### February:

- NYS Senate Banking Roundtable Presentation
- Presentation to Harlem Health Initiative "Breaking Barriers Through Leading on Justice"
- Speaking to OCM's equity mission at opening of Brownies retail store – Albany, NY
- New York State Association of Black, Puerto Rican, Hispanic & Asian Legislators, Inc.

### April:

- Borough Manhattan Community College's Cannabis Workforce and Business Development Training Program joint Advisory Board meeting

### July:

- Hudson Valley Cannabis Farm Tours – Hudson Hemp & Chickidoo Farms
- Monthly Banks Advisory Committee meeting hosted by New York State Senator James Sanders
- Black Cannabusiness Expo – Chicago, IL
- Presentation at meeting of banks held by Chair of Senate Banking Committee; Banking Cannabis and Compliance

- NYS General Counsel's Meeting on Illicit Cannabis Taskforce and the benefits to SEE Licensees
- FastTrac Cannabis with NYC Small Business Services – NY, NY

**August:**

- New York State Fair 2024 – Syracuse, NY
- OCM Office Hours- Geneva, NY
- Address to New York Credit Union Association on banking opportunities
- Address to New York Bankers Association

**September:**

- New York State Fair 2024 – Syracuse, NY
- Cornell Cooperative Extension's High-Cannabinoid Hemp Field Day – Geneva, NY

**October:**

- New York State Credit Union Association's Cannabis Banking Conference
- OCM Office Hours - Rochester, NY and Buffalo, NY
- FastTrac Cannabis with NYC SBS – NY, NY

**November:**

- 14th Annual New York State Minority and Women Owned Business Enterprises (MWBE) Forum
- OCM Office Hours - Albany, NY

**December:**

- 2024 Cannabis Regulators Association (CANNRA) Annual Member Meeting
- Retail Accelerator Budtender Training Event – NY, NY
- Retail Accelerator IRL Office Hours & Closing Ceremony – NY, NY
- Faith-Based Community Coalition Meeting w/ BLOOM ROC – Rochester, NY
- Cannabis Justice and Equity Initiative – NY, NY

## IV. Community Reinvestment Program

The SEE Team supports the Community Grants Reinvestment Fund (CGRF) Team in helping to manage the program. CGRF reinvests cannabis tax revenue into communities most affected by past discriminatory drug enforcement and cannabis prohibition. The CGRF acknowledges decades of harm and loss at the individual, interpersonal, and community level. By investing in community-based organizations that serve the most affected areas of the State, the CGRF sets a course of restorative justice aimed at strengthening the services and institutions poised to address these systemic gaps.

Under NY STATE FIN § 99-ii, 40% of adult-use cannabis tax revenue goes back to disproportionately affected communities in the form of grants overseen by the Cannabis Advisory Board (CAB) via the CGRF. The first round of CGRF will issue grants to 501(c)(3) community-based organizations to fund programs serving youth, focusing on workforce development, housing, and mental health. To ensure funding is available to areas of the State where funding can have the most impact, the 2024 grant cycle aimed to prioritize funding to counties identified as high-need for youth-oriented services and as historically under-resourced and overpoliced.

The 2024 application window closed on December 18, 2024. Applications were submitted to OCM's eGrants system to be scored by a panel of qualified reviewers. Application questions cover information about the applicant's organization, the community they plan to serve, the activities they're proposing, and a budget. Organizations will be selected based on scoring of all application materials, assessing their ability to implement a successful project aligned with the goals of the Community Reinvestment Program. According to the guidance of CAB, the program may choose to focus on different areas in the future.

OCM held 20 grant readiness engagement sessions to inform and prepare for the upcoming Community Grants opportunity. The tour, attended by over 1,350 people, detailed how to get prequalified in The Statewide Financial System (SFS), identifies strategies for securing funding, covers different types of procurement opportunities, and aims to ensure that non-profits and community-based organizations have the tools necessary to apply for the grant.



## V. A Look Ahead



### Incubation Expansion

OCM has developed several incubation initiatives over the past two years, including the Cannabis Compliance Training and Mentorship Program (CCTM), the CAURD and SEE Retail Accelerator Program, the Technical Assistance Provider (TAP) Grant Program, the Cannabis Hub and Incubation Program (CHIP) Academy, the Micro-licensee Financial Foundations workshop, and the CAURD Grant Program. These initiatives have been vital building blocks to ensuring equity is at the center of New York State's cannabis market, but there is much more work to do to ensure it remains a pillar of the market as it matures rapidly over the next decade.

