



NEW YORK STATE SENATOR

Liz Krueger

## Final Bill Introduced To Legalize, Tax, And Regulate Adult-Use Marijuana

LIZ KRUEGER March 27, 2021

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**Albany** – Today bill language was introduced in the Legislature reflecting three-way agreement to legalize, tax, and regulate adult-use cannabis. The bill, an amended version of the Marijuana Regulation and Taxation Act, is carried in the Assembly by Majority Leader Crystal Peoples-Stokes, and is expected to be voted on next week.

"I am very proud that we finally have a three-way agreed bill to legalize adult-use cannabis in

a way that foregrounds racial justice, while balancing safety with economic growth, encouraging new small businesses, and significantly diminishing the illegal market," said **Senator Krueger**. "My goal in carrying this legislation has always been to end the racially disparate enforcement of marijuana prohibition that has taken such a toll on communities of color across our state, and to use the economic windfall of legalization to help heal and repair those same communities. I believe we have achieved that in this bill, as well as addressing the concerns and input of stakeholders across the board. When this bill becomes law, New York will be poised to implement a nation-leading model for what marijuana legalization can look like."

"I am thrilled to announce that there is three-way agreement to pass the Marijuana Regulation and Taxation Act. The final bill provides long awaited marijuana justice for New Yorkers, and makes significant steps and investments to begin to address the generational devastation caused by marijuana prohibition and mass incarceration," said **Majority Leader Peoples-Stokes**. "Cannabis legalization in New York will be centered on equity, investment into communities, economic opportunities for historically disenfranchised people, research, education, and public safety. I am honored to sponsor this legislation and excited to see the positive impact it will have for so many New Yorkers."

The final legislation is the culmination of a years-long effort by Senator Krueger, Assembly Majority Leader Crystal Peoples-Stokes, and countless advocates. Key provisions of the bill will begin to repair the heavily discriminatory impact that enforcement of prohibition has had on communities of color in New York State. These provisions include:

- Dedicating 40% of revenue to reinvestment in communities disproportionately impacted by the drug war, with 40% to schools and public education, and 20% to drug treatment, prevention and education.

- Equity programs providing loans, grants, and incubator programs to ensure broad opportunities for participation in the new legal industry by people from disproportionately impacted communities as well as by small farmers.
- A goal of 50% of licenses going to equity applicants.
- Elimination of penalties for possession of less than three ounces of cannabis.
- Automatic expungement of records for people with previous convictions for activities that are no longer criminalized.
- Establishment of a well-regulated industry to ensure consumers know exactly what they are getting when they purchase cannabis.

"Almost 7 years ago, Assemblyman Dick Gottfried and I made history in NY by bringing Medical Cannabis to the thousands of New Yorkers who were suffering from chronic conditions," said **Senator Diane Savino**. "Since that time, we have built upon the original program to improve access to patients and remove barriers. Today, we continue those efforts and it will lead to a better program for all. I want to thank Senator Krueger and Assemblywoman Peoples-Stokes for their attention to the needs of our Medical Cannabis community."

"This is an historic step in reforming our broken, racist cannabis prohibition model," said **Assembly Member Richard Gottfried**, Chair of the Assembly Health Committee and sponsor of New York's medical marijuana law. "Over the last decades New York has made progress through decriminalization, repeal of the Rockefeller Drug Laws, and enactment of a medical marijuana program. The Marijuana Regulation and Taxation Act (MRTA) will now create economic opportunities, including social equity programs and community reinvestment, expand patient access to medical marijuana, and protect hemp farmers. I look forward to

voting on this important bill as soon as it can be brought to the floor.”

The bill establishes the framework to build a well-regulated industry that will replace the illegal market, prevent domination by large existing players, and ensure that consumers know exactly what they are getting when they purchase cannabis. To achieve these goals, the bill:

- Establishes an Office of Cannabis Management with a board comprised of 5 members - 3 appointed by Governor and 1 by each legislative house, with the chair subject to Senate confirmation.
- Establishes an Executive Director appointed by the Governor subject to Senate confirmation, and a Chief Equity Officer subject to approval by at least 4 members of the board.
- Establishes a Cannabis Advisory Board representing a broad range of communities of interest, which will be responsible for approving grants from the Community Reinvestment Fund as well as making policy recommendations and reporting on the state of the cannabis program.
- Grants the Office of Cannabis Management powers to evaluate license applicants use a broad range of metrics, including social equity status, commitment to environmentally sound policies, public health, and fair labor practices.
- Expands the medical cannabis program allowing for additional licensees, expanded patient access, and a broader range of product types.
- Allows current Registered Organizations limited access to the adult use market in exchange for licensing fees that will help fund equity programs. The legislation prohibits vertical integration for all other licensees except micro-businesses to protect the retail sector from being controlled by larger cannabis producers, and establishes a goal of 50% of

licenses going to equity applicants.

