

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON OVERSIGHT AND  
INVESTIGATIONS JOINTLY WITH THE  
COMMITTEE ON FINANCE

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September 17, 2024  
Start: 10:03 a.m.  
Recess: 1:17 p.m.

HELD AT: Council Chambers - City Hall

B E F O R E: Gale A. Brewer,  
Chairperson of the Committee on  
Oversight and Investigation

Justin Brannan,  
Chairperson of the Committee on  
Finance

COUNCIL MEMBERS:

Public Advocate Williams  
Diana Ayala  
Chris Banks  
Amanda Farias  
Selvena Brooks-Powers  
David Carr  
Kamilah Hanks  
Robert Holden  
Crystal Hudson  
Chi Ossè  
Keith Powers

## COUNCIL MEMBERS: (CONTINUED)

Rita C. Joseph  
Shekar Krishnan  
Farah N. Louis  
Francisco Moya  
Lincoln Restler  
Yusef Salaam  
Pierina Sanchez  
Althea Stevens  
Nantasha M. Williams  
Julie Won  
Kalman Yeger

## A P P E A R A N C E S (CONTINUED)

Sheriff Anthony Miranda

Leutenant Francesca Rosa

First Deputy Sheriff Warren Glover

Ingrid Simonovic

Deputy Sheriffs' Benevolent Association

Furney Canteen II

Deputy Sheriffs' Benevolent Association

Stephen McQuade

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Alaina Turnquist

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Lance Lazzaro

Attorney Representing Business Owners

Nadia Rahnautz

Attorney Representing Convenience Store Owners

Anowarul Haque

Self

Michael Zaytsev

LIM College

Jeffrey Hoffman

Self

Toni Smith

Drug Policy Alliance

## A P P E A R A N C E S (CONTINUED)

David Nicopanski  
NY Cannabis Retail Association

Jacqueline Tellez  
NY Association of Wholesalers and Distributors

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2 SERGEANT AT ARMS: This is a microphone check for  
3 the Committee on Finance and Oversight and  
4 Investigations, located in the Chambers, recorded on  
5 09/17/2024, recorded by James Mareno (SP?).

6 SERGEANT AT ARMS: Good morning. Welcome to the  
7 hearing on the Committee on Oversight, Investigations  
8 and Finance. At this time, please silence all  
9 electronics and do not approach the dais. I repeat,  
10 do not approach the dais. If you wish to testify,  
11 sign a witness slip at the back of the room. If you  
12 wish to testify online, you may do so at  
13 [testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). That is  
14 [testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). If you have any  
15 additional questions, please contact the Sergeant at  
16 Arms. Chair, you may begin.

17 CHAIRPERSON BREWER: [GAVEL] Good morning, I'm  
18 Gale Brewer, City Council Member and I am Chair of  
19 the Committee on Oversight and Investigations. I  
20 would like to welcome my colleagues, representatives  
21 of the administration, advocates and the public  
22 today's hearing on enforcement of unlicensed cannabis  
23 shops in the City of New York. I'm particularly  
24 honored to Co-Chair this with Justin Brannan who is  
25

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3 the Chair of the Finance Committee and we have  
4 Council Members Ayala, Carr and on Zoom Moya.

5 Illegal cannabis stores gained traction in 2021  
6 during the six month delay between then Governor  
7 Andrew Cuomo signing the MRTA, which is the state law  
8 and Governor Kathy Hochul establishing the Office of  
9 Cannabis Management. The legal shops are dangerous.  
10 They undermine the integrity of the law, the MRTA.  
11 There are a blight on New York City. They contribute  
12 to the sense of lawlessness and has permeated since  
13 the pandemic and I love that you have brought the  
14 attraction for children, which is particularly  
15 outrageous. They are always in the shops.

16 It took the state legislature until May of this  
17 year to grant local authorities a legal means to  
18 padlock unlicensed cannabis storefronts. Since then,  
19 enforcement teams led by the New York City Sheriff  
20 have inspected approximately 3,000 stores and  
21 padlocked about 1,000.

22 We have technical issues; we have to pause.  
23 [00:02:22]- [00:02:29]. Just when I was going to  
24 thank the Sheriff. [00:02:31]- [00:03:09].

25 [GAVEL] I'm afraid we have to start again. So,  
I'm Gale Brewer, I am Chair of the Committee on

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3 Oversight and Investigations. I would like to  
4 welcome my colleagues, representatives of the  
5 administration, advocates and the public today's  
6 hearing on enforcement of unlicensed cannabis shops  
7 in New York. I really want to thank Justin Brannan,  
8 Chair of the Finance Committee for Co-Chairing this  
9 hearing and to say that we welcome Council Members  
10 Ayala, Carr, Hanks and on Zoom Moya.

11 Illegal cannabis stores gained traction in 2021  
12 during the six month delay between then Governor  
13 Andrew Cuomo signing the MRTA, which is the law that  
14 governs this, and Governor Kathy Hochul establishing  
15 the Office of Cannabis Management. The illegal shops  
16 are dangerous. They undermine the integrity of MRTA  
17 law. There are a blight on New York City. They  
18 contribute to the sense of lawlessness that has  
19 permeated since the pandemic and I want to thank the  
20 Sheriff for bringing what is cartoon looking in the  
21 shops attracting children, particularly outrageous.

22 It took the state legislature until May of this  
23 year to grant local authorities the legal means to  
24 padlock unlicensed cannabis storefronts. Since then,  
25 enforcement teams led by the New York City Sheriff  
have inspected approximately 3,000 stores and

3 padlocked about 1,000. There is no question that the  
4 situation has improved in Manhattan. I want to thank  
5 you Sheriff Miranda for your efforts but the work is  
6 not done. This Mayor said last month the taskforce  
7 has conducted inspections of 100 percent of known  
8 shops identifying as selling cannabis illegally. How  
9 is possible when only 1,000 have been padlocked and  
10 we think 3,000 exits. What is the next phase of  
11 Operation Padlock to protect?

12 Today, I want to hear about how enforcement is  
13 going and where enforcement is going. We will also  
14 hear two bills sponsored by me. One, Proposed Intro.  
15 Number 557A, which would add a 311 complaint category  
16 for unlicensed cannabis retailers. This bill would  
17 make it easier for the public to report unlicensed  
18 cannabis shops and track the status. The same is for  
19 other city agencies. The current process for  
20 reporting unlicensed stores is to email smoke shop  
21 complaints at sheriff.nyc.gov and hope for the best.  
22 This bill would also create a publicly accessible  
23 database of stores that have been reported in the  
24 city's open data portal.

25 I'm a big believer in data and the public wants  
to know what's happening. Intro. 981 would require



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3 the sheriff's office to produce quarterly reports on  
4 enforcement activity with basic details about each  
5 inspection.

6 Any complete data from this Administration can be  
7 challenging, I'll be honest with you. Sometimes  
8 requests go unanswered. Support for Intro. 557A and  
9 Intro. 981 which really should be run of the mill  
10 would make us have more data. I want to note that  
11 the new MMR, which is released yesterday, that's the  
12 Mayor's Management Report for those who don't know  
13 these crazy initials, has no data on cannabis  
14 enforcement whatsoever.

15 Finally, I want to thank the following people for  
16 their work on this hearing for an excellent briefing  
17 paper and for their support of my campaign and all of  
18 us against illegal cannabis stores citywide which  
19 began 23 months ago.

20 From the Oversight and Investigations Committee,  
21 Nicole Catà, Erica Cohen and Alex Yablon. From  
22 Oversight and Investigations Division, Erin  
23 Mendelson, Meg Powers, Kevin Frick, Zachary Mayor,  
24 Katie Sinise, Uzair Qadir, Amisa Ratliff, and Brian  
25 Parcon. And from my office, the very amazing Sam  
Goldsmith who has been by the New York Times Defacto

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3 Cannabis Czar. After we called the Sheriff on  
4 Columbus Avenue and now I'd like to turn it over to  
5 my fabulous, our fabulous Justin Brannan, Chair of  
6 the Finance Committee.

7 CHAIRPERSON BRANNAN: Thank you Chair Brewer.

8 I'll also note we've been joined by Council Member  
9 Brooks-Powers and Council Member Salaam. I'm Council  
10 Member Brannan, I have the privilege of Chairing the  
11 Committee on Finance. I want to thank Chair Brewer  
12 for her dedication to putting this hearing together.  
13 We worked long and hard in convening this and  
14 appreciate her efforts in bringing us all here today.  
15 I also of course want to welcome the Sheriff and  
16 thank you for all your work in the enforcement  
17 efforts against our unlicensed cannabis shops.

18 Three years ago, the state legalized the adult  
19 use of cannabis, taking a large step toward  
20 recognizing and reversing harms inflicted by the  
21 countries war on drugs era policies. A key piece of  
22 this was not just to authorize licensed retail sale  
23 of cannabis but to direct the first licenses to  
24 people who personally or their families had a  
25 marijuana related criminal conviction and to earmark  
a percentage of tax revenue generated for programs

3 and communities that were hardest hit by those war on  
4 drugs era policies. But the state stumbled badly in  
5 implementing this landmark change in our laws and the  
6 glacial pace of bureaucracy threatens to now  
7 criminalize what we've legalized. Over a year has  
8 passed since the recreational adult use marijuana was  
9 legalized but we're still waiting on licenses. This  
10 delay has resulted in a gray area free for all where  
11 bad faith actors rushed in to operate unlicensed  
12 cannabis shops and sell untasked and dangerous  
13 products. Clear responsibilities and tools for  
14 enforcement against these illegal shops were lacking,  
15 causing frustrations to grow in all of our  
16 neighborhoods and communities. The end result has  
17 been a wave of bad faith operators draining potential  
18 tax revenue away from the city and state and  
19 effectively blocking opportunities that the state  
20 legislature intended to ensure when first to those  
21 most effected by prior criminalization of marijuana.

22 Back in April, the state took a step forward to  
23 finally clean up enforcement responsibilities  
24 explicitly authorizing the New York City Sheriff's  
25 Office to seal unlicensed shops and shut down those  
businesses and we want to thank Sheriff Miranda and

3 your team for really hitting the ground running.

4 Once the state finally handed over those

5 responsibilities, you wasted no time and that has not

6 gone unnoticed in our communities. And while

7 authorities have been active in padlocking these

8 shops, I do want to take time to point out that this

9 is a problem that can and should still be attacked

10 from two sides. We need to get more legal licenses

11 out the door because the sooner the legal

12 dispensaries are established, the easier it will be

13 to shut down the unlicensed businesses. So, I call

14 on our partners in the state to continue working

15 towards speeding up issuing authorized retail

16 licenses and to allow the illegal shops to get up and

17 running. Not only to deny room for these bad faith

18 actors but to fulfill the policy goals behind

19 legalization law in the first place.

20 We need to avoid what happened in California.

21 Some seven years after legalizing recreational

22 marijuana, the black market has now eclipsed the

23 regulated and tax market place, effectively

24 undermining the legal industry entirely. Unless we

25 get these new licenses out the door as soon as

possible and get serious about the illegal weed shops

3 that continue to mascaraed as legitimate  
4 dispensaries, these new retail licenses will  
5 effectively be worthless and tax revenue will be a  
6 far cry from what we were promised and what we  
7 anticipate.

8 So, today my questions will speak to the  
9 headcount and other budgetary resources used for the  
10 enforcement efforts, the count and cost of these  
11 unlicensed shops continuing to operate and more.  
12 Thanks Sheriff Miranda again and his team for joining  
13 us today at this hearing and I look forward to  
14 hearing from you on these issues. Quickly before we  
15 begin, I want to thank my Finance team Senior Analyst  
16 Michael Sherman, Committee Counsel Mike Tomey, my  
17 Senior Advisor John Yeden and the entire staff from  
18 the Committee and Oversight Investigation for all  
19 their hard work behind the scenes putting this  
20 hearing together. With that, I'll turn it back over  
21 to Chair Brewer. Thank you.

22 CHAIRPERSON BREWER: Thank you very much. You  
23 should see that there are slides up on the display  
24 and I just want you to know that the first chart  
25 shows the difference between the number of unlicensed  
cannabis stores sealed and the number of unlicensed

3 cannabis stores estimated to exist by the Sheriff and  
4 the difference according to us is approximately  
5 2,600.

6 The second chart shows that just three percent of  
7 summonses issued by the Sheriff and upheld by the  
8 Office of Administrative Trials and Hearings also  
9 known as OATH, have been paid, leaving 97 percent  
10 unpaid. It's not a great large screen, so I want to  
11 be able to tell you what it is and I'll turn it over  
12 to the Counsel.

13 COMMITTEE COUNSEL: Thank you Chair Brewer. We  
14 will now hear testimony from the Administration.  
15 Before we begin, I will administer the affirmation.  
16 We will hear from Sheriff Miranda, First Deputy  
17 Sheriff Warren Glover and Lieutenant Francesca Rosa.

18 Panelists, please raise your right hand. Do you  
19 affirm to tell the truth, the whole truth, and  
20 nothing but the truth before this Committee and to  
21 respond honestly to Council Member questions? Thank  
22 you, you may begin when ready.

23 CHAIRPERSON BRANNAN: Sheriff, just make sure  
24 your mics on.

25 SHERIFF ANTHONY MIRANDA: How we doing? Is that  
better? Okay, sorry about that. Good morning Chair

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3 Brewer and Chair Brannan and good morning to all the  
4 Council Members here today and those that are online  
5 as well. On behalf of the New York City Sheriff's  
6 Office, we are excited to be here to discuss such an  
7 important initiative from Mayor Adams and the entire  
8 Administration.

9 My name is Anthony Miranda and I am privileged to  
10 be serving as the Sheriff for New York City. As the  
11 Sheriff, I have been granted authority to lead a  
12 comprehensive multiagency operation to padlock  
13 illegal smoke shops and unlicensed cannabis  
14 dispensaries across the five boroughs. In April of  
15 2024, the state granted cannabis enforcement  
16 authority explicitly to the Sheriff's Office and to  
17 any agency designated by the Sheriff's Office which  
18 includes the Department of Consumer Worker Protection  
19 and the New York City Police Department.

20 This authority permits the Sheriff's Office to  
21 inspect these unlicensed locations and to issue civil  
22 summonses to smoke shops that are selling cannabis  
23 without the appropriate issued license. The Sheriff  
24 Office is also authorized to padlock locations on the  
25 first visits when they are determined to be an  
imminent threat to health, safety and the welfare of

3 our communities. We are also able to padlock  
4 locations that are repeatedly found to be selling  
5 cannabis illegally.

6 As of September 11, 2024 and just a little over  
7 four months, the operation has conducted over 5,059  
8 inspections. We have inspected 95 percent of the  
9 reported 3,803 locations, 169 locations were recently  
10 reported through 311. That's why we're no longer at  
11 100 percent. The Sheriff's Joint Compliance  
12 Taskforce has sealed 1,078 locations, seized over \$67  
13 million in illicit products and issued over \$104  
14 million in civil penalties. For months, New Yorkers  
15 have seen and heard our efforts but today, I would  
16 like to take the Council through the operational  
17 demands of countering this threat of the illegal  
18 stores.

19 In the beginning of May when an estimated 2,800  
20 illegal smoke shops in operation, the city had chosen  
21 to inspect any store that considered an imminent  
22 threat to the health and safety of the community. As  
23 such, the Sheriff's office prioritized inspecting  
24 smoke shops that sold unlicensed cannabis that had  
25 resulted in adults or children experiencing sickness,  
smoke shops that were identified as selling or



3 targeting minors, and smoke shops that were within  
4 1,000 feet of a public youth facility, school, a  
5 house of worship. Teams of five to seven personnel  
6 including Deputy Sheriff's DCWP inspectors and the  
7 NYPD are strategically deployed to neighborhoods  
8 across the five boroughs. To maximize resources,  
9 these teams will inspect illegal smoke shops or  
10 unlicensed cannabis dispensaries operating in  
11 proximity of each other. This enforcement tactic  
12 allows our operations to conduct as many as 60  
13 inspections within a single day.

14 With each inspection, our Deputy Sheriff and DCWP  
15 inspectors write and issue all relevant violations  
16 such as unlicensed sale of cannabis and possession of  
17 flavor tobacco products. The inspecting officers  
18 then conduct a process of all illegal products or  
19 separated by category. The bags, and now I have to  
20 explain what the bags are. The bags are weigh  
21 approximately 30 to 40 pounds each, so I think there  
22 was some misinterpretation when other people read  
23 that there were smaller bags. We're talking about  
24 large bags that can hold about 30 or 40 pounds of  
25 product.

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3 We weigh the product and they seal the evidence  
4 at the location. Illegal products include anything  
5 from cigarettes to cannabis in flavor form and if  
6 imminent threat factors observed the officers will  
7 padlock the store. The largest number illegal  
8 unlicensed products removed from one location was 29  
9 pallets. This summarizes the inspection process.

10 After the inspection, for the locations that are  
11 padlocked, the respondents who are the store owners,  
12 are entitled to a hearing before OATH within five  
13 business days of the issuance of any civil summonses  
14 for unlicensed cannabis sales.

15 At this hearing, the respondent can challenge the  
16 sealing of the store. Once the hearing has been  
17 held, the OATH hearing officer will render a decision  
18 on the civil summons and issue a recommendation  
19 regarding whether the store should remain closed.  
20 Within four business days of receiving the hearing  
21 officers recommendation, the sheriff's office will  
22 issue a final decision on whether this store will  
23 remain sealed or will be permitted to reopen based on  
24 a castle review of the hearing record.

25 If the sheriff's office determines that the store  
will remain sealed, the store is then monitored by

3 both the sheriff's office and the NYPD to continually  
4 monitor location and ensure compliance with the law.

5 Many of you may be wondering what happens if the  
6 store cuts the padlock once the sheriff's office has  
7 decided that they should remain closed and it's a  
8 great question. This is illegal and it is  
9 potentially a prosecutor offence because the owner  
10 would be defined a legal order. On the rare  
11 occasions when this does occur, we have teams conduct  
12 reinspection's as soon as possible. If we find that  
13 a padlock has been broken, we go back in immediately  
14 to determine the potential illegal activity has taken  
15 place within the location and we reseal the store.