The proposed plan for incubation expansion is below and grounded in a detailed analysis of several analogs, including review of successful incubation programs established by other states to strengthen their social equity initiatives. These programs provide other states' equity licensees and applicants with access to mentorship, technical assistance, low-interest loans, and substantial grant opportunities.

## OCM Proposed Plan for Incubation Expansion 2025

Programming	Estimated Launch (2025)
Educational Partnership Grant (SUNY/CUNY)	March 15
DOL Partnership & OTJ Training	April 15
Supply Chain Event	May 15
CAURD Grant Round 2	June 1
CHIP Center RFP	July 1
TAP Round 2	July 15
On-Site Incubator Pilot - Cultivation	August 15

Below is a description of each of the incubation expansion projects listed in the 2025 proposal. The order listed below is the order in which OCM anticipates these projects will launch in 2025.

### **Educational Partnership Grant (SUNY/CUNY)**

In the first quarter of 2025, the Office will enter into a partnership with the State University of New York and City University of New York school system through a Memorandum of Understanding (MOU). This partnership will enable OCM to provide funding that supports these institutions in delivering equitable opportunities through cannabis education and training programs.

OCM acknowledges the challenges posed by funding restrictions and federal laws, particularly in providing access for all learners. By collaborating with academic institutions already deeply engaged in cannabis education across New York State, OCM aims to make these programs more accessible, scalable, and impactful.

The funding will expand specialized cannabis programs, offered in-person and virtually, while reducing redundancy across the CUNY and SUNY networks. This investment in New York-based educational institutions will add to the development of a skilled and knowledgeable workforce, supporting the growth of New York State’s emerging cannabis market. OCM has had multiple strategy sessions with SUNY and CUNY cannabis program leadership to determine the most productive funding model and is working to launch an MOU in March of 2025.

### **New York State Department of Labor (DOL) Partnership – On the Job Training**

Spring 2025, OCM will launch a collaborative on-the-job training (OJT) program in partnership with DOL. The program will be a partnership between OCM and DOL, and will support job

opportunities for SEE employees within the supply chain. Through this initiative, OCM will subsidize wages for SEE-eligible workers, creating valuable employment opportunities while delivering cost savings to participating employers.

The program aims to address workforce gaps and SEE participation across the supply chain by leveraging DOL's expertise in administering OJT programs. By funding wages for specific roles, we will enhance job access, stimulate economic growth, and strengthen employer-employee relationships. With DOL's proven expertise and our financial support, this initiative is ready to drive impactful outcomes.

Benefits include (but are not limited to):

- **For Workers:** Access to meaningful, skill-building employment.
- **For Employers:** Reduced financial burden for training and onboarding.
- **For NYS Agencies:** A streamlined partnership to solve funding constraints, demonstrating innovation and shared commitment to workforce development.

## Supply Chain Events

Small cannabis producers face significant challenges in gaining exposure for their products, particularly when competing against larger industry players with extensive marketing budgets and established sales teams. Retailers and distributors, in turn, are limited in their exposure to diverse growers and suppliers – limiting their product offerings, and their revenue potential. This dynamic also reduces market variety and limits the development of a truly consumer-driven marketplace.

As outlined in the SEE Plan, craft cannabis varieties grown in New York's diverse and fertile regions are poised to create strong regional identifiers, fostering interregional competition that will drive product diversification and enhance overall product quality in the long-term. For craft cannabis to thrive across the state, however, OCM must facilitate a network of strong relationships among growers, processors, and retailers.

The SEE Team is planning a series of supply chain events, both in-person and virtual, designed to foster collaboration and networking across all sectors of the cannabis industry. These events will allow producers, distributors, and retailers to engage directly, expanding their understanding of available products and opportunities within the market. The first in-person supply chain event is scheduled for late Spring 2025, with subsequent events planned throughout the following year. At these events, cultivators and processors will have the opportunity to showcase their products, while retailers can present their storefronts as ideal venues to connect with an expanding customer base.