- Allows limited homegrow of three mature and three immature plants per adult for both medical patients and in the adult use program, with a maximum of six mature and six immature plants per household, subject to regulation by the Office of Cannabis Management.
- Provides funding for training drug recognition officers and expands traffic safety protections, including the development of roadside testing technology.
- Allows for localities to opt out of retail sales at the city, town, and village level
- Sets a 9% sales tax on cannabis, plus an additional 4% tax split between the county and city/town/village, plus an additional tax based on THC content as follows: 0.5 cents per milligram for flower, 0.8 cents per milligram for concentrated cannabis, and 3 cents per milligram for edibles.

**Melissa Moore, New York State Director, Drug Policy Alliance**, said: "At long last, marijuana reform is finally almost a reality in New York State. Through the tireless work of people impacted by prohibition, advocates, and champion lawmakers, like Senator Liz Krueger and Assembly Majority Leader Crystal Peoples-Stokes, New York is on the precipice of ushering in a new era of marijuana justice. Advancing legalization in NY also puts another nail in the coffin of the war on drugs that has devastated so many communities across the state. By comprehensively addressing the harms of past criminalization, this legislation will create one of the most ambitious marijuana legalization programs in the country. It is setting a national model for reform with community reinvestment, equity, and justice front and center. We will continue to work with lawmakers to ensure the best possible outcome for all New Yorkers and look forward to the Legislature swiftly passing the bill and the Governor's signature on these historic reforms."

**L. Joy Williams, President of Brooklyn NAACP and Legislative Director for New York State NAACP**, said: “This is a victory for the many Black and Brown New Yorkers who were targeted due to the racist and predatory nature of the war on drugs. We commend Senator Liz Krueger, Assembly Majority Leader Crystal Peoples-Stokes, and the many community leaders, advocates and organizations across the state who stood our ground to ensure that any legalization efforts center the people of African descent that were most harmed and that the communities in which they live would enjoy their equitable share in a legal market. The passage of this legislation sets a standard across the country that as we seek to dismantle the many structures of criminalization, racism and inequity in our society, that we must do so by centering the people and the communities most harmed.”

**Sochie Nnaemeka, State Director, New York Working Families Party**, said: “Thank you to the activists, grassroots leaders, the Drug Policy Alliance, Senator Liz Krueger, Assembly Majority Leader Crystal Peoples-Stokes, Senate and Assembly leadership, and Black and brown New Yorkers across the state who worked tirelessly for decades in pursuit of this historic legislation. Passing this bill would be a monumental step toward correcting the decades of harm to Black communities and other communities of color who have been targeted by the war on drugs and marijuana criminalization. Last year, New Yorkers took to the streets and to the polls to demand an end to police violence and our racist ‘justice’ system. We applaud the Senate and Assembly for heeding the demands of New Yorkers across the state and modeling what racial justice legislation can look like. We look forward to marijuana justice finally becoming law in New York.”

**Jawanza James Williams, Director of Organizing with VOCAL-NY**, said: "After a lifetime of violence through marijuana prohibition, causing the unjust caging of Black, brown, and poor communities, and unmitigated collateral consequences, both structural and psychological, we are slated to finally begin to offer truth and restitution to those most impacted. Our

primarily Black and brown membership across the state of NY may finally see legislation that actually responds to their lived experiences by offering the dignity of recognition and pathways to economic elevation. We should expect nothing less."

**Michael Sisitzky, Senior Policy Counsel at NYCLU**, said: "New Yorkers have spoken in the streets and at the polls: they demanded that lawmakers dismantle systemic racism, and that begins with how we legalize marijuana. At long last, the legislation announced today will ensure a diverse and inclusive legal marijuana industry and reinvest in the communities of color that have been devastated by the war on drugs, mass incarceration and a legacy of disproportionate arrests for drug possession. The time is now for lawmakers in Albany to repair the damage to Black and Brown New Yorkers whose lives have been needlessly destroyed by racist drug policies across our state for far too long. We expect the Legislature to pass this overdue legislation and for Governor Cuomo to step up, stop the harm and sign it into law without delay."