16 I would also like to address a common concern  
17 about the fine collection. Our primary objective for  
18 this operation is to shut these businesses down, not  
19 to raise the revenue. The increased fines are meant  
20 as deterrent. By and large, shops that are padlocked  
21 go out of business and it is very difficult to  
22 collect fines from often untraceable LLC's that are  
23 no longer in operation. For LLC's that have stayed  
24 in business it may take up to 120 days for fines to  
25 be turned into collectable judgements. As at this  
time no fines issued had reached this benchmark. Our

3 goal is not just to inspect unlicensed stores and  
4 take appropriate action but to restore the  
5 communities quality of life. This Administration  
6 wants a legally operating business to be able to take  
7 over the commercial space as soon as possible. This  
8 will not only allow- not only help the landlord but  
9 also improve the neighborhood and support local small  
10 businesses.

11 Currently, 274 locations are vacant, 141  
12 locations have changed businesses and 116 locations  
13 were released back to the landlord who have completed  
14 the abatement process. Operation Padlock to protect  
15 has been able to shut down illegal shops and  
16 unlicensed cannabis dispensary in every City Council  
17 district. On a weekly basis, we are inspecting  
18 hundreds of locations. This is only the beginning.  
19 The operation will continue to change and expand as  
20 the industry continues to evolve. This will ensure  
21 that the health and safety of our community are  
22 protected.

23 As many of you are aware these illegal shops are  
24 promoting products that are targeting children,  
25 especially high schoolers. The illegal smoke shops  
sell cannabis in packages displaying popular cartoon

3 characters or packages resembling snacks and candy  
4 which are examples here in front of you now. It is  
5 imperative that we do everything we can to protect  
6 young New Yorkers and remove harmful products from  
7 the streets. There are no quality control  
8 regulations on the unlicensed product seize during  
9 our inspections and they can include any number of  
10 harmful chemicals, toxins, trace amounts of other  
11 illegal substances.

12 In our inspections, we have recovered fire arms,  
13 such as shotguns, 9 millimeters, 40 caliber and other  
14 weapons such as swords, machetes, brass knuckles,  
15 mase and other weapons. We have also recovered  
16 narcotics, controlled substances such as psilocybin  
17 the mushrooms, cocaine, crack, heroin, MDMA, fentanyl  
18 and ketamine to name a few.

19 The gravity of the work before us cannot be  
20 overstated, which is why I'm so thankful for the  
21 Council's partnership. Many who have joined our  
22 teams on ride alongs, on inspection operations which  
23 I believe has been incredibly helpful. For any  
24 Council Member here today or online who have not yet  
25 participated in a ride along, please reach out to our  
office and we'd love to set up a time for you to join

3 us. This effort needs to be an all in approach by  
4 the entire city. For the community members  
5 listening, you are a crucial part of this effort. It  
6 is thanks to your partnership that we've had much  
7 success. And to all the members of the public, if  
8 you see an illegal smoke shop or an unlicensed  
9 cannabis dispensary operating in your community,  
10 please report it to us.

11 We have made this as seamless as possible, which  
12 I believe was what has led to so much early success.  
13 Our contact information is the following email, it's  
14 [smokeshopcomplaints@sheriff.nyc.gov](mailto:smokeshopcomplaints@sheriff.nyc.gov) or they can call  
15 212 New York, which is 212-639-9675 or 311, which  
16 currently takes the complaints and reports it to the  
17 sheriff's office.

18 Now, I would like to discuss the legislation  
19 being heard today. Intro. 557 would require OTI to  
20 create a new 311 category for reports of unlicensed  
21 cannabis retailers. I strongly believe in and  
22 support any effort to ensure that every single  
23 unlicensed cannabis dispensary and illegal smoke shop  
24 is reported and then inspected.

25 Our current process is working and 311 does take  
complaints and direct them to our office. So far

3 over 1,000 complaints have come into 311 and we are  
4 in constant coordination with them to receive this  
5 information.

6 In addition, as I mentioned earlier, we have an  
7 emailed inbox and a phone number for constituents to  
8 report illegal activity. We have received thousands  
9 of reports that have led to hundreds of inspections  
10 of suspected cannabis sellers.

11 At this point, we do not want to disrupt or  
12 process in any way that will lead to more  
13 administratively burdensome tasks while the Sheriff's  
14 office needs to be narrowly focused on completing as  
15 many inspections as possible each day.

16 Intro. 981 would mandate additional reported  
17 requirements on a quarterly basis related to the  
18 total number of inspections the agency is involved in  
19 the inspections and whether the store was licensed.  
20 This bill would expand on existing reporting  
21 provisions by requiring that if a store is found to  
22 be unlicensed the Sheriff's office would be required  
23 to provide detailed information relating to the  
24 violations, civil summonses and arrests.

25 At this point in the operation, the Sheriff's  
office is working around the clock to inspect

3 unlicensed stores in the city. The team we have  
4 assembled is dedicated to transparency, whether this  
5 is responding to the letter sent by the Council,  
6 accommodating member request for even staff members  
7 inspections. Because we view the Council as a true  
8 partner in this operation, with mandating another  
9 reporting requiring would be overly burdensome and  
10 therefore we cannot support Intro. 981 at this time.

11 In conclusion, Operation Padlock to protect has  
12 led to safer communities, a better quality of life  
13 and the reassurance that the key to prosperity is  
14 public safety. The work is only just beginning but I  
15 look forward to our continued partnership as we all  
16 commit to inspecting every single unlicensed cannabis  
17 shop in the city. Thanks again for the opportunity  
18 to testify before you all today and I'm happy to take  
19 any questions you have.

20 CHAIRPERSON BREWER: Thank you very much. Before  
21 that I want to recognize we've been joined in  
22 addition to those we mentioned earlier, Council  
23 Member Banks, Krishnan, Sanchez, Louis and Hudson and  
24 then we're going to hear an opening statement from  
25 the Public Advocate Williams.



3 PUBLIC ADVOCATE WILLIAMS: Thank you Madam Chair.  
4 Thank you to the Chairs again Miranda. You know this  
5 is difficult work. Good morning, my name is Jumaane  
6 Williams and I'm the Public Advocate for the City of  
7 New York. Thank you to Chair Brewer, Chair Brannan  
8 and members of the Committee on Oversight and  
9 Investigations and Finance for holding this hearing  
10 and for allowing me to share my statement.

11 Since New York State legalized adult use cannabis  
12 or recreational marijuana in 2021, unauthorized  
13 cannabis retailers have proliferated, important due  
14 to the slow rollout of license dispensaries  
15 throughout the city and state. Up until April of  
16 this year, New York City had limited enforcement  
17 measures to curb the expansion of these unlicensed  
18 smoke shops, at which some estimates had at more than  
19 2,000 store fronts.

20 With the legalizations of marijuana use,  
21 investment of communities that were harmed by its  
22 prohibition was also part of the equation, including  
23 the distribution of retail licenses. I said last  
24 year to the Committee on Consumer and Worker  
25 Protections, perhaps we can in addition to  
enforcement, consider the legitimization of certain

3 unlicensed retailers via transitional licenses, which  
4 would place them under state regulations and ensure  
5 health and safety guidelines are followed and prevent  
6 sales for underage individuals. This expansion could  
7 be done so in a way with direct provides and funds  
8 end up in the hands of individuals and communities  
9 harmed by the so called war on drugs. The faster we  
10 close unlicensed shops safely, the more we can grow  
11 focus on the growth of the licensed cannabis market.

12 In April, the state announced an initiative that  
13 would allow law enforcement to padlock unauthorized  
14 cannabis shops and fine the landlords of these  
15 properties. Very rarely do you see the left, the  
16 right and the center pleading for more support for  
17 enforcement of closing down these illegal shops and  
18 it took way too long for New York City to get the  
19 tools that it needed.

20 This was also in the Mayor's Operation Padlock to  
21 protect. A joined effort between the NYPD, Sheriff's  
22 of Office and Department of Consumer and Worker  
23 Protections. As of August, the city shut down over  
24 1,000 legal smoke shops with a total of \$75 million  
25 in civil penalties. I would say uh the Sheriff's  
Department, even before this during the pandemic,

3 I've always said, the way the Sheriff's Department  
4 has shutting down things in the pandemic, up until  
5 late dealing with the marijuana, we had seen not as  
6 many complaints. So, I always wanted to give credit  
7 to the Sheriff's Department. When the NYPD was  
8 involved, we see a lot of complaints. Not as many  
9 here but there have been some issues and some  
10 concerns of late. Perhaps it might be the joint  
11 process that is going on where some things have  
12 resembled some aggressive policing tactics and due  
13 process violation.

14 So, while there's been some positive moves where  
15 some concerns are starting to grow. For instance in  
16 May, law enforcement officers including NYPD entered  
17 a Staten Island storefront and requested access to  
18 the back of the store and the clerk asked to see a  
19 court order. Officers disregarded the request,  
20 jumped over the counter and shortly after the clerk  
21 was in handcuffs and charged with obstruction of  
22 justice.

23 Notably, this occurred before any unlicensed  
24 cannabis products were found. In August, the judge  
25 also found due process violations and how the

3 Sheriff's Office went about closing a convenience  
4 store accused of illegally selling cannabis.

5 Let me be clear, we want law enforcement to have  
6 power and explicit guidelines as well as the  
7 personnel to be able to do their job. I want to make  
8 sure that continues and I want to support that and  
9 again, for the most part, it's been different the way  
10 the Sheriff Department has done things and the NYPD.  
11 I don't want to see that start to change.

12 The purpose of enforcing violations on unlicensed  
13 shops is to prevent harm and support growth of those  
14 who have worked to operate a safe and regulated  
15 market for cannabis. The legalization of cannabis in  
16 New York has a watershed moment aiming to rectify  
17 decades of over policing and injustice inflicted upon  
18 Black and brown communities in particular.

19 With the closure of illicit smoke shops, we at  
20 the city must be careful not to fall back in the  
21 cycles of aggressive policing and violations of New  
22 Yorkers rights. We can uplift those historically  
23 impacted by a low level marijuana arrests entering an  
24 emerging market. We can make sure that we have the  
25 power and resources we need to shut down the illegal  
markets and as the legal market grows so will the

3 city and state as it also means long standing  
4 inequities. New York City will definitely be a  
5 better place for it. Hopefully you can address some  
6 of the concerns that were there and also, let us know  
7 what else we can do to help you to make sure you have  
8 what you need to be able to close these and hopefully  
9 we don't use the incarceration tools when we don't  
10 have to. We can just shut it down, padlock it, take  
11 the stuff that we need and try to prevent it from  
12 opening again. Thank you so much, appreciate it.

13 CHAIRPERSON BREWER: We also have been joined by  
14 Council Member Holden. Okay first question, Local  
15 Law 107 of 2023 prohibits landlords as you know from  
16 knowingly renting commercial space to unlicensed  
17 cannabis retailers. It went into effect 14 months  
18 ago. I think you have not issued any violations but  
19 you have sealed 1,000 shops. That could be \$10  
20 million in revenue. I know you mentioned this is not  
21 a revenue generating but if people are breaking a  
22 law, they should pay a fine in my opinion.

23 So, why are we not sending - you sent warning  
24 letters as you indicated to landlords. I know that  
25 the DA's have done the same but I believe this law  
has not been enforced. Landlords are far more likely

3 to pay the fines then as you suggest illegal business  
4 operators who disappear. So, please explain what's  
5 going on with enforcement of Local Law 107 of 2023.

6 SHERIFF ANTHONY MIRANDA: Thank you for the  
7 question Council Member. We have issued letters to  
8 every single shop we find violations to on a regular  
9 basis.

10 CHAIRPERSON BREWER: But the shops?

11 SHERIFF ANTHONY MIRANDA: On the shops and the  
12 building owners. The building owners get automatic  
13 notices when we find violations and they are put on  
14 notice that we have found illegal activity at their  
15 business. For the most part, we have found that  
16 landlords have been very cooperative once they're  
17 notified and have been working with not only our  
18 office but the various district attorney's trying to  
19 evict illegal tenants that they have with people  
20 breaking the leases. So, we have not had the  
21 occasion yet to have to find a landlord or take legal  
22 action against a landlord that I'm aware of but I  
23 know that we are also working closely with the  
24 various districts attorney's office and supplying the  
25 information of the same locations that we do

3 inspections on, so they can also take the appropriate  
4 steps to take action against the landlords.

5 CHAIRPERSON BREWER: Alright, so what you're  
6 saying is the landlords have all been cooperative and  
7 when you go to a commercial enterprise on their  
8 premises, you have not had any that are not  
9 cooperative?

10 SHERIFF ANTHONY MIRANDA: At this point I'd say  
11 that they have been primarily cooperative with the  
12 process that we're engaged in and those that haven't,  
13 I know that some of the district attorney's offices  
14 have taken direct action against a few landlords.

15 CHAIRPERSON BREWER: Okay but you don't know  
16 which ones from the DA's office?

17 SHERIFF ANTHONY MIRANDA: I do not.

18 CHAIRPERSON BREWER: Okay, I want to thank you  
19 because last month thanks to you, we went to an  
20 Amsterdam Avenue illegal operation and there was a  
21 secret door that led to an illegal dwelling and we  
22 know that people were living there and with water and  
23 squalor. It was dangerous, full of code violations  
24 housing, building and fire and I wanted to know did  
25 your office do any updates with DOB, HPD and the Fire  
Department for that particular site or maybe other

3 sites that have similar situations. How do you  
4 coordinate with other agencies?

5 SHERIFF ANTHONY MIRANDA: On a regular basis if  
6 we go into a location and find these type of  
7 violations, we would notify the Buildings Department  
8 or the Fire Department depending on the gravity of  
9 the situation. So, it is part of our normal process.

10 CHAIRPERSON BREWER: Okay, but to you have any  
11 tracing of having done that where you've been able to  
12 notice so that the community knows that that  
13 particular or any site has follow up? How does the  
14 public know that you're doing that?

15 SHERIFF ANTHONY MIRANDA: I don't think that  
16 information is shared with the public in terms of  
17 other notifications to other agencies.

18 CHAIRPERSON BREWER: Okay. I know that Council  
19 Member Banks will talk about this and if Council  
20 Member Joseph attends she will also but there are  
21 some retailers where you have closed and then the  
22 operation continues right outside the door with a  
23 locked, gated store behind them. What are you doing  
24 about those situations?

25 SHERIFF ANTHONY MIRANDA: So, the law is very  
particular. Once the street enforcement will fall to



3 the New York City Police Department when they site  
4 street enforcement. When we can tie the outside  
5 activities directly to the business that used to be  
6 operating there then the law provides certain  
7 provisions that we can take additional action  
8 ourselves but we work with the police department  
9 depending on what those situations call for.

10 CHAIRPERSON BREWER: Have you had situations in  
11 that I just described where between you and the  
12 Police Department it has been closed down because  
13 it's my impression that they're operating.

14 In another words, have you seen situations that I  
15 just described? Have you referred them to the Police  
16 Department and have you seen action as a result?

17 SHERIFF ANTHONY MIRANDA: We have made referrals  
18 to the Police Department on cases. We have been able  
19 to tie certain outside activity to the brick and  
20 mortar locations as well and we have taken action  
21 against both the street activity and the brick and  
22 mortar locations as well.

23 CHAIRPERSON BREWER: I'm sure that Council Member  
24 Banks will add more to that question. Some of the  
25 ones that I have seen these illegal cannabis shops,  
they close during the day. They open at night in

3 order to evade you because they think the Sheriff  
4 only comes during the day. So, my questions to you,  
5 do you have night time rates and if so, how many?  
6 Have you started them? Are they successful? How do  
7 you- what kind of hours do you operate and are there  
8 some that are only during the evening as I see?

9 SHERIFF ANTHONY MIRANDA: We have received  
10 information as some locations are operating in the  
11 evening hours. The hours of the personnel are  
12 adjusted, operations are adjusted to target those  
13 locations as well. So we work different days of the  
14 week and different hours.

15 CHAIRPERSON BREWER: Okay do you know how many  
16 have been night time rates? You have how many you  
17 have done?

18 SHERIFF ANTHONY MIRANDA: I can get back to you  
19 with the details of how many evening inspections  
20 we've done but I don't have that information  
21 separated from the regular inspections.

22 CHAIRPERSON BREWER: Alright, okay. Council  
23 Member Farias is here also. Thank you. I see  
24 trucks. There's some on Broadway and 96<sup>th</sup> Street.  
25 Others may have trucks that sell just like everyone  
else I assume illegally. Granted the state gives it

3 the same authority I assume as it does over  
4 storefront, trucks and storefronts. How many have  
5 you inspected and how many have you sealed?

6 SHERIFF ANTHONY MIRANDA: So, the trucks are not  
7 a sealing mechanism. We do go out and inspect trucks  
8 that are selling cannabis but we have different law  
9 enforcement tactics to, sheriff's tactics to be able  
10 to remove those trucks, issue the appropriate fines  
11 and seize all the products inside.

12 CHAIRPERSON BREWER: Do you know how many you  
13 have seized in terms of trucks?

14 SHERIFF ANTHONY MIRANDA: We have a separate  
15 category for mobile vehicles. I can get you that  
16 number as well.

17 CHAIRPERSON BREWER: Okay. On March 9<sup>th</sup>, the  
18 Mayor and OTI released a report called the State of  
19 311. This is about 557 that I know you have some  
20 challenge with. The Mayor said 311 triumphs because  
21 it meets New Yorkers where they are. What started as  
22 a phone number has evolved into a website, a mobile  
23 app, text to 311, the kiosk, social media platforms,  
24 all providing connection to our government. I  
25 believe that those who run 311 are very dedicated and  
these channels have proved to be an invaluable

3 resource for New Yorkers. So, why is it better to  
4 field complaints inhouse rather than through 311?  
5 And I'll add the reason to go through 311 is for the  
6 public to also have the data because obviously, it's  
7 important for you to have the data and then act on it  
8 but it's really important for that to be available to  
9 the public for all of those who want to do mapping  
10 and do their own kind of analysis.