## CAURD Grant Expansion (Round 2)

OCM will build on the Pilot Round of the CAURD Grant Program by offering another round of funding to eligible CAURD licensees. CAURDs will be encouraged to apply for reimbursements

on eligible contract spending, including inventory, point-of-sale systems, renovations of licensed retail space, inventory tracking systems, security, product storage and transportation, and rent for licensed retail space.

The goal of Round 2 of the CAURD Grant Program is to provide expanded access to operational funding for operating CAURD licensees across New York State. The estimated release date of Round 2 is May 2025.

### **TAP Grant Expansion**

To ensure SEE applicants and early-stage licensees have the resources necessary to both navigate future licensing application windows and maintain compliance requirements upon operationalization, the SEE Team will launch a second round of grants to Technical Assistance Providers across the state.

Following the completion of the first round of TAP grant contracts in March 2025, OCM will host a roundtable feedback session with grantees. This session will focus on identifying both successes and challenges of the inaugural grant round, with the goal of refining and improving the second round of funding. This iterative process will help tailor future grants to better support TAPs in delivering both in-person and virtual assistance to SEE applicants.

By investing in organizations with strong local connections, OCM will further its mission to provide ongoing mentorship, application support, post-licensure guidance, business development, supply chain education, and SEE certification assistance. OCM proposes the allocation of additional funding in TAP grants for the 2025-2026 fiscal year, ensuring that technical assistance remains a core component of the state's incubation efforts, and building on the scope of the grants to highlight the need for business service supports SEE licensees.

### **RFP for CHIP Growth Centers**

OCM will work towards establishing CHIP Growth Centers in each of the state's ten economic regions in July of this coming year. Based on regional needs, these centers will provide a variety of services such as license application assistance, general and cannabis-specific business development (including a CAURD Accelerator regional expansion), compliance training tailored for heirloom and traditional farmers, and workforce development. Workforce development will be focused on local needs, integrating state and local resources, and will include special programs such as re-entry and childcare assistance. Additionally, the CHIP centers will include general business development courses, cannabis licensure technical assistance programming, compliance training, community kitchens, and agricultural education courses.

To accomplish this goal, OCM will issue a grant program to promote competition and opportunity. The grant will evaluate the bidder's qualifications. Each CHIP Center will have sufficient personnel, monitored by OCM, to meet all the aforementioned training and support objectives.

Eligibility requirements will include, but not be limited to:

- Existing presence and service to a community

- Previous experience providing community services, including but not limited to cannabis business services, entrepreneur development, and workforce training in the cannabis space
- Ability to organize and supervise a new program with multiple community-based participants
- Existing physical space, or the capability to expand existing space to accommodate increased program participation and additional personnel

As part of the ongoing effort to uplift service-disabled veterans in the New York Cannabis market, technical assistance and mentorship for this SEE group must also be a priority under our growing incubation model as recommended by veterans in community roundtables facilitated by the SEE team, another way OCM will support veterans is by ensuring technical assistance includes resources tailored to each SEE category's unique needs. For veterans specifically. To align with service-disabled veteran's specific skillsets and needs, a significant portion of CHIP growth centers will include mentorship programming focused on security, training others, and logistics across the cannabis supply chain.

Through these expanded incubation opportunities, OCM will continue to work towards the goals of creating business opportunities in cannabis and reduce barriers to entry for veterans and SDVOBs.

The CHIP Growth Centers are expected to:

*Short term* - Increase applications to the social equity program, licenses received by equity applicants, access to business support and development services, successful retail operationalization, product development and differentiation, upskilling the cannabis workforce, reducing barriers to entry, avoidance of predatory practices, raised awareness of the medical cannabis program, bridges to licensure through compliance training and consultancy services, access to coordinated job training and placement services.

*Intermediate term* – Facilitate a rise in SEE and small business ownership and entrepreneurship, financial security, community involvement, product innovation, sustainability improvements, increased regional economic activity, and expansion for businesses and individuals taking part in the CHIP Center program.

*Long term* - Incentivize investments in communities negatively impacted by cannabis prohibition, increased earnings for equity operators, increased business equity and net worth, greater civic engagement, and increased tax revenue and economic diversity. These long-term outcomes will result in positive community development across the state, including increased educational and professional development, generational wealth, enhanced community and social capital, and government-community trust.

## **Microbusinesses Pro Forma and Finance Assistance**

The microbusiness license is designed to support SEE applicants, permitting a licensee to cultivate, process, distribute, sell, and deliver their business' products in the adult-use market. An adult-use microbusiness licensee must engage in cultivation and at least one other licensed activity, such as processing, distribution, or retail sales.