**Stanley Fritz, Political Director, Citizen Action New York**, said: "We applaud Majority Leader Crystal Peoples-Stokes, Senator Liz Krueger, and the Start SMART NY Coalition for their tireless efforts to ensure we have marijuana justice in NYS. There can be no marijuana justice if we do not address the damage we have done to poor, Black and Brown communities. It is time we reckoned with the generations of failed war on drug policies, criminalization, and intentional denial of resources to Black and Brown communities. We are proud to be at this point with a marijuana legalization that centers communities that have borne the brunt of criminalization. We look forward to the final push towards passing a MRTA that ensures equity and justice for our communities."

**Troy Smit, Deputy Director, Empire State NORML**, said: "As a consumer advocacy organization, Empire State NORML is thrilled to see the negotiated bill by Senator Krueger that reflects

marijuana justice and the interests of the cannabis consumers. For too long, the lives of New Yorkers in low-income and communities of color across the state have been ruined by our state's draconian enforcement of harmful prohibitionist policies. We sincerely hope that the New York State Legislature passes this bill. This new version of the bill will be a step in the right direction towards a framework that respects the cannabis consumers' freedom to use a harmless plant."

**Eli Northrup, Policy Counsel to the Criminal Defense Practice, Bronx Defenders**, said: "We are extremely happy to see that the bill announced today closely mirrors the framework of the Marijuana Regulation and Taxation Act that Black and brown communities have been advocating for for years. Marijuana justice means working to undo the immense damage done by the War on Drugs and ensuring that the communities most impacted by prohibition—including many here in the Bronx—have a chance to benefit from legalization as well. We look forward to working with lawmakers over the coming weeks to ensure that the bill that is passed represents true marijuana justice for all New Yorkers."

**Jose Chapa, Senior Policy Associate at the Immigrant Defense Project**, said: "For years, New York marijuana convictions have been used to deport vital members of our immigrant communities across the state. We are proud to have been part of the broad coalition of advocates and elected officials who recognize the need to center social justice as we near marijuana legalization in the state. New York State must recognize and address the devastating harms that prohibition has caused immigrant communities. We look forward to continuing to advocate for immigrant inclusion in marijuana reform."

**Marvin Mayfield, Lead Organizer at Center for Community Alternatives**, said: "Finally, we are on the verge of ending a cruel chapter in New York's racist and devastating war on drugs."



Marijuana criminalization has wrought decades of harm on our families and communities. We are proud of the thousands of impacted New Yorkers who have fought for a true end to criminalization, community reinvestment and equity and we applaud the legislators who stood beside us. Now, we call for swift passage by the legislature and a signature by the Governor to make this national model a reality.”

**Alice Fontier, Managing Director of Neighborhood Defender Service of Harlem**, said: “Today’s victory is a massive step towards ensuring that marijuana legalization in New York reckons with the hideous, racist legacy of criminalization. Since NDS began our work in Harlem thirty years ago, the neighbors we serve have been persecuted under marijuana criminalization for little more than the color of their skin and the amount of money in their bank accounts. Police, prosecutors, child services and ICE have used criminalization as a weapon against them, and the impact this bill will have on the lives of our oversurveilled clients cannot be overstated. We are grateful to the advocates, legislators, and impacted people who insisted that legalization reckon with the damage wrought by the war on drugs and ongoing criminalization. We join our neighbors in celebrating this massive step towards racial and economic justice.”

**Gia Morón, President of Women Grow**, said: “We are here because two women have fought and championed tirelessly for and with us, thank you to Senator Liz Krueger and Assembly Majority Leader Crystal Peoples-Stokes. Women continue to make HERstory and today New York State is on the heels of entering a new era of change. Furthermore, if it were not for the Drug Policy Alliance, advocates, and community organizers fighting endlessly we would not be here. Thank you. We have seen the devastation that has impacted lives and communities; and today we are closer now more than ever for justice and repair due to the harms done by the War on Drugs. New York has always been the symbol of change and opportunity yet our

communities deserving of this were faced for far too long with this barrel of injustice. New York can ripely set the stage for what can be a message federally as well as to this emerging industry - decriminalize, reinvest, and create fair equity. Our community of women looks forward to continuing to work with lawmakers to ensure these measures are met and together we can end this demoralizing cycle to create a healthy new system of repair."