11 So, why do you not think that it should go  
12 through 311 as other agencies do as opposed to just  
13 to your website, I mean to your email?

14 SHERIFF ANTHONY MIRANDA: Just for clarity  
15 purposes, I think when the bill was first introduced,  
16 we were not doing what was not in effect at the time.  
17 We are using 311. They do report to us and send  
18 notifications to us on a regular basis. This began  
19 just after April when we received the new authority.  
20 In May we started 311 and I said, received over 1,000  
21 complaints already through the 311 system.

22 CHAIRPERSON BREWER: Okay but what I'm trying to  
23 say is it doesn't operate as - in other words when I  
24 complain to HPD about a building situation, I don't  
25 have to send it to an email. I just send it to 311.

3 So, I think we're going to have a difference of  
4 opinion on that particular issue.

5 The Mayor's Management Report has a section  
6 dedicated to 311 and yesterday when the MMR came out  
7 it said with so many New Yorkers accessing government  
8 resources through 311, its work is tied to fair and  
9 transparent service delivery, particularly for non-  
10 English speakers whom it aims to serve in their  
11 preferred language.

12 As you know, underserved communities often rely  
13 on 311 for support and easy access to government.  
14 How many of the ten designated citywide languages are  
15 spoken by the staff who monitor the smoke shop  
16 complaints at [sheriff.nyc.gov](http://sheriff.nyc.gov). Because as you know,  
17 this is an important issue language access. And like  
18 I said, 311 they do have a lot of languages, if I may  
19 say so.

20 SHERIFF ANTHONY MIRANDA: Again, we have the  
21 email. They send an email in that has the different  
22 languages that we can change and translate as well.  
23 However, the 311 complaints come from 311, so we get  
24 those on a regular basis. I get reports every  
25 morning on the new, how many 311 complaints came in  
the day before, so I think - I believe that the

2 miscommunication is that prior, when the bill was  
3 first introduced, this was not operating as a 311  
4 process and currently we have a 311 process in place  
5 that communicates with the people first and also  
6 close to our office when we're in operating hours.

7 CHAIRPERSON BREWER: Okay, if a neighbor sees an  
8 illegal operation, wouldn't it be helpful with  
9 enforcement instead of having to send an email to the  
10 smoke shop complaints? You got a notification from  
11 311 with the address of the store and the nature of  
12 the complaint. Does that happen now or does  
13 everybody have to go through the email?

14 SHERIFF ANTHONY MIRANDA: No, that happens now.

15 CHAIRPERSON BREWER: Okay. In terms of Intro.  
16 981, how many data analysts are assigned to Operation  
17 Padlock to protect? How many?

18 SHERIFF ANTHONY MIRANDA: I'm sorry?

19 CHAIRPERSON BREWER: How many - in other words  
20 we're talking about data reporting. This is Intro.  
21 981 and I know your concern is that you already have  
22 a lot of work to do and understandably nobody wants  
23 to do more and I understand that and that's what you  
24 said in your testimony.

3 So, my question to you is, do you have any data  
4 analysts assigned to the operation? Because even  
5 though you say you don't want more work, I do think  
6 we need this data. So, is there any data analysts  
7 assigned in your office to Operation Padlock to  
8 protect or maybe working with OTI or anybody else?

9 SHERIFF ANTHONY MIRANDA: I think OTI is working  
10 on a number of great systems to make them more  
11 responsive to requests. We do have people in various  
12 titles working in Operation Padlock to protect and we  
13 do have several different reporting requirements  
14 already and I believe its also a reporting  
15 requirement in the budget that says that we have to  
16 report certain information. So, to that regard,  
17 there's no one dedicated to just that task if that's  
18 what you're asking. There's no one just dedicated to  
19 that one task.

20 CHAIRPERSON BREWER: What software do you use in  
21 your office to track and analyze enforcement data if  
22 any software?

23 SHERIFF ANTHONY MIRANDA: We predominantly use  
24 spreadsheets in our office and I'm sure that somebody  
25 more technical we can share the additional data. We  
are working with OTI again, ongoing projects right

3 now to upgrade, create databases, exchange  
4 communication, not only with ourselves but also with  
5 the other agencies that are part of the Sheriff's  
6 Joint Compliant Taskforce to be able to respond and  
7 coordinate all the efforts that are being made.

8 CHAIRPERSON BREWER: Okay I mean my feeling would  
9 be if you had the software. The Police Department  
10 has the same problem. They have more paper than  
11 paper. I mean, I've never seen so much paper at the  
12 Police Department. So, I think in general we need  
13 more software to do the analysis. But I'm saying, if  
14 you have the software, which sounds like OTI is  
15 working on, it would not be hard to come up with the  
16 data that we're asking for in this Intro.

17 Uhm, tobacco and cigarette violations, why did  
18 the office wait for the state law? As you know, I  
19 appreciated working with you on closing Zaza Waza. I  
20 have to give consumer and worker protection because  
21 they were the ones that actually did it in the end  
22 but why did your office wait for the state law to  
23 change before rating these stores like we did with  
24 Zaza Waza. I have to give consumer and worker  
25 protection because they were the ones that actually  
did it in the end but why did your office wait for



3 the state law to change before rating these stores  
4 like we did with Zaza Waza for tobacco and e-  
5 cigarette violations. Your data suggests that 90  
6 percent of the penalties issued to these stores is  
7 for something other than cannabis and the amount of  
8 money in penalties these stores face is massive and  
9 puts them out of business. That's what could have  
10 happened, so I'm just wondering again, this is a bit  
11 of history but why did we not do more on closing  
12 based on tobacco and e-cigarette even before we had  
13 the state law?

14 SHERIFF ANTHONY MIRANDA: I believe that it's  
15 been prior to me being the sheriff, there have been a  
16 number of efforts through the abatement process which  
17 we know has been a long process for them to get to  
18 closing any locations. The current process allows a  
19 quicker format, more responsive to being able to  
20 close locations and really after finding violations  
21 and the process for them having the due process to  
22 have a hearing to hear the facts of the case. This  
23 does not exist under the other statutes for cigarette  
24 enforcement or for abatement enforcement.

25 CHAIRPERSON BREWER: Okay. A City Hall person  
told the post on Sunday that many fines haven't been

3 collected yet because the city doesn't have the  
4 authority to do so but we're hoping to start the  
5 collection process very soon. What does that mean?

6 Now, I know what you stated in your excellent  
7 testimony is that the fines don't really kick in  
8 until some time forward and that this is not a  
9 revenue enhancement process. It's mostly to close  
10 and deal with quality of life but if people break the  
11 law, to me they need to pay their fines. So, what is  
12 the status with collection process as you understand  
13 it?

14 SHERIFF ANTHONY MIRANDA: As I said in the  
15 testimony before, it becomes judgement. When these  
16 fines become judgement, then it comes back to the  
17 Sheriff's office for enforcement. But outside of  
18 that, it's not in the Sheriff's office. The OATH  
19 hearing officers and the other city agencies deal  
20 with the collection process. It does take a minimum  
21 of 120 days and it can take longer based on the  
22 adjournments, potential adjournments that can be  
23 requested. Some of these time periods go for 90 days  
24 and if they went - let's say they went through an  
25 entire 120 day process and somewhere just before the  
120 days, they file for an extension or respondent or

3 requested a hearing, then a new clock would start and  
4 then they would start all over again.

5 So, I think there's a lot of nuances in terms of  
6 how it gets to actual judgement before we can collect  
7 on it but that also the process, before that, before  
8 judgement doesn't fall through the Sheriff's office.

9 CHAIRPERSON BREWER: Okay, I mean I do think with  
10 all due respect, when I always hear one agency saying  
11 this, not ours, it means that all the agencies are  
12 siloed a bit and I'm not saying that's your fault but  
13 we need not to have the silo and all of us as one  
14 administration and we should be looking at it as such  
15 because when you access you know that huge number and  
16 you're getting such a small fraction, I'm sure that  
17 my colleague will ask you more about that but there's  
18 something wrong with this process.

19 SHERIFF ANTHONY MIRANDA: I can definitely go  
20 into more detail in terms of the process. Like I  
21 said, when we issue the first violations, they could  
22 have it here within five business days or 45 days  
23 later depending on the violation. Depending on which  
24 end of the spectrum you're on, after the 45 day  
25 period they get a hearing and then they have up to 90  
days before they even have to show up and request a

3 hearing and then they can have an adjournment or ask  
4 for an extension, at which part it will also continue  
5 past that 90 days.

6 So again, this is not a silo of information.  
7 It's just that other agency have their particular  
8 guidelines timeframes of which payment and compliance  
9 are OATH, not only OATH but the other agencies as  
10 well and that again is not in the Sheriff's office.  
11 Those timeframes are legal mandates that they must  
12 comply with.

13 CHAIRPERSON BREWER: Okay, now we're going - this  
14 is also back to the issue of reporting. I know that  
15 we're waiting for reports from the Sheriff's office  
16 and in the Sheriff office, perhaps correctly said,  
17 that we haven't been told by the Office of Cannabis  
18 Management, which is the state, exactly how the  
19 mechanism should work. So, we can't do the reporting  
20 until OCM tells us.

21 So, what are you doing - we've written to OCM. I  
22 have written to OCM. I have not heard back as to  
23 what that process is but do you feel that you need to  
24 wait? Have you been in touch with OCM? What is  
25 going on in terms of the mechanism for getting the  
public the information that I think they deserve?

2 SHERIFF ANTHONY MIRANDA: Again, we do  
3 communicate with OCM as doing ongoing enforcement  
4 efforts. I know that they have experienced their own  
5 challenges in terms of their operations but to the  
6 extent that we need to exchange information, we do -  
7 again, I can't speak to any other challenges that OCM  
8 is having reporting back. So, when we can and when  
9 we do, we do communicate with them about enforcement  
10 activity.

11 CHAIRPERSON BREWER: Okay, but do you understand  
12 that as a result of this, the public is not getting  
13 except for this hearing, information that I think  
14 they deserve. So, are you pressuring OCM as I am to  
15 try to come up with a mechanism?

16 SHERIFF ANTHONY MIRANDA: So, are you pressuring  
17 OCM as I am to try to come up with a mechanism?

18 CHAIRPERSON BREWER: We are absolutely  
19 communicating OCM and constantly asking for  
20 information that they may be challenged with  
21 supplying but as much as is available to them, that  
22 they are able to give to us, they do share with us.

23 CHAIRPERSON BREWER: Okay, the MMR, Mayor's  
24 Management Report, as you know was released  
25 yesterday. It doesn't include electronic monitoring

3 of individuals released on bail as a service  
4 performed by the Sheriff's office, but I think that  
5 you do, you do it. Can you share an example of how  
6 the all hands on deck nature of Operation Padlock to  
7 protect? I have to say perhaps negatively impacts  
8 electric monitoring or other things that you're doing  
9 because you don't have enough Sheriff's to be able to  
10 do all this work. So, can you comment on that?

11 SHERIFF ANTHONY MIRANDA: Thank you for the  
12 question. As always any agency prepared before you  
13 would always say that we also would always like more  
14 staff, more personnel. The Electronic Monitoring  
15 Program has the personnel assigned to it that is  
16 operational. We are at maximizing the responsiveness  
17 to electronic monitoring. And as you indicated, we  
18 have a host of other responsibilities not only the  
19 Electronic Monitoring but orders of protection, the  
20 Urpo's the Turpo's. The Ghost Vehicle Enforcement  
21 program that we also do. So, there are a number of  
22 other responsibilities at the Sheriff's Office so  
23 it's not just cannabis enforcement but today, again  
24 we're focused on cannabis enforcement. It does take  
25 a number of our resources but we are able to maintain  
the operations that we are required to operate.

3 CHAIRPERSON BREWER: Okay, I mean others may feel  
4 differently about that as you know.

5 SHERIFF ANTHONY MIRANDA: Absolutely. Obviously  
6 we have vacant storefronts. You mentioned some in  
7 your testimony. Are you working with Cannabis NYC or  
8 Small Business Services or anybody else again, trying  
9 to get away from silo agency to figure out how to  
10 populate those vacant storefronts? I know, that's  
11 not your job I got it but guess what? One city, one  
12 agency, shouldn't be -

13 CHAIRPERSON BREWER: Absolutely. We do go out  
14 with NYC Cannabis when they do community forums and  
15 whenever they ask us to join them. We go at any  
16 number of community events as we are invited as well  
17 as the Sheriff's Office. Not only to inform people  
18 the activities of what we're doing overall, the  
19 operations of the Sheriff's Office but also in any  
20 way that we can to share information so we do that on  
21 a regular basis.

22 CHAIRPERSON BREWER: Okay and then when you  
23 report to Commissioner Niblack I assume you've  
24 discussed Operation Padlock to protect. There's a  
25 taskforce on this topic. How often does this  
taskforce meet? What do they do? What kind of

3 policies are coming out of the taskforce that we  
4 understand exists with the different agencies? So  
5 you are less siloed hopefully.

6 SHERIFF ANTHONY MIRANDA: We're not in a silo.  
7 We do speak on a regular basis. I don't know that -  
8 I cannot speak to whether it's a scheduled meeting  
9 every two weeks or I know that we speak regularly  
10 almost on a daily basis on some level of Operation  
11 Padlock to protect on the different nuances that are  
12 occurring each and every day. So, again, I don't  
13 necessarily say that we have only speak about it on  
14 any scheduled meeting basis but we do have  
15 conversations and meetings on a regular basis on  
16 various topics and not only involving Padlock to  
17 protect but the overall operations of the Sheriff's  
18 Office as well.

19 CHAIRPERSON BREWER: Okay, thank you very much  
20 and I will turn it over to my colleague. Also  
21 Council Member Powers and Council Member Ossè have  
22 joined us.

23 CHAIRPERSON BRANNAN: Thank you Chair Brewer. I  
24 want to talk Sheriff about headcount. As of the FY25  
25 Adopted Budget, Department of Finance has a budgeted  
headcount of 1,983 positions. Of those, 310 are



3 within the Sheriff's unit appropriation. This  
4 represents roughly 15 percent of the budgeted  
5 headcount. Could you tell us what the current  
6 budgeted and actual headcount is for the Sheriff's  
7 Office?

8 SHERIFF ANTHONY MIRANDA: The budgeted headcount  
9 is 224. The active headcount is 128. The vacancies  
10 are 93.

11 CHAIRPERSON BRANNAN: Are there certain positions  
12 that have higher vacancy rates than others?

13 SHERIFF ANTHONY MIRANDA: Yes.

14 CHAIRPERSON BRANNAN: Which ones?

15 SHERIFF ANTHONY MIRANDA: The Deputy Sheriff's  
16 rank.

17 CHAIRPERSON BRANNAN: Okay, uhm, before Operation  
18 Padlock, the Sheriff's role of investigating illegal  
19 marijuana shops was significantly smaller. Thanks to  
20 legislation at the state, you now have more power to  
21 investigate and make arrests. Has hiring increased  
22 since the creation of Operation Padlock?

23 SHERIFF ANTHONY MIRANDA: I'm sorry, I need to  
24 correct the statement that you're making. If you can  
25 repeat the expression again.

3 CHAIRPERSON BRANNAN: Sure, so before Operation  
4 Padlock, the Sheriff's role of rating the illegal  
5 marijuana shops was significantly smaller and harder  
6 right? Once the state gave you - once the State  
7 Legislation passed, you now have more power. The  
8 question is has hiring increased since the creation  
9 of Operation Padlock?

10 SHERIFF ANTHONY MIRANDA: Okay, we conduct  
11 inspections of smoke shops. Not raised is the  
12 clarity. We were not inspecting smoke shops until it  
13 became - the authority was granted to the Sheriff's  
14 Office. Prior to that, we were smoking for other  
15 violations in various locations through the Sheriff's  
16 Joint Compliance Taskforce.

17 CHAIRPERSON BRANNAN: So, have you hired more  
18 since you got that authority? That's the question.

19 SHERIFF ANTHONY MIRANDA: We have, we are  
20 currently slated to start a class hopefully the month  
21 of October.

22 CHAIRPERSON BRANNAN: And you mentioned the  
23 vacancy rate. Is there a higher focus at the  
24 Sheriff's Office on hiring these deputies?

25 SHERIFF ANTHONY MIRANDA: Absolutely. We have  
26 been trying to hire deputies for quite some time.

3 This entire process, so it didn't just start today.

4 They had to take an examination. After the

5 examination, we had to do background checks on them.

6 We're completing fingerprinting process and then like

7 I said, I believe that we have a 90 approved

8 headcount for the academy class. It will be the

9 largest academy class in the history of the Sheriff's

10 Office.

11 CHAIRPERSON BRANNAN: So, we received a letter

12 from your office yesterday. In it, you said

13 currently there are approximately 180 employees

14 assigned to the taskforce. How much of your staff is

15 dedicated to Operation Padlock?

16 SHERIFF ANTHONY MIRANDA: I believe our number is

17 - the 180 is a combination of all the agencies that

18 are involved in enforcement, just for clarity. The

19 180 comes from the Police Departments personnel that

20 assign the personnel assigned for DCWP, the Sheriff's

21 Office, the various support staff that we have and

22 the various attorney's that are assigned from the

23 different agencies that are also working on this

24 project. That's how you get to 180, so it's not 180

25 from our office.

2 From our office, we probably about 30 personnel  
3 that are working on Padlock to protect.

4 CHAIRPERSON BRANNAN: So, there's 360 folks, 30  
5 employees at the Sheriff's office who their singular  
6 job is Operation Padlock?

7 SHERIFF ANTHONY MIRANDA: No one has a singular  
8 job of Operation Padlock. So, they multitask but we  
9 approximately 30 personnel that are assigned to work  
10 in the Padlock to protect it in various points.

11 CHAIRPERSON BRANNAN: Okay, back in June, you  
12 wrote us that you estimate about 50 to 75 people  
13 deploy each day in which operations are scheduled.  
14 Is the taskforce growing now?

15 SHERIFF ANTHONY MIRANDA: Yes sir, our goal is to  
16 dispatch these 15 teams that are comprised of  
17 anywhere between five to seven personnel including  
18 all the agencies.