To ensure the success and sustainability of future microbusiness licensees, OCM engaged a financial advisory firm to create a dynamic financial pro forma template specifically tailored to these innovative small businesses. Eligible microbusiness licensees will receive a customized financial operating model, providing them with the flexibility to input key operating assumptions and generate clear financial projections. The tool will be a comprehensive, driver-based financial model encompassing revenue, operating costs, capital expenditures, and working capital considerations. Microbusiness licensees will have access to a detailed assumptions page where they can easily update and input assumptions to manage their financial operations effectively. The programming is being created through a contract with an advisory firm specializing in cannabis financial modeling and templatization, and will launch in Q1 2025.

## **Consumer-Facing Track-and-Trace**

OCM is developing a consumer-facing track-and-trace system to enhance transparency and promote equity in New York's cannabis industry. This innovative platform will allow consumers to trace the full lifecycle of cannabis products from seed to sale, providing detailed information on each business involved throughout the supply chain. Consumers will be able to search for products by lot number, batch number, product name, or strain name, and access a product-specific page displaying recall information and profiles of participating businesses.

Each business profile will include information on SEE status, general location, and whether the business operates exclusively in New York or in other states. By highlighting local and equity operators, the platform empowers consumers to make informed choices that support New York-based businesses and prioritize equity within the cannabis market. This initiative aims to strengthen consumer trust, increase visibility for SEE businesses, and reinforce the state's commitment to building a fair and inclusive cannabis industry.

The project will also enhance consumer safety by collaborating with Public Health and Safety units to integrate recall alerts directly into the product pages. Consumers will be notified of any recalls through prominent notices and provided with clear instructions on returning or reporting affected products.

In preparation for launch, OCM will lead an outreach campaign to help consumers navigate the platform while highlighting the importance of supporting SEE businesses. By providing a seamless and informative user experience, this initiative reinforces OCM's commitment to transparency, consumer protection, and the advancement of equity in New York's cannabis market.

## Low Interest Loans

The SEE Team is actively developing low-interest loan programs tailored to SEE entrepreneurs and other eligible participants to facilitate access to capital in the regulated cannabis market. The team is evaluating various loan structures, including:

- **Low-Interest Loan Program:** Participants would be offered loans at below-market interest rates, reducing financial burdens and providing greater access to capital.
- **Public/Private Partnership Loan Structure:** Under this model, OCM would collaborate with an external financing partner to manage the loan program. The partner would oversee all operational aspects, including loan disbursement, interest collection, and default monitoring, while OCM maintains oversight of the program's alignment with social equity goals.
- **State-Administered Forgivable Loan Structure:** This internally managed program would provide direct capital from OCM to licensed market participants.

Through these proposed models, the SEE Team aims to address the financial barriers faced by Social Equity Entrepreneurs and create a sustainable framework for supporting long-term success in the cannabis industry.

## SEE Logo

The SEE Team aims to introduce a New York State Social and Economic Equity Logo for cannabis businesses across the supply chain, as outlined in the SEE Plan. This logo is intended to serve as a symbol of recognition, encouraging both suppliers and consumers to support products cultivated, processed, distributed, or sold by SEE licensees and provide meaningful product labeling throughout the supply chain.

To collaborate and best understand how the SEE logo can serve the needs of licensees across the supply chain, the SEE Team released a survey to licensees. 71% of respondents reported that they would be willing to utilize the logo on their products and businesses. Respondents also reported several potential benefits of a logo, including enhanced market differentiation and greater community support.

This initiative will further legitimize SEE brands, build awareness of social and economic equity, enable SEE licensees to take advantage of the growing market demand for cannabis locally grown and produced, and ultimately fulfill OCM's mission to advance the growth of SEE licensees. Note that the SEE Logo is a supplemental designation, separate from the mandatory labeling requirements in 9 NYCRR Part 128.

## Regional Economic Development

From cultivation, processing labs, distribution hubs, tourism and agritourism initiatives to research and development – the cannabis industry offers a spectrum of opportunities both for market participants and the local economies they operate in. Cannabis businesses in New York seek to hire from a diverse, talented, and deep labor pool. As the Empire State's cannabis market matures, it is expected that annual revenue will exceed \$6 billion, supporting tens of thousands of jobs. To avoid market saturation and other pitfalls encountered by fellow states' legal markets, the SEE Team recommends a steady, patient pace of adult-use license issuance.