**Missy Risser-Lovings, Clinical Law Instructor of the Community & Economic Development Clinic at CUNY School of Law**, said: "We are heartened by the marijuana reform bill announced today, and its potential to repair some of the immense harm caused by the racist criminalization of marijuana and its targeted enforcement. The bill's social and economic equity and cooperative license provisions, in tandem, will be major tools to help communities most targeted by the War on Drugs, and most recently the hardest hit by the Covid-19 pandemic, to build income, wealth, and power through democratic workplaces. We look forward to working with legislators and regulators to ensure that throughout implementation, New York prioritizes cooperatives for licensure, especially for the legacy and equity markets, and that it provides a robust support system for cooperative license holders, which is essential to ensuring equitable access to the legal adult use industry for BIPOC, other marginalized communities, and small businesses."

**Jacqueline Gosdigian, Senior Policy Counsel for Brooklyn Defender Services**, said: "New Yorkers spoke and Albany listened: we need progressive legalization rooted in racial and economic justice that does not focus only on creating revenue but instead on giving back to Black and brown communities that have long suffered the impacts of racist enforcement. This legislation acknowledges that the 'war on drugs' is entangled in not only the criminal legal system, but also immigration, housing, employment, the family regulation system and more, with devastating impacts on nearly every aspect of people's lives. We are proud to have worked alongside a strong coalition of people impacted by marijuana criminalization,

advocates and elected officials to undo these harms and make marijuana justice a reality. We look forward to the legislature passing this long-needed legislation and the Governor signing it into law posthaste."

**Anthonine Pierre, Deputy Director, Brooklyn Movement Center**, said: "Generations of Central Brooklynites have had their lives interrupted by marijuana criminalization, which often operates as a gateway to police harm and incarceration. Passing the Marijuana Regulation and Taxation Act will be a hard-fought win of real dollars and cents for communities who have experienced decades of harm. We are proud to follow the leadership of Assembly Majority Leader Crystal Peoples-Stokes, Senator Liz Krueger, the Drug Policy Alliance and countless families, organizers, and advocates in this important work to divest from and dismantle the carceral state."

**Saye Joseph, Campaign Chair, Black Freedom Project**, said: "The New York State Legislature's announcement of a deal on legalization based on the Marijuana Regulation and Taxation Act represents the most sweeping drug reform to impact the lives of Black New Yorkers since the revisions of the Rockefeller Drug Laws in 2009. Black communities throughout the state are all too familiar with the criminalization that accompanies marijuana drug law enforcement. The decade of work done by the Drug Policy Alliance to decriminalize and legalize marijuana is a testament to what is possible when we center Black life and invest in Black futures. Thank you to Assembly Majority Leader Crystal Peoples-Stokes and Senator Liz Krueger for championing the most powerful act of community investment and repair from harm that our communities have ever seen."

**Lisa Tyson, director of the Long Island Progressive Coalition**, said: "It should be common knowledge by now that the 'War on Drugs' has always really been a racist war on

communities of color and other marginalized individuals. For decades, marijuana has been disproportionately used to criminalize Black and brown folks not for the sake of public safety but to feed the profit-seeking prison industrial complex. Finally, in New York, an end is in sight. This new marijuana reform proposal, which is the culmination of years of organizing and advocacy, could put our state on a path toward repairing some of the damage done by misguided prohibition policies. State lawmakers should waste no time in passing this legislation, and the Governor should waste no time in signing it. Marijuana justice delayed is justice denied."

**Juan Cartagena, President & General Counsel, LatinoJustice PRLDEF**, said: "Marijuana was first prohibited in the Southwest as a means to further criminalize Mexicans who were seen as a hindrance to white settlers who wanted their labor but did not value their humanity. Over a century later, marijuana prohibition and the failed war on drugs have continued to be used as tools to decimate Black and brown communities both in the US and throughout Latin America. Marijuana legalization has been long overdue in New York state and we applaud this announced deal on legalization as a necessary step towards ending the harm unleashed upon our gente."

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#### RELATED LEGISLATION

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### 2021-S854

- 
- Introduced

- ◦ In Committee Assembly
  - In Committee Senate
- ◦ On Floor Calendar Assembly
  - On Floor Calendar Senate
- ◦ Passed Assembly
  - Passed Senate
- 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?