19 CHAIRPERSON BRANNAN: Okay so at the FY25  
20 Executive Budget hearing, your agency testified that  
21 the Sheriff's Office operates with other city  
22 agencies during its inspections such as PD, DCWP,  
23 other agencies. Regarding the Taskforce staff from  
24 other agencies, has the number assigned to assist you  
25 remain stable?

3 SHERIFF ANTHONY MIRANDA: It has increased.

4 CHAIRPERSON BRANNAN: Okay and what is the number  
5 of personnel assigned to the Sheriff's Joint  
6 Compliant Taskforce from the Sheriff's Office, NYPD,  
7 DCWP, and the other agencies? So, how many folks are  
8 sort of on loan to you?

9 SHERIFF ANTHONY MIRANDA: There's approximately  
10 80 to 100 personnel for the New York City Police  
11 Department from police officers, supervisors. I  
12 think there's one or two lieutenants and a captain  
13 that oversees the operation.

14 DCWP has two supervisors, ten inspectors that  
15 work with us and they will interchange people  
16 depending on what their needs are and they may have  
17 other people in their office that crunch data for the  
18 enforcement that they're taking.

19 So, that's why I said, just functioning in our  
20 office will be that number. Should they have other  
21 people in that office that are dedicated to it and  
22 the Sheriff's Office deploys one team leader to each  
23 of those teams, the 15 teams has a team leader that  
24 operates the supervised, the activities of the team.  
25

3 CHAIRPERSON BRANNAN: And for legal matters, do  
4 you rely on NYPD's attorney's or do you have your own  
5 attorney's?

6 SHERIFF ANTHONY MIRANDA: Department of Finance  
7 has it's own attorney's that represent us and in the  
8 Taskforce Response, we do utilize attorney's from New  
9 York City Police Department to support the Padlock to  
10 Protect efforts.

11 CHAIRPERSON BRANNAN: So, legal you know legal  
12 marijuana shops bring in tax revenue for the city,  
13 revenue which is of course higher than that of the  
14 legal shops. Could you tell us how much tax revenue  
15 has DOF collected from the legal marijuana shops to  
16 date?

17 SHERIFF ANTHONY MIRANDA: I know that in FY23 it  
18 was estimated that the legal cannabis shops, I mean  
19 the legal cannabis shops brought in approximately  
20 over \$700,000 in revenue. Where in FY24, they  
21 brought in close to \$3 million, a little bit over \$3  
22 million and in FY25 it is estimated that \$10 million  
23 will be brought in from legal cannabis shops.

24 CHAIRPERSON BRANNAN: Do we have a sense of how  
25 much revenue the city has forgone as a result of the  
illegal marijuana shops?

3 SHERIFF ANTHONY MIRANDA: I do not.

4 CHAIRPERSON BRANNAN: Does DOF calculate the  
5 amount of lost tax revenue from the illegal shops?

6 SHERIFF ANTHONY MIRANDA: I do not believe that  
7 that is something that can't be calculated based on  
8 my knowledge but that's very limited in that respect.  
9 I don't know of anybody who does those figures but  
10 I'm not aware of anybody putting that together.

11 CHAIRPERSON BRANNAN: And do we have a number, a  
12 total number for how much sales tax specifically DOF  
13 has collected from the licensed shops?

14 SHERIFF ANTHONY MIRANDA: I do not believe  
15 there's any sales tax on the cannabis. What they do  
16 is they get revenue back from the state and the state  
17 pays the appropriate percentage that's supposed to go  
18 back to the city.

19 CHAIRPERSON BRANNAN: Is there a projected  
20 revenue for the legal shops for FY25?

21 SHERIFF ANTHONY MIRANDA: FY25 is supposed to be  
22 over \$10 million.

23 CHAIRPERSON BRANNAN: Okay, we received a letter  
24 from your office yesterday. I mentioned the  
25 aforementioned letter. As part of the letter, you  
stated that the Office of the Sheriff does not seize

3 cash from any of the locations. NYPD seizes cash for  
4 safe keeping and investigative review when necessary.  
5 To the best of your knowledge, has any Sheriff's  
6 office employee during any inspection of any of those  
7 shops ever seized any cash?

8 SHERIFF ANTHONY MIRANDA: During Padlock to  
9 protect operations?

10 CHAIRPERSON BRANNAN: Yeah.

11 SHERIFF ANTHONY MIRANDA: Uhm, I do not believe  
12 so.

13 CHAIRPERSON BRANNAN: Okay, which asset  
14 forfeiture account does seize cash get deposited to?

15 SHERIFF ANTHONY MIRANDA: If we haven't seized  
16 the cash, I think that's uh I could probably get that  
17 for you if there's any seized cash by the Sheriff's  
18 office what asked the forfeiture accounts to utilize.  
19 I can probably come back and be able to give you that  
20 information. I don't have that available right now.

21 CHAIRPERSON BRANNAN: Okay because the NYPD  
22 right, they have an asset forfeiture account and the  
23 Office of the Sheriff has asset forfeiture account or  
24 is there another account? There was a Comptroller's  
25 report for FY23, the ending balance for the Office of  
the Sheriff, the forfeiture account was about



2 \$867,000 with about \$295,000 in revenue from that  
3 year. So, do you have a projected revenue from the  
4 asset forfeiture for FY25?

5 SHERIFF ANTHONY MIRANDA: I do not.

6 CHAIRPERSON BRANNAN: Does the seize cash fund  
7 any specific programs within DOF?

8 SHERIFF ANTHONY MIRANDA: Forfeiture generally, I  
9 mean there are rules and regulations about how you  
10 can utilize any money that's taken by asset  
11 forfeiture and there are specific guidelines to that.  
12 So, I don't have that information available but I  
13 think one of the things you could do is for training  
14 and other things like that but it's very specific  
15 about the use and we have somebody else in the office  
16 that's designed to taking care of that, so there  
17 would be the person that would speak to the  
18 particulars on that or I will find out more for you  
19 at a later time.

20 CHAIRPERSON BRANNAN: But here today, do you have  
21 a total amount for cash that's been seized at these  
22 inspections?

23 SHERIFF ANTHONY MIRANDA: Okay, two different  
24 questions, right. You asked for forfeiture and the  
25 general nature of where we get funding from. That

3 may come from various resources not related to  
4 cannabis enforcement. We're talking about cannabis  
5 enforcement since Padlock to Protect, the vouchering  
6 process has been designated within New York City  
7 NYPD, New York City Police Department so that  
8 currently, they are the ones who voucher the property  
9 depending on the circumstances of the location. They  
10 will either voucher it as safe keeping or they will  
11 voucher it as investigatory evidence depending on the  
12 different circumstances. So, it will depend on the  
13 circumstances of each in particular inspection and  
14 how we got there.

15 CHAIRPERSON BRANNAN: But you don't have a total  
16 number for how much?

17 SHERIFF ANTHONY MIRANDA: I do not. I can  
18 definitely get the information afterwards by  
19 confirming with the New York City Police Department.

20 CHAIRPERSON BRANNAN: Okay, thank you. We've  
21 also been joined by Council Member Stevens and  
22 Restler on Zoom. Uhm, okay let's see. FY25 Adopted  
23 Budget includes \$49.1 million in the Sheriff's Unit  
24 of Appropriation, \$29.1 million for personal services  
25 and \$20 million for OTPS, Other Than Personal  
Services. Is this enough funding for your office?

3 SHERIFF ANTHONY MIRANDA: Again, it's one of  
4 those questions. If we had enough, that would be an  
5 incorrect answer, so in considering that the  
6 responsibilities the Sheriff's Office is taking on  
7 and the need to have more personnel, we're always in  
8 need of having additional but we will operate and  
9 meet the needs of both the city and the mandate that  
10 is required of the Sheriff's Office.

11 CHAIRPERSON BRANNAN: But as the operation ramps  
12 up and continues to ramp up, will your department  
13 require additional funding to support - I mean, you  
14 have much more responsibility now than you did  
15 before.

16 SHERIFF ANTHONY MIRANDA: Absolutely.

17 CHAIRPERSON BRANNAN: I don't think saying that  
18 you might need some more money, you would - Jock  
19 isn't watching, it's okay.

20 SHERIFF ANTHONY MIRANDA: Again, I'm sure that we  
21 will make new needs request as we go on. We just had  
22 approval for our academy class. We're working  
23 through those details now. I believe - again as I  
24 stated, I think this is going to be the largest class  
25 in the history of the Sheriff's Office. We have 90  
positions, that I'm just told, 90 positions that have

3 been approved for this class and we are absolutely  
4 looking for more. So, to the extent that you can  
5 help us and make sure that we get more headcount and  
6 more personnel, that would be fantastic.

7 CHAIRPERSON BRANNAN: Okay, I just have a couple  
8 more. According to Mayor Adams, the Administration  
9 has issued more than \$65 million in civil penalties  
10 as of August 4<sup>th</sup> at unlicensed cannabis shops since  
11 the launch of Operation Padlock to protect back in  
12 May. However, according to open data on OATH, in the  
13 hearing divisions case statuses, the Sheriff's Office  
14 has only issued approximately \$12 million, just \$10  
15 million of which was upheld by OATH. And then in  
16 your letter yesterday, you said the total value of  
17 civil penalties issued for cannabis related  
18 violations is about \$30,725,000, \$31 million.

19 So, can you explain how you arrived at the \$31  
20 million number and why there is a difference between  
21 what you've stated and what the Mayor and OATH have  
22 stated?

23 SHERIFF ANTHONY MIRANDA: Again, Operation  
24 Padlock to protect does not only issue cannabis  
25 violations. They issue violations for tobacco  
products as well. So, there are other things that

3 take place in these inspections that we uncover and  
4 we have to take the summary action as necessary. And  
5 that's why you get to the \$104 million of penalties  
6 that were issued. However, when you specifically ask  
7 with cannabis related fines, then we took the amount  
8 of value of flower cannabis, the edibles, and I think  
9 there was one other product, the THC vapes. So, we  
10 added those totals separately of what we seize and  
11 the value was and then we put that in the numbers.

12 CHAIRPERSON BRANNAN: And do you have an idea of  
13 how much of those fines have been paid as of today?

14 SHERIFF ANTHONY MIRANDA: Again, I think as we  
15 spoke earlier, the process for paying the fines has  
16 not come to fruition yet. There are at least 120  
17 days if not more before they become judgement dead.  
18 I believe that OATH has collected close to over a  
19 little more than \$200,000 at OATH when people pay it  
20 ahead of time but the process for collection has an  
21 entire timeframe, legal timeframe that they can abide  
22 by getting extensions, adjournments and then  
23 therefore, they will not come to the place of  
24 collection by the Sheriff's Office until they become  
25 a judgement debt and that is still, we have still not  
reached that maturity date yet.

3 And anecdotally, are you shutting down less shops  
4 daily than you were a month or two ago? Is it still a  
5 game of Wack Amo or is it starting to level out?

6 SHERIFF ANTHONY MIRANDA: I think Wack Amo kind  
7 of gives people a sense of no hope. I should tell  
8 you that we expected over 950 something locations  
9 that have passed inspection. So that means that  
10 people are understanding. That we're out there.  
11 That we're going to be coming back, so they're  
12 becoming compliant with the law and will continue to  
13 do it. That the law provides that it's not just one  
14 visit, some circumstances we have to go back more  
15 than once, either two or three times depending on the  
16 circumstances. So that's why we have to go back to  
17 locations multiple times.

18 CHAIRPERSON BRANNAN: So, how would a place then  
19 that an illegal cannabis shop that you inspect and  
20 the you go back and now they're in compliance. That  
21 means what? They're no longer selling illegal  
22 cannabis?

23 SHERIFF ANTHONY MIRANDA: That's correct.

24 CHAIRPERSON BRANNAN: Okay.

25 SHERIFF ANTHONY MIRANDA: And as I reported, I  
did give you a number of a number of business

3 locations, 147 some locations changed business  
4 already. Another hundred plus locations were turned  
5 back to the landlords. They followed the abatement  
6 process and probably evicted the tenant and then  
7 there's a process online for the businesses  
8 themselves to be able to become compliant with the  
9 law. They followed the abatement process and it will  
10 be reviewed to give them back the locations as well.  
11 But it's open to inspection and they have to pass  
12 inspection, which means they are no longer selling  
13 illegal products.

14 CHAIRPERSON BRANNAN: In your letter yesterday,  
15 you said that there are 127 stores that were  
16 originally issued a sealing order that the office  
17 then withdrew. So, it's 127 stores that were shut  
18 down and then reopened. Could you tell us why?

19 SHERIFF ANTHONY MIRANDA: I guess there's various  
20 reasons. We issued over 1,000 sealing orders. So,  
21 of 127 I believe we're at 15 percent, a little at 15  
22 to 13 percent in terms of what has been overturned  
23 and they will be overturned for different reasons.  
24 So, there's no one reason, there will be various  
25 reasons in the face of the legal arguments that are  
made. The recommendation by OATH and the follow up

3 review by our office and the other attorney's  
4 involved in the review process.

5 CHAIRPERSON BRANNAN: Okay, so a couple of weeks  
6 ago, the Mayor announced that over 1,000 stores have  
7 been sealed. Is that not an accurate number?

8 SHERIFF ANTHONY MIRANDA: That is.

9 CHAIRPERSON BRANNAN: Okay because the letter  
10 yesterday, the letter yesterday that said there were  
11 983 stores were sealed.

12 SHERIFF ANTHONY MIRANDA: That means that the 875  
13 locations still sealed because some of the locations  
14 were unsealed. Alright, so the actual numbers are -  
15 the actual numbers are 1,152 sealed locations, 139  
16 seals were to end, 138 vacate orders. That's what we  
17 have right now. Approximately 875 locations are  
18 still sealed.

19 CHAIRPERSON BRANNAN: Do we have a sense from the  
20 legal folks how many of these - I know there hasn't  
21 been a ton of time but how many of these sealing  
22 orders stand up in court?

23 SHERIFF ANTHONY MIRANDA: Back to our stats, I'll  
24 give it to you. The 1,124 sealing orders issued, 208  
25 sealing orders were dismissed by oath. That's a  
total of 19 percent.



3 CHAIRPERSON BRANNAN: Okay, I have some questions  
4 from the Majority Whip but I'm going to give it back  
5 to Chair Brewer and some of my colleagues. Thank you  
6 Chair.

7 CHAIRPERSON BREWER: Thank you. I have two quick  
8 questions and then I'll turn it over to my  
9 colleagues. One is uhm, I know we talked about vape  
10 disposal. What's the process for storage and  
11 disposal of illicit material? I know for instance  
12 the e-liquid and vape is an issue because it's toxic  
13 and my understanding is you have to send it out of  
14 town and then pay for that and I want to know how  
15 much is spent on that and if that's what's happening  
16 and what are we doing to try to have a more local  
17 response.

18 SHERIFF ANTHONY MIRANDA: The destruction of vape  
19 is a very particular process. There are only certain  
20 people that are licensed to destroy the vape  
21 products. When they're stored, they are completely  
22 harmless. However, when you determine that you want  
23 to destroy them, the process for destruction that  
24 makes it hazardous material.

25 CHAIRPERSON BREWER: Correct.

3 SHERIFF ANTHONY MIRANDA: I believe that the  
4 Police Department has just finalized their contract  
5 because they are now the holders of the product right  
6 now and that process has been approved and they'll  
7 start the process of destroying the vape products.  
8 There are very few licensed people in the industry  
9 that handle this process.

10 CHAIRPERSON BREWER: Well, there's one in Ohio if  
11 I remember correctly.

12 SHERIFF ANTHONY MIRANDA: Correct.

13 CHAIRPERSON BREWER: So, we're not still going to  
14 Ohio, the Police Department's taking over, I'm a  
15 little confused?

16 SHERIFF ANTHONY MIRANDA: Okay, I believe that  
17 NYPD's contract has found somebody local to handle  
18 the process but again, I don't know the particulars  
19 of the contract and I'm not sure if in the end any  
20 other product ends up still in Ohio but Ohio was the  
21 go to place traditionally.

22 CHAIRPERSON BREWER: Okay, I'm just saying again  
23 data, so it's fine if the only place is Ohio but then  
24 one of the questions we have and maybe this comes  
25 from the state office of management, cannabis  
management that has to tell us what you need to give

3 us in terms of data but the point of the matter is  
4 either for the MMR or for the public or just  
5 generally, we should know you know what's going on  
6 with the contract up to now with Ohio. It takes I  
7 think personnel to go to Ohio. How much does all of  
8 that cost. Fine, it's going to end, NYPD is going to  
9 take over but all of that is not clear. That's an  
10 example of what I'm saying. We need the data.

11 SHERIFF ANTHONY MIRANDA: That information is  
12 available Councilwoman, I just don't have it here.  
13 I'll be sure to communicate with the New York City  
14 Police Department because they're the ones who  
15 originally negotiated the contract and we'll be able  
16 to share those details with you.

17 CHAIRPERSON BREWER: Okay, so it's not anything  
18 through even previously it was not through your  
19 office, it was all through NYPD?

20 SHERIFF ANTHONY MIRANDA: No.

21 CHAIRPERSON BREWER: Oh, I'm confused now.

22 SHERIFF ANTHONY MIRANDA: Well, you asked about  
23 what currently is being done under Padlock to  
24 Protect. Anything under Padlock to Protect has been  
25 going to the Police Department.

3 CHAIRPERSON BREWER: But before that, you were  
4 doing it thanks to your investigations with Ohio from  
5 the proper procedures?

6 SHERIFF ANTHONY MIRANDA: Correct, we did have a  
7 local contractor that was a facilitator. Ultimately,  
8 the contractor will bring the product to Ohio because  
9 that's the place where the product is actually  
10 destroyed, but we had a local contract prior to that  
11 where they would come in with specific types of  
12 barrels, seal the product and then they would  
13 require, they are the ones that would authorize the  
14 transport. So, we are still also negotiating a  
15 contract directly as well but it has not been  
16 finalized yet.