The SEE Team will continue to collaborate with Regional Economic Development Council (REDC) advisory groups and Empire State Development to take advantage of available state grants and funding. The financing and awarding of grants to cannabis-related businesses represents a fundamental shift in the allocation of state resources, ensuring less bureaucracy and greater efficiency in meeting local and market needs. These collaborations can leverage collective strength, raise consumer awareness, and protect the interests of small and medium sized cannabis brands, particularly equity licensees and operators that are strictly working within New York state.

Access to public and private capital markets is a necessity for any growing market sector, and this is especially true for social equity cannabis license holders and any business owner that has minimal experience and connections in traditional fundraising and capital allocation networks. OCM and the SEE Team specifically are working to directly connect as many equity licensees to every possible source of funding and capital support that New York State has to offer.

## Understanding CDIs and Enforcement Efforts

A Community Disproportionately Impacted (CDI) is a history of arrests, convictions, and other law enforcement practices in a certain geographic area, including, but not limited to, precincts, zip codes, neighborhoods, and political subdivisions, reflecting disparate enforcement of cannabis prohibition during a specific time period relative to the rest of the state. N.Y. CANBS § 87(5)(g). Utilizing data from decennial census surveys and data provided by the Division of Criminal Justice Services on the residential address of all individuals arrested in New York State from 1980 through 2021, OCM was able to determine the arrest rates for the state as a whole and local census tracts. Where the local arrest rate substantially exceeded the state's arrest rate, OCM [designated](#) the area as a CDI.

As a regulatory agency charged with the responsibility to enforce a new cannabis regime in this post-prohibition landscape, we need to assess whether there is a relationship between CDIs and our enforcement efforts. In May 2024, Governor Hochul launched the Illicit Cannabis Enforcement Task Force. The Task Force, led by the State Police First Deputy Superintendent, was a major statewide effort to coordinate staff from several agencies to combat the illicit cannabis market. Since launched, the Task Force – in collaboration with the State Police, OCM, local law enforcement, and other state agencies – has helped close more than 1,000 unlicensed stores to date.



The SEE Team is studying the potential relationship between the locations of enforcement activity and CDIs. These two datasets – that of CDIs and of padlocked locations – present an opportunity to answer three questions: what is the proximity of CDIs to illicit and padlocked shops, are geographic areas (zip code, geo-ID, county, etc.) with a large number of CDIs more likely to have padlocked shops; and, what external factors within in a community (like income or race) can be attributed to the number padlocked shops? This project will be completed in the first quarter of 2025.

## Ancillary Business Directory

The SEE Team is developing an **Ancillary Business Directory** to support non-plant-touching businesses that play a critical role in the cannabis industry. The directory's first phase focuses on **cannabis banking**, addressing one of the industry's biggest challenges by connecting operators with institutions offering cannabis-friendly financial services. The second phase will expand to include **construction** and **security businesses**, which are essential for building compliant facilities and ensuring the safety of operations. These three foundational sectors enable the cannabis industry to grow sustainably and safely, providing services that address critical operational needs.

This initiative not only strengthens the cannabis ecosystem but also drives economic growth by creating opportunities for ancillary businesses to expand, hire employees, and enhance their offerings. Over time, the directory will broaden its scope to include additional professional services, promoting collaboration and resilience across the cannabis market. By strategically supporting these industries, the SEE Team aims to build a robust, equitable, and sustainable framework for New York's emerging cannabis sector.

## Conclusion

In 2024, the SEE Team made significant strides in advancing an inclusive, resilient cannabis industry in New York. Through technical assistance programs, incubation expansion, grant funding, and policy research, the team actively continues to empower marginalized communities, providing resources and opportunities to ensure equitable participation.

As the cannabis market in New York continues to evolve, OCM recognizes that much more remains to be done. Looking ahead, the primary focus will remain on expanding access to financial resources, enhancing technical assistance, and continuing to build out a robust incubator that can support licensees for years to come. By maintaining this commitment to equity and access for New York's diverse pool of applicants and licensees, the SEE Team aims to create a robust, inclusive cannabis market that fosters long-term economic growth and community prosperity across the state.