17 CHAIRPERSON BREWER: Okay, I'll leave it at that  
18 but I have to say just listening to you, it is a  
19 little confusing because normally you get, this is  
20 what happened, I'm making this up in 2023. This is  
21 what's going to happen in 2024. This is when the  
22 contract is registered. None of that is clear to me  
23 from listening to you. You know so that's the kind  
24 of thing I think we need to have more clarity on.  
25 That's why I'm looking for the data but I will now

3 turn it over to Council Member Sanchez and then  
4 Hanks, Ossè and Banks. Council Member Sanchez.

5 COUNCIL MEMBER SANCHEZ: Thank you so much Chair  
6 and thank you Sheriff and the entire team for  
7 everything that you do and have been doing in my  
8 district certainly. I have several questions  
9 regarding what happens in the aftermath of  
10 enforcement by the Sheriff's Office and the  
11 interagency enforcement. In particular, in my  
12 district, we've noticed that there have been  
13 increases in violence after a shop is shut down. So,  
14 my first question is does the Sheriff's Office and I  
15 don't know if NYPD has folks that can answer  
16 questions here today. What steps and measures are  
17 you putting into place to calm down the violence  
18 because some of the drug activity that moved inside  
19 to those illegal smoke shops then come outside.

20 SHERIFF ANTHONY MIRANDA: Okay I know the Police  
21 Department is not here to testify about their  
22 enforcement on the street level but that enforcement  
23 outside the location or any other street conditions  
24 would fall to the New York City Police Department.

25 COUNCIL MEMBER SANCHEZ: Okay thank you. That's  
actually my second question. I know Council Member

3 Chair Brewer asked about vans. We're seeing a lot of  
4 pop up table, so is that not in the Sheriff  
5 Departments jurisdiction?

6 SHERIFF ANTHONY MIRANDA: Pop up tables not  
7 necessarily again, most of that will fall to the  
8 Police Department for enforcement for street  
9 enforcement. On certain cases, depending on the  
10 situation, we may be able to tie it to some of our  
11 enforcement activities.

12 COUNCIL MEMBER SANCHEZ: Thank you. Okay, thank  
13 you so I'll follow up with them. Does the Sheriff's  
14 Department do any - provide any education regarding  
15 how to become a legal smoke shop when you do this  
16 enforcement?

17 SHERIFF ANTHONY MIRANDA: Generally when we go  
18 into a location we will share with them that the NYC  
19 Cannabis and then for the people who are truly not  
20 informed, then we send them to the State Office of  
21 Cannabis Management where they should be getting the  
22 information on how to participate legally. And most  
23 people don't understand that is strictly, there's  
24 more than one product, more than one way to get  
25 involved in the cannabis business and so, they're not  
informed. People just simply believe there's only

3 the front mechanism is actually selling cannabis when  
4 there are other opportunities to get into business as  
5 well. That's one of the reasons why we join the NYC  
6 Cannabis when they do the community events to give  
7 them a balanced presentation of what Law Enforcement  
8 or what the Sheriff's Office expects and what we see  
9 and how they can operate within the boundaries of the  
10 law and be able to have a good business.

11 COUNCIL MEMBER SANCHEZ: Thank you. I'm going to  
12 certainly follow up with you on that to make sure  
13 that we're able to have your presence and their  
14 presence at our community events to share  
15 information. And then my last question, this might  
16 not be entirely for you but is the Sheriff's Office  
17 or any other agency that you're aware of in the city,  
18 are you working to do education with communities who  
19 are turning down you know in the Community Board  
20 process are turning down or saying no to the opening  
21 of legal cannabis smoke shops?

22 SHERIFF ANTHONY MIRANDA: We go out and speak at  
23 many of the Community Boards that we're invited to.  
24 We also know that many of them have their own  
25 cannabis committees. And so, we do sit with them  
when they ask particular questions about what their

3 concerns are and what they're facing and then we're  
4 able to discuss with them what we've been seeing and  
5 what's within their basis. Things they should ask  
6 before they approve anybody to make sure that they  
7 haven't been involved illegally and now just trying  
8 to join the legal market.

9 COUNCIL MEMBER SANCHEZ: Got it. Thank you so  
10 much and again from the Northwest Bronx, thank you  
11 for everything that you've been doing. Thank you  
12 Chair.

13 SHERIFF ANTHONY MIRANDA: Thank you so much.

14 CHAIRPERSON BREWER: We've been joined by Council  
15 Member Williams. Now Council Member Hanks, Ossè,  
16 Banks and Williams questions. Council Member Hanks.

17 UNIDENTIFIED: Good morning.

18 CHAIRPERSON BREWER: Council Member Hanks left?  
19 Okay Council Member Ossè.

20 COUNCIL MEMBER OSSÈ: Thank you so much Chair  
21 Brewer. I just have one question and good morning.  
22 I just wanted to ask who specifically is responsible  
23 for making the list of shops that are rated or  
24 inspected by your agency?

25 SHERIFF ANTHONY MIRANDA: The locations come in -  
they come in through our office by various means.



3 They are added to the spreadsheet depending on where  
4 they are and then we try to ensure that we have a  
5 balanced approach to all five counties when we go  
6 out.

7 COUNCIL MEMBER OSSÉ: Okay, so people submit  
8 complaints through 311, through 911, through Council  
9 offices, could you maybe elaborate more in terms of  
10 how you collect these locations?

11 SHERIFF ANTHONY MIRANDA: They come through 311.  
12 They have come through surveys done by the Police  
13 Department. They come from the City Council members  
14 as well. They come from community meetings. They  
15 come from a number of forums where people are  
16 exchanging information and they want to report the  
17 locations. So, we compiled that data and it is put  
18 in to each of - into the spreadsheet, the database  
19 that we have, the spreadsheet that we have. And then  
20 we have teams that operate in each of the counties,  
21 so therefore, that means that we'll break out so many  
22 locations per county depending on if we get a cluster  
23 that close. There's a lot of operational things that  
24 we may consider. How many are right next to each  
25 other. What's the distance between response time,  
how many we can get done in a day and the amount of

3 personnel that's available in that particular county  
4 at that time.

5 COUNCIL MEMBER OSSÉ: So, you would say you  
6 prioritize some shops or locations more than others  
7 maybe?

8 SHERIFF ANTHONY MIRANDA: We prioritize locations  
9 where they have reported adults or children getting  
10 sick. We prioritize those locations that are by our  
11 schools, houses of worship, in those areas. Those  
12 are the ones that get first priority. We also look  
13 at some of the statistics on the Police Department.  
14 They have heavy crimes around a particular store  
15 that's an illegal cannabis shop, then we'll go in and  
16 try to make sure that we do the inspection in the  
17 cannabis shop as soon as possible.

18 COUNCIL MEMBER OSSÉ: And who particularly  
19 compiles this spreadsheet and breaks it down for you  
20 all to I guess prioritize which locations to tackle?  
21 Is it you know an individual? Is it a group of  
22 people who convene and talk about this?

23 SHERIFF ANTHONY MIRANDA: It's more than one  
24 person. We have an auditor that sits and inputs the  
25 data, then we request from them what's needed but  
it's more than one person that meets in the morning

3 and determines what we have available, what our  
4 resources for the day, what's more priority, what's  
5 come up in the last 24 hours. Again, we may have  
6 something on there. There's nothing unusual that's  
7 come up on necessitating an immediate response, then  
8 we'll go right down the list and we'll keep going  
9 through this until we complete it, which we have  
10 completed the first round of inspections already.

11 COUNCIL MEMBER OSSE: And are these all complaint  
12 based or does the Department sometimes add location  
13 to the list that you have seen yourselves?

14 SHERIFF ANTHONY MIRANDA: I believe most of it is  
15 going to be complaint based. We do - when the teams  
16 are out there, if they see a shop opening and  
17 sometimes they will do an inspection, so if we're  
18 going into one location, at location A, and then they  
19 observe - there's another location, location B that  
20 was not on our list, then they will call that  
21 location in to see if we have information on it  
22 already and if we don't we'll put it on the list and  
23 they'll go in and do that inspection as well.

24 COUNCIL MEMBER OSSE: On the list you you know  
25 find certain trends in terms of seeing where some

3 boroughs or neighborhoods have a higher concentration  
4 of these shops more than others?

5 SHERIFF ANTHONY MIRANDA: I think that there's  
6 been a kind of distribution of illegal smoke shops  
7 throughout the entire city in all five boroughs.

8 COUNCIL MEMBER OSSÈ: Okay, thank you. Thank you  
9 Chairs.

10 CHAIRPERSON BREWER: Council Member Banks.

11 COUNCIL MEMBER BANKS: Thank you Chair. A couple  
12 of questions pertaining to uh and first of all, thank  
13 you for the Operation Padlock. It's been working in  
14 my district but particularly once a shop is closed  
15 down and is padlocked, what's being done? I'm  
16 getting a lot of complaints and calls from residents  
17 about activity that has now emerged in front of  
18 locations where folks are still continuing some of  
19 the illicit activity. What's being done? What's the  
20 follow up being done because I haven't seen any  
21 follow up by the taskforce, so I want to know is  
22 there anything in place that's going to be set up to  
23 address this particular issue?

24 SHERIFF ANTHONY MIRANDA: As we indicated  
25 earlier, when it comes out to street sales and then  
it falls to the New York City Police Department. It

3 does not fall under the guidelines and the purview of  
4 the taskforce of the Joint Compliance Taskforce.

5 COUNCIL MEMBER BANKS: But they're in front of  
6 the business there and still in front of the  
7 business. The signage is still up, which obviously  
8 still allows them to still promote the business as  
9 though its still in operation and uhm, we're seeing  
10 folks sit in front with tents, chairs, crates. So,  
11 if there can be some type of follow up to address  
12 that, I would appreciate that.

13 SHERIFF ANTHONY MIRANDA: We do work with the  
14 Police Department, so we're clear about this. I just  
15 want to make sure about jurisdictional kind of  
16 boundaries.

17 COUNCIL MEMBER BANKS: So, it's a jurisdiction?

18 SHERIFF ANTHONY MIRANDA: It is. It is by law  
19 where we have authority over and where we don't. So,  
20 sometimes the locations are outside, are tied to the  
21 location which affords us the opportunity to go back.  
22 If it's other than independent sales or there's  
23 nothing directly tying them to the location that was  
24 padlocked then it would be probably enforcement  
25 primarily relying on NYPD and OCCB to be able to  
respond to it and when they ask us, we support those

3 efforts as well and we'll join them in any operations  
4 that they're doing.

5 COUNCIL MEMBER BANKS: Is there anything as far  
6 as anything virtual for each accounts district that  
7 will show the amount of stores that are being  
8 padlocked and is anything that's been made available  
9 created so we can track it outside of - I know the  
10 normal report that we get via email but is there  
11 anything we can go on and see and promote to the  
12 public?

13 SHERIFF ANTHONY MIRANDA: There is - that  
14 technology, we have not been able to utilize yet.  
15 I'm sure that in the future we might be able to but  
16 currently it doesn't exist. We do share with the  
17 Council Members when we are doing inspections in  
18 their district, so that they're aware of the  
19 enforcement because we know that you get the  
20 complaints and you want to be able to respond back to  
21 them indicating that some enforcement was taking  
22 place and so when we do that, we do communicate with  
23 each of the Council Members indicating what action  
24 was taken within their district.

25 COUNCIL MEMBER BANKS: Are the Community Boards  
also in that train, you know are they also notified?

3 SHERIFF ANTHONY MIRANDA: I don't think -  
4 Community Boards are not part of the normal  
5 communication process. Sometimes when they ask us  
6 directly, then we will share information with them.  
7 Again, it's really driven based on the complaints  
8 that they've given us. So, if they give us a list of  
9 locations that they said, this is what we're hearing  
10 about or what we're complaining about, have you had  
11 response for us, then we will share data with them  
12 and information with them so that they are able to  
13 respond to the community and let them know, yeah we  
14 heard your complaints and we took the appropriate  
15 action.

16 COUNCIL MEMBER BANKS: And also, once a store is  
17 padlocked in that particular entity or LLC or  
18 corporation, whatever they're organized as, are there  
19 any resources for those particular individuals or are  
20 they entirely banned from competing for a license?  
21 What is being done to assist those folks because you  
22 know, the reality is that these are communities that  
23 have been you know traditionally harmed by the  
24 selling of cannabis and uhm, this particular law was  
25 obviously meant to assist and to assist and support  
communities.

3 So, what's being done to assist these folks who  
4 have went about it the wrong way and possibly now  
5 want to do it the right way. What resources are  
6 there to support them so we're not pushing them to  
7 continue or in the black market?

8 SHERIFF ANTHONY MIRANDA: Well, two things that  
9 I'll say is one, they can go to the New York City -  
10 NYC Cannabis which helps them with the resources and  
11 how they can participate in the legal market and they  
12 can go to the State Office of Cannabis Management as  
13 well. I do not believe that most of our enforcement  
14 is impacted what do you call- the traditional market  
15 of people that were involved in the legacy market.  
16 Most of our enforcement, we have not encountered  
17 people from the legacy market.

18 So, despite what people want to present, this is  
19 mostly people who came into our communities. They  
20 are selling illegally and they are profit driven and  
21 they are selling products that are potentially  
22 contaminated and have no safety measures and they are  
23 endangering our community. The packaging alone  
24 indicates that they are not trying to comply with any  
25 part of the law. If we're going in and finding these



3 types of products, they made a determination that  
4 they don't want to participate in the legal market.

5 This is not acceptable. This was never supposed  
6 to be part of the new process of when we legalized  
7 cannabis. What you're seeing in front of you is  
8 exactly what we're finding in these locations and  
9 they have no intention in participating in the legal  
10 market if they're doing this.

11 COUNCIL MEMBER BANKS: Well, I mean, if I'm  
12 speaking to some of them. They do want to  
13 participate and they're asking, will they be  
14 permanently banned from being able to compete for  
15 license and these are folks who obviously like east  
16 New York, Brownsville who have been harmed by this  
17 and want to participate but obviously did it the  
18 wrong way and now want to you know, so obviously I  
19 understand the need for enforcement and we need to  
20 close down the illegal shops but we also need to look  
21 at a way to give some type of redemption to those  
22 folks who are - who went about it the wrong way, so.

23 SHERIFF ANTHONY MIRANDA: I completely understand  
24 that. We've found those people. We are definitely  
25 helping them. There are resources out there that the  
city offers and the state office to be able for

3 people to participate legally in the market in the  
4 various forms that they can but we're focused on the  
5 ones that are selling and getting our communities  
6 sick right now and that's the enforcement that we're  
7 really focusing on. Again, I understand the justice  
8 and again, I understand what we're talking about here  
9 but the majority of what we're finding are not in  
10 that market but there are resources available to  
11 anyone who wants to participate in the legal market  
12 and I haven't walked into a store yet that says,  
13 "we're illegal but we've complied with all the rules  
14 and regulations that the state has offered." Because  
15 there are very particular rules and regulations about  
16 opening a legal business. The paintings, the  
17 colorings, the advertisement and the packaging of  
18 product. So, I haven't walked into one location that  
19 said, "I was unable to get a license. I complied  
20 with all the other rules and regulations but I just  
21 don't have a license. We haven't encountered that  
22 yet. That will be a unique situation to find  
23 somebody doing that.

24 COUNCIL MEMBER BANKS: When it comes to signage  
25 once a building - once a storefront is padlocked, is  
the requirement for the signage to be removed? I

3 know most landlords you know obviously wait for a  
4 lease to be signed but is there a requirement for the  
5 - or do you remove the signage?

6 SHERIFF ANTHONY MIRANDA: No, I think part of the  
7 abatement process when a landlord takes over a  
8 property or when their new tenant is coming in, then  
9 there are particular rules and regulations about  
10 changing the signage. When they are trying to comply  
11 to get control of the premises, they have to remove  
12 the signs as well.

13 COUNCIL MEMBER BANKS: Okay and also to want to  
14 find out the square footage as far as the particular  
15 locations where smoke shops can be uhm - I noticed  
16 that it only talks about schools and uhm it talks  
17 about schools and churches or religious  
18 organizations, group family daycares, smaller  
19 daycares, are they included in that?

20 SHERIFF ANTHONY MIRANDA: When we get complaints  
21 we take all the information and we prioritize  
22 accordingly so if it's impacting seniors, it's  
23 somehow interfering with access to certain locations  
24 then we'll take the appropriate corrective action to  
25 inspect those locations as soon as possible but the  
law provides very specific circumstances by which we

3 can prioritize them but in our regular rotation we  
4 will get to them. Like I said, we have inspected all  
5 the locations on the list, some require more than one  
6 visit but we are able to do that in a four month  
7 period of time.

8 COUNCIL MEMBER BANKS: Okay, thank you.

9 SHERIFF ANTHONY MIRANDA: Thank you.

10 CHAIRPERSON BREWER: Council Member Williams.

11 COUNCIL MEMBER WILLIAMS: Thank you Chair and  
12 thank you Sheriff. I know any time we ask you to  
13 come to the district, you come. You were just there  
14 last week, so thank you so much. I'm going to ask a  
15 series of questions about arrest and referrals and  
16 also geographic areas of focus, so around arrest and  
17 referrals, how many arrests have been made during  
18 inspections?

19 SHERIFF ANTHONY MIRANDA: Okay, I don't have  
20 those numbers and again, during the inspections, the  
21 people that are being arrested are not being arrested  
22 for cannabis related violations. If they're being  
23 arrested, they're being arrested because we found  
24 other illegal products that result in them being  
25 arrested.

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3 COUNCIL MEMBER WILLIAMS: Absolutely and those  
4 arrests, I know a lot of times you do joint actions,  
5 so those arrests are being made by the NYPD correct?

6 SHERIFF ANTHONY MIRANDA: Correct.

7 COUNCIL MEMBER WILLIAMS: Okay and how many of  
8 those arrests have resulted in prosecution?

9 SHERIFF ANTHONY MIRANDA: I don't know that off  
10 hand, no.

11 COUNCIL MEMBER WILLIAMS: Isn't the NYPD - is not  
12 here?

13 SHERIFF ANTHONY MIRANDA: No, they're not here  
14 for this meeting.

15 COUNCIL MEMBER WILLIAMS: Oh okay. Uhm, how many  
16 - okay, you probably don't know this but I'll ask it  
17 on the record. How many if any of these arrests have  
18 been declined to be prosecuted by the District  
19 Attorney's Office? You don't know? Uhm, in Spring  
20 2024 as Operation Padlock to Protect swept hundreds  
21 of shops suspected of selling unlicensed cannabis,  
22 footage of a May 18<sup>th</sup> raid on a Staten Island store  
23 captured how enlisting police conduct regulatory  
24 inspections can result in criminal charges raising  
25 concerns about potential due process violations. How  
is your office working with other agencies including

3 the NYPD to avoid harsher tactics while continuing to  
4 shutter shop selling unlicensed cannabis products?

5 SHERIFF ANTHONY MIRANDA: Well, again we have  
6 continual training and debriefing of the teams, both  
7 at the beginning of the day and at the end of their  
8 day that we debriefed them and individuals that if we  
9 need one on one training sessions are information  
10 centers then we would talk to an individual directly.  
11 But most of the time we try to give impactful  
12 training to the entire group so they all get the same  
13 information. The supervision is extremely important  
14 to have in place and when we're out there in the  
15 street and we have - we put extra steps as well to  
16 ensure that people are complying with the rules and  
17 regulations that we're required to follow.

18 COUNCIL MEMBER WILLIAMS: Thank you and again, I  
19 just wanted to say thank you for all your hard work.  
20 I know when we send you smoke shops, you all are  
21 quite responsive and I could just turn to questions  
22 about geographic areas of focus. So, outside of  
23 people proactively reaching out to your office to  
24 tell you about different smoke shops that might be of  
25 concern to the community. Do you have any specific

3 strategy that you would like to share around how you  
4 prioritize certain enforcements in certain areas?

5 SHERIFF ANTHONY MIRANDA: I'm not sure that we  
6 will be able to be as specific as I think you're  
7 looking for. However, I would say the following. We  
8 do take precaution safety measures in place. We do  
9 evaluate what our response would be. We believe that  
10 the size of the teams are adequate to be able to  
11 address the situation in a safe manner and then we  
12 have resources available if we believe the situation  
13 gets out of control. And sometimes like I said,  
14 there's 900 and something shops passed inspection, so  
15 it's an easy conversation why we are here, what we're  
16 here to do and then they're compliant with the  
17 request that we have. We do inspect the location and  
18 they don't have any violations. They may not have  
19 any cannabis violations so they would not fall under  
20 the cannabis laws but if they have illegal cigarettes  
21 or they have vapes, then they'll be issued the other  
22 violations that we observe.

23 COUNCIL MEMBER WILLIAMS: Yes, I'm fully aware of  
24 that and having many conversations with my police  
25 precincts about other ways that they've tried to  
before the padlock new laws, they've tried to close

3 smoke shops by figuring out other illegal activity  
4 that might be happening. But I guess just to  
5 reiterate my question is more so about how you go  
6 about prioritizing, closing certain smoke shops. So,  
7 for instance, I know the Council and I'm not sure if  
8 we've received it but I know the Council requested a  
9 full list of suspected unlicensed storefronts. And  
10 so, I guess on our end, I'm sure maybe it's clear on  
11 your end but on our end, we're not sure whether these  
12 maps display the city's enforcement priorities or  
13 simply just show where most illicit cannabis shops  
14 are located.

15 So again, we saw that while you have been very  
16 diligent and expecting across the city some areas in  
17 particular have received more enforcement than others  
18 such as lower Manhattan, Harlem, the South Bronx and  
19 Williamsburg, so on our side, we're just trying to  
20 understand if there's a method to that madness or if  
21 this is just you being responsive to people reaching  
22 out to your office to conduct different types of  
23 operations.

24 SHERIFF ANTHONY MIRANDA: There is both method  
25 and there is both the complaints that we receive as  
well. Again, if we see any priority as somebody has



3 gotten sick from a location, adult or a child, then  
4 we're definitely going to be changing the priorities  
5 and making sure we take care of that. They are by  
6 the schools, again the imminent threat factors are  
7 schools, houses of worship, where kids got sick. So,  
8 if we get that strategy, then we're going to  
9 prioritize those. Otherwise if there's nothing out  
10 of the ordinary, then we're going to go right down  
11 the list. Again, it's because we have teams in each  
12 of the five boroughs that have forced us the  
13 opportunity to be holistic in the approach. If we  
14 had a limited, then we'd have to say manage each day,  
15 I had ten at this borough. I got to go ten more in  
16 the other borough.

17 In the current process we're able to kind of  
18 adjust everybody equally and evenly, so it allows  
19 that kind of enforcement, a balanced enforcement.

20 COUNCIL MEMBER WILLIAMS: I appreciate that, so  
21 just to make sure I heard you correctly. Are you  
22 saying like you kind of have like two tracks. You  
23 have maybe folks who are focused on reactively going  
24 to assess a particular smoke shop and then you might  
25 have a crew of people or just the same crew of people  
also remaining focused on running down the list of

3 shops you may have, regardless of whether or not that  
4 particular shop received a complaint that required  
5 you to reactively go and potentially enforce?

6 SHERIFF ANTHONY MIRANDA: Anyone put on the list  
7 is because we received a complaint.

8 COUNCIL MEMBER WILLIAMS: Hmmmm...

9 SHERIFF ANTHONY MIRANDA: Okay so that means that  
10 we're required to go do an inspection and investigate  
11 whether that is what's going on at that location and  
12 so, we make sure that we go through the entire list.  
13 And so, and sometimes we do have teams and we send  
14 them out to do observations. We have teams that we  
15 go out to verify the padlock locations that they  
16 still remain sealed and then we go out and have teams  
17 make observations especially in the after hour  
18 allegations if people are not operating during their  
19 day hours to confirm that there is activity at the  
20 locations so that we can address it with a different  
21 type of operation.

22 COUNCIL MEMBER WILLIAMS: Okay and so you don't -  
23 so do you have any proactive measures or is it just  
24 simply based off of like referrals and people telling  
25 your office about a particular smoke shop. So, is  
there - so is there well, you said the list was

3 garnered by people referring things to you. So, do  
4 you have like any other list of like I don't know  
5 seeing people must have to apply for something within  
6 the city for you to be able to say okay, we see that  
7 this particular shop opened up, let's proactively go  
8 or is all of your work solely focused on people  
9 referring whatever particular complaint to your  
10 office.

11 SHERIFF ANTHONY MIRANDA: Primarily complaints  
12 referred to the office, again if we're in the street  
13 and we're doing an inspection and we have a location  
14 that is not on our list, then we would add that by  
15 calling it in ourselves and we see that there's  
16 cannabis visible at the location.

17 There's various ways that it can come to our  
18 attention but it has to come to our attention, be  
19 placed on the list, see what other activity we had it  
20 there or not. Uhm, and then we determine what's the  
21 next course of action to take.

22 COUNCIL MEMBER WILLIAMS: Okay, I think I had  
23 like one more question just so I can just understand  
24 your work a little bit more too is - so okay, let's  
25 say uhm, you got ten complaints for ten different  
smoke shops. Maybe two of them are in close

3 proximity to a school. One is in close proximity to  
4 a religious institution and the others are just  
5 randomly scattered. They may not be in any close  
6 proximity to one of those sensitive areas. Do you  
7 prioritize internally like okay, these two are by a  
8 school, let's go to that one first. This one is by a  
9 religious institution, let's go to that one or how do  
10 you figure that out internally.

11 SHERIFF ANTHONY MIRANDA: That's exactly it,  
12 prioritized based on if there are any schools or  
13 houses of worship, any details, especially if again,  
14 if somebody gets sick or it's reported that there are  
15 a number of young adults, children going into a  
16 particular location that's selling cannabis. That  
17 there a legend that there's underaged sales in this  
18 location, then we will prioritize those locations.

19 COUNCIL MEMBER WILLIAMS: Okay, thank you so  
20 much. Thank you Chairs.

21 CHAIRPERSON BREWER: Council Member Salaam.

22 COUNCIL MEMBER SALAAM: Thank you Chairs. Uhm,  
23 just two questions and thank you for the testimony so  
24 far. Given the limited resources we may have as a  
25 city to respond to the marijuana related 311 reports,

3 how long would it take to respond to such a report  
4 and how can we improve the response time?

5 SHERIFF ANTHONY MIRANDA: Currently on the 311  
6 complaints, we're probably going to one or two day  
7 process responding to them, so the response, two or  
8 three, one complaints is pretty efficient right now.

9 COUNCIL MEMBER SALAAM: And currently, how many  
10 unlicensed cannabis shops are being inspected and/or  
11 padlocked a week? And if there's a new cannabis  
12 category in the 311 app, what would the projection  
13 look like with the increase of how many shops are  
14 being expected and or padlocked a week?

15 SHERIFF ANTHONY MIRANDA: 311 has been very  
16 effective for us receiving complaints. Like I said,  
17 the last report will be at 100 percent that we had  
18 over 160 complaints that came in new locations that  
19 we had to add to the list. We quickly went and did  
20 those inspections as well, so we're maintaining,  
21 keeping up with the 311 complaints that come in. I  
22 don't know about any new categories. They get  
23 reported, we go out and based on the information  
24 again, there was one of the sensitive locations,  
25 schools, houses of worship, somebody getting sick,  
then that would elevate it to the top of the list to

3 make sure that we go out. We also get calls when  
4 people try to break the locks and reenter the  
5 locations as well and that also makes it a priority.  
6 If it's a location that was not - was unsealed  
7 illegally, then we would respond back to those as  
8 well.

9 COUNCIL MEMBER SALAAM: And just last thing as a  
10 point of concern, I've been trying to Zoom in on some  
11 of the items that are on the table and when I looked  
12 at what was there, I said wow, this is very, very  
13 concerning of course as you all are presenting this  
14 and I definitely appreciate this example of what's  
15 being sold in these shops. Uhm, currently, there's  
16 still a law that says you can't operate within a  
17 certain distance of say a toddlers school or  
18 something like that. Is that the case?

19 SHERIFF ANTHONY MIRANDA: That is the case.

20 COUNCIL MEMBER SALAAM: Okay because we have at  
21 least two that I know of in my district that are  
22 operating literally probably five to ten feet away  
23 from a toddlers school and you know they've been  
24 telling me that people have been buying and of course  
25 using right there and so those of us who don't smoke  
know that smoke comes into all kinds of windows and

3 doors and crevasses and things like that and just a  
4 point of concern that we'll be reaching out to see if  
5 we can get that -

6 SHERIFF ANTHONY MIRANDA: Please, right after  
7 this meeting, I'll make sure we get the details of  
8 the locations from you. As we invite all the City  
9 Council Members, as many taking advantage of, they  
10 can communicate directly with us of any locations  
11 that come to your attention, especially those that  
12 impact on our children or by our schools that need an  
13 immediate response and then we will make sure that we  
14 send the appropriate teams to take care of it.

15 COUNCIL MEMBER SALAAM: Thank you.

16 SHERIFF ANTHONY MIRANDA: Thank you.

17 COUNCIL MEMBER SALAAM: Appreciate it.

18 CHAIRPERSON BREWER: Council Member Holden.

19 COUNCIL MEMBER HOLDEN: Thank you Chairs. Thank  
20 you Chair for your testimony today. I'm sorry, I was  
21 running back and forth I had another hearing over at  
22 2:50. So, if I ask a question that was already  
23 answered, I apologize for that but are you seeing the  
24 illegal pot sales, are they a standalone? Are most  
25 of them standalone pot shop, illegal pot shop or are

3 they mixed with a bodega or something else? What are  
4 you seeing on the street?

5 SHERIFF ANTHONY MIRANDA: We see both. So, we  
6 see locations that are clearly -

7 COUNCIL MEMBER HOLDEN: Which one would be the  
8 more regular, meaning that the undercover that you're  
9 doing sometimes when you see a shop and they're  
10 usually like 90 percent other things like even food  
11 and so forth and then ten percent pot or are they  
12 just you know, is this prevalent throughout the city  
13 where they're mostly just illegal pot being sold or  
14 drugs?

15 SHERIFF ANTHONY MIRANDA: I kind of think that  
16 it's a combination of two, not one.

17 COUNCIL MEMBER HOLDEN: There's no one or the  
18 other?

19 SHERIFF ANTHONY MIRANDA: I don't believe so. I  
20 think that we have a fair distribution of both that  
21 require us to respond to.

22 COUNCIL MEMBER HOLDEN: So, which one is harder  
23 to shut down? That's what I'm going on this because  
24 we rated some shops, especially on Metropolitan  
25 Avenue and Middle village in my district. We closed  
a few but the ones that stayed open are the ones that



3 are doing kind of all the - you know they're selling  
4 other things. They're saying food. They have a  
5 grill in there, so they're still open and they're  
6 still doing business right across the street from a  
7 legal establishment.

8 SHERIFF ANTHONY MIRANDA: So again, I think some  
9 of the inspections that we did were also prior to us  
10 having the authority for sealing. Now that we have  
11 the authority for sealing, if we go in and we find  
12 treat factors, the imminent threat factors that we  
13 can close them down the first visit otherwise we will  
14 go in and give them a seize and assist notice and  
15 then we have the authority to go back and inspect  
16 them ten days later. So, if we found after ten days  
17 that they are still in violation, then we can go back  
18 in and then we can seal them immediately as well.

19 COUNCIL MEMBER HOLDEN: You just padlock them and  
20 how long does that last? Do they get to get a court  
21 order or what happens on that?

22 SHERIFF ANTHONY MIRANDA: Once a location is  
23 sealed, they have a hearing within, they're scheduled  
24 to have a hearing within five days if they choose to.

25 COUNCIL MEMBER HOLDEN: Yeah, because what we're  
seeing is that many of them are opening up right

3 away. Many of them are staying in business but most  
4 of them are the mixed areas. That means they're  
5 doing other things in there. I mean legal stuff but  
6 the pot is - I mean in the one, I just spoke to the  
7 owner of the legal shop, he says he went in there and  
8 there's a line out the door on the pot part of it but  
9 they're grilling, they're making hamburgers and hot  
10 dogs and everything else too. So, that's why I don't  
11 know if it's harder to shut them down or it's just as  
12 easy.

13 SHERIFF ANTHONY MIRANDA: It takes more than one  
14 visit to those locations. It may take a different  
15 type of operation sending in some underaged people to  
16 purchase. So, depending on the circumstances, be  
17 happy to discuss it further but depending on the  
18 circumstance there, we may have to change the normal  
19 operation and approach it differently.

20 COUNCIL MEMBER HOLDEN: Again, thank you so much  
21 for your testimony and I wish there were more of you  
22 guys, so thank you so much. Thank you Chairs.

23 CHAIRPERSON BRANNAN: Okay, I've got two  
24 questions from Majority Whip Brooks-Powers. I think  
25 Council Member Williams touched on it a bit but based  
on the publicly available data around 62 percent of

3 cannabis summonses have been issued to locations  
4 within 1,000 feet of a school. Do we have a sense of  
5 what percentage of unlicensed cannabis shops are  
6 still open today that are in proximity to a school?

7 SHERIFF ANTHONY MIRANDA: No sir. I think we can  
8 research the locations that we're scheduled to go  
9 back to and the new locations that are coming in and  
10 probably get you an updated answer to that but off  
11 the top I don't.

12 CHAIRPERSON BRANNAN: Is that something that your  
13 office would prioritize if you get a report of an  
14 unlicensed shop near a school?

15 SHERIFF ANTHONY MIRANDA: Absolutely.

16 CHAIRPERSON BRANNAN: And do we have a breakdown  
17 of - there's currently 85, only 85 legal shops in the  
18 city, right?

19 SHERIFF ANTHONY MIRANDA: I believe it was - I  
20 thought it was 76 or something. I'm not sure the  
21 number.

22 CHAIRPERSON BRANNAN: You don't know how many  
23 legal shops there are in the city?

24 SHERIFF ANTHONY MIRANDA: Yeah, I haven't been  
25 wearing the papers. I don't think it's 85, I believe  
it's in the 70's.

2 CHAIRPERSON BRANNAN: Okay, so what is the - do  
3 you have a breakdown of the summonses issued by  
4 borough?

5 SHERIFF ANTHONY MIRANDA: No, but we can have  
6 that for you.

7 CHAIRPERSON BRANNAN: Okay. Okay, Chair Brewer.

8 CHAIRPERSON BREWER: Thank you. Just in terms of  
9 how long Operation Padlock is going to be spending to  
10 get all of these illegal closed? Because I mean,  
11 that's the issue with data. So, I don't know how  
12 many 3,600 unlicensed now? I know at one point it  
13 was 1,400, another point it was 2,800. I've heard  
14 3,000. I've heard 3,600. If it's 3,600 and you're  
15 working toward that number, it could be July 25.  
16 Maybe if you get more deputies, it could be sooner.  
17 So, how are you sort of looking at your schedule to  
18 close them all down?

19 SHERIFF ANTHONY MIRANDA: I think we've sealed  
20 over 1,000 locations. We have a number of locations  
21 -

22 CHAIRPERSON BREWER: That would be 2,600 left  
23 people decide to do it on their own.

24 SHERIFF ANTHONY MIRANDA: 2,600 locations, you  
25 have other processes that have been utilized to close

3 those. Some have been turned over back to the  
4 buildings already. Some locations have vacated. A  
5 number of them have started new businesses, legal  
6 businesses and location, so that number comes down  
7 even further. And the other locations are scheduled  
8 for the second visit as well. So, the legal barriers  
9 that we have that we have to first issue the seize  
10 and desist and then being able to go back afterwards,  
11 we have a number of locations that are scheduled for  
12 the second visit as well, and those locations will be  
13 sealed once we go for a second visit, if we find the  
14 violation because we could find that they have not  
15 become compliant and are only dealing in illegal  
16 business at that point which would be a successful  
17 operation either way.

18 CHAIRPERSON BREWER: Okay, I mean I assume the  
19 ones that will do illegal business are not just the  
20 M&M's and the potato chips that's legal. Everything  
21 else in the ones that I know are illegal. So, I  
22 assume it's like a bodega that's doing something.  
23 That's the one that could in fact be legal down the  
24 line.

25 SHERIFF ANTHONY MIRANDA: Yes, bodega's could be  
deli's at a number of locations.

3 CHAIRPERSON BREWER: Right, my smoke shops are  
4 potato chips, M&M's, cannabis, and illegal tobacco.  
5 So, you're not going to make much on the M&M's and  
6 the potato chips.

7 SHERIFF ANTHONY MIRANDA: A regular convenience  
8 store would be able to do an abatement process and be  
9 compliant with the law and be able to continue to  
10 operate. And Council Member, the number that I have  
11 is 79 marijuana shops, legal marijuana shops that are  
12 opened in New York City.

13 CHAIRPERSON BREWER: Okay, so in other words, and  
14 then we did get a letter back from Deputy Mayor Phil  
15 Banks indicating that we are not going to get the  
16 list of unlicensed stores but again, that's back to  
17 my issue. I think the public would love to know what  
18 a great job you're doing because you've got 3,600 is  
19 not really 3,600 because landlords are complying,  
20 individuals are not - are closing on their own, etc..

21 So, that's what I'm saying, we need the data.  
22 That's what we need.

23 SHERIFF ANTHONY MIRANDA: There are a number of  
24 concerns. Again, before prior to confirm that  
25 there's any illegal activity, just because somebody  
says somebody is selling cannabis, doesn't mean that

2 it's sold. So, kind of putting, exposing people to  
3 that kind of attention when they may be actually not  
4 in violation of any law have serious concerns and  
5 implications for their businesses at the same time.  
6 So, there are several operating concerns here that  
7 need to share information but at the same time, just  
8 because somebody says there's something wrong,  
9 doesn't mean -

10 CHAIRPERSON BREWER: No, I said but where you  
11 have proof that would be the way to share the data.  
12 Where there's actual proof, where they've gone to  
13 OATH etc.. I'm just saying it's hard to get the  
14 data.

15 I think that the rate of unlicensed retailers  
16 opening has been slowing. I don't see a lot of new  
17 stores opening. Do you agree that people are not  
18 opening new smoke shops?

19 SHERIFF ANTHONY MIRANDA: Yes.

20 CHAIRPERSON BREWER: Okay and do you know if more  
21 storefronts, I mean I don't think they have, have  
22 opened since enforcement began? It's not my  
23 impression that they have but maybe citywide, I don't  
24 know?

3 SHERIFF ANTHONY MIRANDA: Again, just through the  
4 311 complaints and the last group that came in, they  
5 identified an additional 161 locations. So, they may  
6 be new shops. They may be people that move from one  
7 location because we sealed it and rerented another  
8 location and changed their name. So, I think there's  
9 going to be as many people who are creative in  
10 breaking the law. They're going to try to find  
11 another way of operating and that's what has a  
12 priority that we stay vigilant and the communities  
13 partnership is a big part of our being able to be  
14 effective.

15 CHAIRPERSON BREWER: Okay and certainly you know  
16 operating outside the door of a sealed shop is an  
17 example of that. Are referrals being made to state  
18 tax authorities to investigate civil or criminal  
19 charges and if so, how many and if not, why not? And  
20 are referrals being made to the Department of Finance  
21 for criminal or civil violations. Now, this might be  
22 in the more bodega deli than in the smoke shops, I  
23 don't know.

24 SHERIFF ANTHONY MIRANDA: So, in the Sheriff's  
25 Office, we do conduct tax investigations as well.  
And so again, the request that you asked earlier, can



3 we use more personnel? Absolutely because that would  
4 assist us in doing the follow up investigations and  
5 broadening the tax investigations that go on.

6 We do do some joint operations with the state tax  
7 as well. As well as the office of State Cannabis  
8 Management. So, there are joint operations and there  
9 are separate operations that both agencies conduct.

10 CHAIRPERSON BREWER: And that's in a data  
11 spreadsheet somewhere?

12 SHERIFF ANTHONY MIRANDA: Again, tax  
13 investigations that do not - will be public  
14 information access to be able to - those are  
15 investigations and those are confidential in any  
16 number of ways.

17 CHAIRPERSON BREWER: Okay, even if they're - in  
18 other words, referring somebody to the Department of  
19 Finance or to the state is not something that would  
20 be public information?

21 SHERIFF ANTHONY MIRANDA: It doesn't - I don't  
22 think that it meets the needs of what you're looking  
23 for because you're kind of asking for an  
24 investigation. It didn't say that anybody has been  
25 found guilty of any infractions.

CHAIRPERSON BREWER: Okay.

2 SHERIFF ANTHONY MIRANDA: So, I think there would  
3 be limitations to what can be shared in that respect.

4 CHAIRPERSON BREWER: Alright. You mentioned and  
5 the OATH data shows that about 14 percent of  
6 violations have been dismissed as of the middle of  
7 August. Why are these cases being dismissed? It's  
8 not a large number but why are they -

9 SHERIFF ANTHONY MIRANDA: I mean there have been  
10 various reasons uhm, again difference in  
11 interpretation of the law that may be some  
12 interpretation of the law that may be some  
13 interpretation of the service that was done, the  
14 format that was used. We've had forms that were used  
15 in the sheriff's office that has changed over time  
16 based on not only the litigation but the advice by  
17 legal counsel. So, we're adjusting. The law is  
18 something that is developing and the challenges by  
19 the attorney's that are representative of becoming  
20 very creative and therefore that means that we have  
21 to have change that response as well.

22 CHAIRPERSON BREWER: So, you're changing your  
23 forms, you're changing the training, what are you  
24 doing differently?

3 SHERIFF ANTHONY MIRANDA: A combination of both.  
4 We do training of what was being asked and what's  
5 being looked at to being able to make sure that we  
6 cover the information for the old officers to be able  
7 to have all the information they need and as well as  
8 the forms that we're using to make sure that we are  
9 complaint with any of the objections and questions  
10 that have been creatively brought up by the  
11 attorney's representing the clients.

12 CHAIRPERSON BREWER: And you have a lot of  
13 attorney's working on this for the clients I'm aware.  
14 My question also though is the person who I believe  
15 it states that you have to mail it, you have to post  
16 it and you have to give it to somebody who is in  
17 authority. So, is that the person behind the  
18 counter? Is that the person, consider the right  
19 person?

20 SHERIFF ANTHONY MIRANDA: That would in the  
21 majority of cases via the right person; however, I  
22 believe that you may have testimony later on from  
23 some of the attorney's that will present different  
24 variations of who they believe is in charge. So,  
25 again I think that we're adjusting to the nuances of  
how they're being defended but again, if the people

2 engage in selling illegal product and we're seizing  
3 it, the responses going back are something to be  
4 created. We have to adjust as well as the person who  
5 is selling it in front of the location or using a  
6 vehicle or using a stand of some kind. You have a  
7 number of online premises that are online, that we  
8 also need to be able to have some response to at some  
9 point but has not been addressed yet. So, I think  
10 this is evolving and I think the law will need to  
11 evolve and your support in terms of adjusting to  
12 those nuances that are being created are going to be  
13 greatly appreciated.

14 CHAIRPERSON BREWER: Thank you. We want to get  
15 the 14 percent high number; we want to get it down as  
16 much as possible.

17 SHERIFF ANTHONY MIRANDA: Absolutely, we'd love  
18 to be at 100 percent.

19 CHAIRPERSON BREWER: Yeah, how many dismissals  
20 have been due to failure to meet the five day  
21 requirement related to the OATH periods, which was in  
22 the state law?

23 SHERIFF ANTHONY MIRANDA: I don't know that  
24 number off hand.

25 CHAIRPERSON BREWER: Okay can you get that to us?

3 SHERIFF ANTHONY MIRANDA: Yes, absolutely.

4 CHAIRPERSON BREWER: Okay have you decreased the  
5 number of dismissals as operation has developed? I  
6 think you have but I was just wondering if you would  
7 agree with that.

8 SHERIFF ANTHONY MIRANDA: Yes.

9 CHAIRPERSON BREWER: Okay, how does the training  
10 work? How does that training work?

11 SHERIFF ANTHONY MIRANDA: The training will also  
12 be based on new topics. So, if a particular location  
13 present certain challenges, it's important that the  
14 rest of the teams note that the challenges that were  
15 faced at particular locations.

16 If it's something that has to do with something  
17 that was brought up at an OATH hearing and the  
18 presentation that was made, then we will educate the  
19 team about what they're looking at and what the OATH  
20 judges want more information on. So, it may have  
21 been a picture that didn't quite show the right thing  
22 that they needed, so we may have to take additional  
23 pictures or take it in a different way. These are  
24 all things that are now improving as we're becoming  
25 more responsive to the hearings.

2 CHAIRPERSON BREWER: When I was with you, this  
3 was before the operation, it was just tobacco, but  
4 you have list on a piece of paper all of the  
5 infractions, the flour, the gummies and so on. Is  
6 that still done or can you do that electronically  
7 now?

8 SHERIFF ANTHONY MIRANDA: No, it's still done  
9 manually. Certain violations that are issued, which  
10 are cigarettes and -

11 CHAIRPERSON BREWER: Tobacco?

12 SHERIFF ANTHONY MIRANDA: And tobacco related.  
13 Those are automated now for the most part. However,  
14 the cannabis is strictly still in the hand process.  
15 I believe that they are working on different  
16 mechanisms to -

17 CHAIRPERSON BREWER: Who's they?

18 SHERIFF ANTHONY MIRANDA: OTI.

19 CHAIRPERSON BREWER: Okay.

20 SHERIFF ANTHONY MIRANDA: OTI has been in a  
21 number of conversations. We have a number of  
22 dialogue going back and forth about the different  
23 forms that we're required to fill out, the different  
24 reporting mandates that we have so that we could be  
25 able to comply with the various mandates and try to

3 streamline all the requests for information, where  
4 there's common fields, common language, we're trying  
5 to do all that. And OTI is being very helpful in us  
6 trying to develop the new system.

7 CHAIRPERSON BREWER: You and the Police  
8 Department are both paper, manual, heavy, crazy, got  
9 to stop, and the reason Belcorp decision, the court  
10 determined that if the summons was dismissed, the  
11 sealing order must be lifted as well. Has this had  
12 any effect in how you serve your papers? And again,  
13 I guess back to the training issue, are you changing  
14 the training to deal with the Belcorp decision?

15 SHERIFF ANTHONY MIRANDA: Two things I would say.  
16 First, I'm the attorney's that will represent these  
17 cases, so that will probably get more better, more  
18 proper one of the attorney's. However, we do, I  
19 think the city has taken the position that that  
20 decision was an error. And so, depending on how you  
21 listen to, they say the summons is tied to the  
22 sealing order. It's the interpretation that the  
23 sealing order is the sealing order and the summons is  
24 the summons, and so, it's a separate consideration.

25 CHAIRPERSON BREWER: That's very key I would say.  
Uhm, the Operation Padlock to Protect granted to the

3 Sheriff's Office to enforce illicit cannabis  
4 storefronts appears to be a massive undertaking as we  
5 know. Have you created beyond the regulations new  
6 policies and procedures for Deputy Sheriff's and  
7 other staff related to this operation and new  
8 enforcement powers because of this large effort?

9 SHERIFF ANTHONY MIRANDA: Policy and training is  
10 something that happens on a continual basis. I do  
11 not believe that there are any new procedures except  
12 maybe educating them on new forms that were created  
13 specifically for this operation. So, this operation  
14 has its own required forms that have to be filled out  
15 that are different than what we were using in the  
16 past and we had to adjust many of them to be - to  
17 address many of the questions that are being asked.  
18 So, again, it's going through a process.

19 CHAIRPERSON BREWER: Is there something, I know  
20 with the police department they do support giving to  
21 the public the manual that you know guides every  
22 police officer. You know that from your past. Could  
23 you share in the future with us the training manual,  
24 whatever training manual you're using for this new  
25 operation?



2 SHERIFF ANTHONY MIRANDA: Well, we a Patrol Guide  
3 and if there's any particular -

4 CHAIRPERSON BREWER: Well, you have your own  
5 Patrol Guide but -

6 SHERIFF ANTHONY MIRANDA: Yes.

7 CHAIRPERSON BREWER: So, that's what is used in  
8 terms of the training?

9 SHERIFF ANTHONY MIRANDA: That is used for  
10 general training. Particular for this program, then  
11 I would evaluate what we are using currently and if  
12 you - if there's a way of us sharing that information  
13 I think that will be something that we can discuss.

14 CHAIRPERSON BREWER: We would like to see that  
15 information, that training. And then I think in  
16 terms of the paperwork, you are working with OTI to  
17 come up with something that would hopefully be even  
18 more accurate if it was online, I mean more, less  
19 manual, it would seem to me that it would be more  
20 online. Alright and then just - just finally uhm, I  
21 think you know the article in the Daily News today  
22 was not very complimentary I'm afraid. Do you have  
23 any response to that? It's not directly related to  
24 this except that I also think that the Department of  
25 Investigation does a lot of the work that that you

3 might have to do. So, I'm just thinking that you  
4 know the DOI does a good job. I mean, you may not  
5 need somebody to do that in your office. So how do  
6 you respond to that?

7 SHERIFF ANTHONY MIRANDA: Personnel issues are  
8 not something I necessarily want to discuss at a  
9 hearing in this forum. However, the need to be able  
10 to do investigations in our office is extremely  
11 necessary considering the historical perspectives of  
12 what's going on in the Sheriff's Office, so there is  
13 a need to have somebody in that functionality.

14 CHAIRPERSON BREWER: Okay that's your answer.  
15 Any other questions? Thank you very much and we  
16 thank you for your testimony.

17 SHERIFF ANTHONY MIRANDA: Thank you so much.

18 CHAIRPERSON BREWER: Next panel will be Ingrid  
19 Simonovic from the New York City Deputy Sheriffs'  
20 Benevolent Association, Furney Canteen from DSBA, and  
21 Stephen McQuade also from the Deputy Sheriffs'  
22 Benevolent Association.

23 Thank you very much. You may begin whenever you  
24 wish.

25 INGRID SIMONOVIC: Good morning, Chairwoman  
Brewer, Chairman Brennan and the distinguished

3 members of your respective committees. My name is  
4 Ingrid Simonovic. I am the President of the New York  
5 City Deputy Sheriffs Benevolent Association. Our  
6 approximately 140 members provide critical essential  
7 services to New York City residents every day. Our  
8 Deputy Sheriffs enforce both Civil and Criminal  
9 matters.

10 The New York City Sheriff's Office is composed of  
11 three sections: Operations, Intelligence, and  
12 Support. The deputies working within our Bureau of  
13 Criminal Investigation investigate city tax  
14 violations, real property larceny/deed fraud,  
15 cigarette tax, cannabis, synthetic narcotic  
16 enforcement and other offenses. Deputy Sheriffs  
17 assigned to civil enforcement duties are referenced  
18 as Law Enforcement Bureau personnel.

19 LEB deputies perform a wide array of tasks such  
20 as evictions, warrants of arrest, orders to commit,  
21 and other seizure and sale of property pursuant to  
22 judicial mandates. We are the chief Law enforcement  
23 agency for both Civil and Family court matters.  
24 Businesses and individuals that owe the city money  
25 pursuant to unpaid city tax warrants, environmental  
control board summons, and fire and health code

3 violation fines, are targeted for enforcement action.  
4 LEB deputies also serve a wide variety of legal  
5 processes, with orders of protection being considered  
6 our highest priority.

7 I mention these essential responsibilities and  
8 essential services because most New Yorkers really  
9 have no understanding of the wide range of services,  
10 we perform every day. That is because to most New  
11 Yorkers, our members are largely associated with  
12 COVID-19 enforcement and as most recent times with  
13 ongoing operation shutdown of illegal cannabis shops  
14 known as Operation Padlock. Overall, the sheriff's  
15 office is a very unique law enforcement agency with  
16 powers and authority unlike any other city agency.  
17 This is the same very authority Sheriff Anthony  
18 Miranda is bestowed with, and the very same powers he  
19 has abused often enough during his short tenure.

20 Today's hearing focuses on the implementation of  
21 New York's cannabis enforcement laws, with Operation  
22 Padlock with our central focus of the city's cannabis  
23 enforcement. To be clear, our union fully supports  
24 enforcing all New York laws and ensuring the safety,  
25 security and the well-being of all New Yorkers. Our  
members often put themselves in great risk during our

3 various enforcement proceedings. But I am here today  
4 to shine a light on the way our members have been  
5 negatively impacted and mistreated by Sheriff Anthony  
6 Miranda, as a result of his poor leadership at the  
7 Sheriff's Office, which extends far beyond the public  
8 role as the pot shop photo op enforcer.

9 From day one, Sheriff Anthony Miranda made it  
10 crystal clear that he had no interest in respecting  
11 the rights of our members, for being simply human  
12 beings, nevertheless as labor union members. This  
13 hearing is actually the very first opportunity we  
14 have been given to share our concerns and to have our  
15 voices heard publicly and in complete transparency.

16 Sheriff Anthony Miranda has spent the past two  
17 years establishing a consistent pattern of  
18 retaliation against his own workforce, punishing,  
19 threatening, and disciplining us and those who dare to  
20 challenge his occasional questionable orders and ways  
21 of doing things. He has also done the same to the  
22 union for advocating for the rights of our members.  
23 I can speak expertly on this matter as my board and  
24 myself have been a victim of his retaliatory actions.  
25 Throughout the implementation of Operation Padlock,  
we have raised the alarm on the heavy strain this

3 operation would take on our workforce that is already  
4 stretched thin. He has recently taken the  
5 flexibility to have in several tours to, to cover the  
6 daily operation to just two mandated tour of duty  
7 between 6:00 a.m. and midnight.

8 Our members are now working upwards of 12-hours  
9 per day and are given just a few hours to go home,  
10 sleep and return to work. Sheriff Miranda's  
11 overzealous focus on cannabis shop closings has  
12 forced our deputies to go from four-day work weeks to  
13 five-day or six-day work weeks, with overnight tours  
14 forced to work on Saturdays and focus exclusively on  
15 the weekends. He has also forced deputies returning  
16 from Line of Duty injuries to work 8-hour tours  
17 alongside deputies working 10-hour tours all because  
18 of his over deployment of personnel to shutdown  
19 cannabis stores.

20 The Sheriff's portrayal of the shutdown of  
21 cannabis shops is also incredible misleading. It is  
22 in a nutshell, many stores are reopening after being  
23 shutdown yet our workforce is being pulled time to  
24 time again to perform this closing that seems to take  
25 more priority over the critical needs New Yorkers

3 have, particularly those in situations where lives  
4 could be on the line.

5 For example, from May 1, 2024 to September 6,  
6 2024, there were over 4,700 pot shop inspections.  
7 Over that same time period, we have received over  
8 7,400 orders of protection from victims of domestic  
9 violence. As with any city-wide public safety  
10 initiative, a surge of man power is required to  
11 successfully execute the needs specific to that  
12 initiative. If the Sheriff truly cared about the  
13 public's needs, he would have been committed to  
14 increasing our staffing levels in order to both carry  
15 out Operation Padlock, while simultaneously carrying  
16 out orders of protection, eviction proceedings, drug  
17 and illegal e bike confiscations and other seizures.  
18 We have received hundreds of complaints from New  
19 Yorkers demanding to know what is going on with their  
20 orders of protection.

21 Since when does a cannabis shop closing take  
22 priority over safeguarding the lives of women who are  
23 victimized by domestic violence? We are losing  
24 deputies who cannot continue to work under a Sheriff  
25 who has zero regard for their employment rights as  
well as well-being. We have lost approximately 43

3 deputies in the last two years alone while only  
4 onboarding about 26. Some of those deputies have  
5 left because of the toll of being exposed to seized  
6 marijuana which is stored unsafely and improperly at  
7 a warehouse in queens. And when deputies complain  
8 about the toll these drug seizures take on their  
9 health, their supervisors tell them to just deal with  
10 it. The New York Daily News has recently reported on  
11 these incidents.

12 In another sign of Miranda's personnel  
13 mismanagement, he recently hired two new Chiefs  
14 Willie Perez and Mr. Egan for a combined salary of  
15 approximately \$370,000. Those salaries could have  
16 been used to hire at least 8 new duties over the next  
17 two years to carry out many of the essential services  
18 New Yorkers depend on instead of funding two  
19 bureaucrats whose sole function is to further  
20 diminish the rights of our members and decrease the  
21 quality of their working conditions. We are calling  
22 on this Committee to use its authority to take the  
23 following actions immediately: First and foremost,  
24 we are calling on the Committee to investigate our  
25 personnel deployment and examine why deputies are  
being overly deployed on certain operations at the



3 expense of others. Second, we invite the Committee  
4 to conduct an audit into the storage of seized  
5 contraband and to compel the Sheriff to overhaul how  
6 cannabis and other toxins are impacting the health  
7 and safety of our members. Third, we need a greater  
8 accountability into the operations of the Sheriff's  
9 Office. The Sheriff should have to regularly report  
10 his office performance indicating, just like every  
11 other agency does, either directly on the Sheriff's  
12 website or in the Management Reports, both of course  
13 public facing.

14 For too long Sheriff Miranda has operated this  
15 office like his own personal fiefdom, even going so  
16 far as traveling to work in his city vehicle with  
17 lights and sirens when there are no emergency. The  
18 real emergency is the way my members have been  
19 bullied and mistreated, all while trampling on their  
20 rights as labor union members.

21 I thank you for your time, I'll take any  
22 questions anybody may have.

23 CHAIRPERSON BREWER: Thank you very much. Is  
24 anybody else testifying? Okay, alright, so thank you  
25 so much and we've been joined by Council Member  
Josph. Thank you very much. Did you have any

3 questions Council Member? Okay, well I certainly  
4 know of your concerns and we take them very  
5 seriously. One question I had; do you know for sure  
6 that there's a new class that is starting in October?  
7 Have you heard any that was what was reported  
8 earlier. Are you aware of this?

9 INGRID SIMONOVIC: That's not accurate. We have  
10 three people doing background investigations. We did  
11 physical activity tests at the beginning of the year.  
12 They rushed through a very simple background  
13 investigation on this individual, then the three  
14 individuals that they were doing background  
15 investigations, one is out on maternity leave and  
16 another one has been pulled to do investigation which  
17 is basically just to view cameras. And the other -  
18 there's only one person doing an investigation,  
19 there's no way that she could do a full background  
20 investigation on anybody, just one person. It's  
21 about 182 people that we need to do backgrounds. So,  
22 there's no way.

23 The only way that I could see us having an  
24 academy in October is if we don't do our due  
25 diligence and we just onboard people without being  
fully investigated.

2 CHAIRPERSON BREWER: How long is the academy for  
3 Sheriff's? How long a program is that?

4 INGRID SIMONOVIC: Since Sheriff Miranda got  
5 here, there is no real time limit. Our academy used  
6 to six months. After he came, I know I requested a  
7 labor management meeting because our academy started  
8 going to 10 weeks, 12 weeks, and then there's no  
9 academy. Since he got here, we only have had two  
10 graduations. One was the academy started before his  
11 arrival and the other academy he graduated close to a  
12 year later, if not a year later.

13 We have individuals that started an academy after  
14 he got here and he has never graduated. He doesn't  
15 believe in graduating the deputies. He believes that  
16 if he doesn't graduate you, you're going to do as  
17 you're told when you are told and that's why he's not  
18 having formal graduations.

19 CHAIRPERSON BREWER: Okay and you mentioned that  
20 43 have left while only onboarding 26. That's in the  
21 last couple of years. That was an example of what  
22 the challenges are?

23 INGRID SIMONOVIC: Yes, so since he left, we have  
24 lost close to 43 members. The ones that have come  
25

3 in, they came before him. He has only brought in  
4 five people.

5 CHAIRPERSON BREWER: Five deputies?

6 INGRID SIMONOVIC: Five deputies.

7 CHAIRPERSON BREWER: Okay and then the other  
8 question I have is, you mentioned I mean I'm  
9 certainly very familiar with orders of protection.  
10 We work with domestic violence persons in our office  
11 every day. People bring horrible situations. So,  
12 you're saying what would be an example of what's not  
13 getting done because of Operation Padlock?

14 INGRID SIMONOVIC: We don't have enough  
15 personnel. I could say in Richmond County, I only  
16 have five deputies for the entire county. In New  
17 York County about 12-13 deputies for the entire  
18 county, with supervisor maybe 15. The Bronx is about  
19 24 for the entire county. The amount of work that we  
20 are receiving, we don't have the personnel to do it,  
21 so we're not allowed to do our due diligence and we  
22 may do one attempt to attempt to serve the order of  
23 protection and go ahead and close the case and send  
24 it back to the courts. And in some locations, we'll  
25 go and if the individual is not there, we tell the  
victim if you are in such a fear, just lock yourself

3 in a room, call the police, and have them serve the  
4 order of protection because we won't be able to come  
5 back.

6 CHAIRPERSON BREWER: Okay, Council Member Holden.

7 COUNCIL MEMBER HOLDEN: Thank you. Thank you  
8 Chair. Uhm, question on uhm you said, where the pot  
9 stored in a warehouse, it's dangerous right? The  
10 conditions aren't good. Tell me what are they  
11 experiencing with people who go in there? You  
12 certainly have officers that go in there. What are  
13 they complaining about, the air, the dizziness?

14 INGRID SIMONOVIC: Well, it recently changed but  
15 at the beginning, we used to store the cannabis in  
16 the vehicles. We used to store them in office. They  
17 used to be everywhere. I know at one point it was  
18 close to where the [INAUDIBLE 02:17:09], which I  
19 consider civilians and when they started complaining,  
20 Sheriff Miranda told the guy that was in charge of  
21 everything, "well put it in your office. Put it  
22 everywhere, just get it away from there so the  
23 [INAUDIBLE 02:17:21] don't complain."

24 So, at one point, I went to his office and he was  
25 sitting in bags in bags of contraband and he was  
26 complaining about coughing blood. A lot of people

3 complain of headaches, nauseous and when they stay  
4 away from the office for maybe a day or two, then  
5 they feel better but when they come back, they  
6 experience the same symptom.

7 COUNCIL MEMBER HOLDEN: Has uhm, any agency, the  
8 Health Department, anybody check the air in that  
9 location?

10 INGRID SIMONOVIC: So, that's one other  
11 retaliation. When he started sending emails and  
12 requesting all that's stuff, he got retaliated on and  
13 he eventually got moved from that office. We did  
14 file multiple complaints, a few with PINCH. PINCH  
15 came and found that our complaints were  
16 substantiated.

17 COUNCIL MEMBER HOLDEN: Now, you know the  
18 pressures because since the marijuana, cannabis  
19 became legal, there's a lot of pressure on the  
20 Sheriff's Office. So, you understand that he's  
21 getting pressure from one end and you guys are  
22 getting obviously more work and do you think uhm, now  
23 I've called for the Mayor to double the size of the  
24 Sheriff's office because you could see that they're  
25 being stretched thinly and many of them, you said

2 they're working now five days a week, six days. In  
3 the past, they used to work four days?

4 INGRID SIMONOVIC: Uh, yes for the most part.

5 COUNCIL MEMBER HOLDEN: So, now people are  
6 working, are they working any 24 hour shifts?

7 INGRID SIMONOVIC: You could work - now you're  
8 working five days. He wanted to have five days,  
9 eight hours tour but now you're working five days 10,  
10 12, 14, 16 hours and sometimes even longer tour  
11 because when you an arrest, you have to stay with  
12 that arrest until you complete it. And I'm with you,  
13 we need more members but the problems that we have is  
14 with the mismanagement. Everybody that he's bringing  
15 onboard, it's not being beneficial for us. He  
16 brought, uhm so far he's brought close to 12 people.  
17 They're not capable of doing the background  
18 investigations to onboard more members. They're not  
19 capable of training anybody because they don't even  
20 have the qualification. Mr. Perez, who is going to  
21 be the Chief of Investigation, he doesn't even have a  
22 background in investigation.

23 So, what are we doing here? You're bringing all  
24 these people that are pretty much useless to our  
25 agency and our department. If you were to onboard

2 people that will cooperate to our growth and us doing  
3 more efficient and doing more work, by all means, I  
4 hope that we could double, triple our size as soon as  
5 possible because we desperately need it in order to  
6 be able to do everything that we need to do in the  
7 city.

8 COUNCIL MEMBER HOLDEN: Alright, thank you.  
9 Thank you Chair.

10 CHAIRPERSON BREWER: Uhm, have you reported any  
11 of this misconduct to the Department of Investigation  
12 and if so, have they done any follow up? Sometimes  
13 they don't tell you what they're doing but have they  
14 been communicative at all?

15 INGRID SIMONOVIC: Yes, I'm aware that multiple  
16 complaints have been filed with DOI in the past about  
17 a year and a half, two years but there has been no  
18 follow ups.

19 CHAIRPERSON BREWER: And then also, uhm as you  
20 know, we have a bill that would have more data  
21 available through 311 because I believe - I mean I'm  
22 the author of the open data bill. I feel very  
23 strongly about data. So, my question is, do you know  
24 if that data that now goes via email to the Sheriff,  
25 does it get back to 311, does it get used? Do you



3 have any sense of what happens when the data goes to  
4 the Sheriff's Office? Because now it's only  
5 available through the Sheriff.

6 INGRID SIMONOVIC: Most of it, the way the agency  
7 is operating now, there's no transparency. Even us  
8 that are in the office, a lot of things we don't  
9 know. We don't know where the data is coming from.  
10 We don't know - we do know who is putting the data  
11 together, it's one of the people that he onboard but  
12 we don't know how they go about picking and choosing.

13 CHAIRPERSON BREWER: How they use the data you  
14 don't know.

15 INGRID SIMONOVIC: Yes, yes, we don't know that.  
16 Uhm, we don't know the data. We don't know where  
17 we're going. We don't know uhm where the picking of  
18 the stores to go inspect. I am aware that sometimes  
19 we do go and do an inspection at a store and even if  
20 the store is found with no contraband, we keep going  
21 back and back to that same store. And I'm also aware  
22 that he targets [INAUDIBLE 02:22:03] not - it's not  
23 being spread throughout everybody.

24 CHAIRPERSON BREWER: I want to thank you very  
25 much. I am very aware of your concerns. We will

3 follow up and we congratulate you for being a great  
4 union leader.

5 INGRID SIMONOVIC: Thank you.

6 CHAIRPERSON BREWER: Thank you very much. The  
7 next panel is Alaina Turnquist from the Independent  
8 Budget Office and Brian Cain also from the IBO. Go  
9 right ahead. Thank you very much for being here. We  
10 love IBO, go ahead.

11 ALAINA TURNQUIST: Hi. Good morning, Chair  
12 Brannan, Chair Brewer, and members of the Finance  
13 Committee and Oversight and Investigation Committee.  
14 I am Alaina Turnquist, Economic Development Budget  
15 and Policy Analyst for the New York City Independent  
16 Budget Office, IBO. I am joined here today by my  
17 colleague Brian Cain, Assistant Director of Housing,  
18 Environment, and Infrastructure.

19 In August of 2023, IBO published a report  
20 estimating the potential size of a mature legal  
21 cannabis market in New York City. In May 2024, IBO  
22 updated these estimations using more recent data.  
23 IBO also recently published a report discussing  
24 important changes from the last session of the State  
25 Legislature, including changes to cannabis relevant  
to the City.

3 My testimony today will highlight key takeaways  
4 from IBO's cannabis-focused research. IBO has been  
5 estimating the potential size and fiscal impact of  
6 New York City's cannabis market for over a year. Our  
7 most recent update in May 2024 estimated that New  
8 York City's legal cannabis market could, at maturity,  
9 yield between \$33 million and \$200 million in annual  
10 tax revenues for the City.

11 Notably a variety of factors impact this large  
12 range, including the pace of opening of licensed  
13 cannabis dispensaries, consumer preferences for  
14 switching to the legal market, enforcement of  
15 unlicensed dispensaries, and consumer preferences for  
16 different types of cannabis products. For example,  
17 edibles are a higher priced product than typical  
18 flower and yield greater tax revenue.

19 IBO recognizes that this is a wide-ranging  
20 estimate. IBO's estimate relies on data from other  
21 states, looking at both the average per capita sales  
22 and the price per ounce of cannabis sold. The low  
23 end of the estimate, \$33 million assumes a low amount  
24 of cannabis sold per capita at a low price and the  
25 high end of the estimate, \$200 million assumes a

3 higher amount of cannabis sold per capita at a high  
4 price.

5 IBO's estimates are also based on consumption  
6 patterns and prices seen in other states with at  
7 least five years of legal adult-use cannabis sales.  
8 When the rollout of the legal market is completed,  
9 IBO would expect to see cannabis sales in the middle  
10 of this range. It is difficult to pinpoint a future  
11 market size for several reasons. New York State's  
12 unique requirements for retail licenses have resulted  
13 in a slower rollout of the legal market than in most  
14 other states. The presence of unlicensed  
15 dispensaries has also slowed growth of cannabis  
16 revenue because any sales made at these stores are  
17 obviously untaxed.

18 Even if the City is successful in closing all  
19 unlicensed cannabis retail operations, consumers may  
20 still choose to continue patronizing unlicensed  
21 sellers, for example, those in the legacy industry  
22 rather than purchase from cannabis state licensed  
23 dispensaries.

24 IBO's expects that as more licensed dispensaries  
25 open across the City, more unlicensed stores close,  
the pace of cannabis tax revenue collection will

3 increase. Importantly, the amount of potential  
4 cannabis tax revenue that the City could eventually  
5 see from the mature legal market is small in  
6 comparison to other sources of City tax revenue. IBO  
7 projects approximately \$85 billion in total City tax  
8 revenues in 2028. Even with the highest cannabis  
9 projection of about \$200 million, this would only  
10 amount to about 0.24 percent of the total city  
11 revenues.

12 Thus, fluctuations in Cannabis revenue are not a  
13 make or break factor in creating or closing budget  
14 gaps. While the fiscal impact of unlicensed smoke  
15 shops and cannabis revenue is relatively small,  
16 unlicensed smoke shops likely affect the ability of  
17 licensed dispensaries to compete and succeed in the  
18 city and the sale of unlicensed cannabis and tobacco  
19 products creates concern from a consumer protection  
20 and public health vantage point.

21 Cannabis tax revenue collections to date have  
22 fallen short of IBO's estimates, but IBO expects  
23 collections to increase in the years ahead. As of  
24 the 2025 Executive Budget, New York City collected  
25 \$2.4 million in cannabis tax in fiscal year 2024.  
IBO's most recent tax forecast predicts collections

3 of \$37 million by fiscal year 2028, which is higher  
4 than OMB's forecast of \$30 million in that same year.

5 The legal market has grown dramatically so far in  
6 the current calendar year, from 12 licensed  
7 dispensaries opening in all of 2023 to over 50  
8 opening so far in 2024. Currently, there are around  
9 80 licensed dispensaries operating in New York City.  
10 Beyond tax revenue from cannabis sales, the City may  
11 also see additional revenue from Community  
12 Reinvestment Grants which will be awarded to  
13 communities disproportionately impacted by cannabis  
14 prohibition.

15 These grants will be funded out of a portion of  
16 the State's cannabis tax revenue not the city's. The  
17 Cannabis Advisory Board announced that it will begin  
18 awarding these grants in 2024, although none have yet  
19 been granted. The potential amount of grant revenue  
20 which could be received is uncertain and would be  
21 devoted to the grant-specific project or program.  
22 This is different from the general cannabis revenues  
23 which go towards the city's general fund and can be  
24 used for any purpose. The Office of Cannabis  
25 Management annually publishes a report with details

3 on funds and availability and potential distribution  
4 of these grants.

5 Next moving to Albany updates. The 2025 State  
6 Budget contained items relevant to cannabis taxation  
7 and enforcement in New York City. First, the Enacted  
8 Budget expanded and clarified the powers of local law  
9 enforcement to respond to the unlicensed sales of  
10 cannabis products. Local law enforcement  
11 authorities, as we've discussed today can now  
12 immediately shutter a business for up to a year if  
13 they find that the business is both selling cannabis  
14 without a license and is deemed as posing an imminent  
15 threat to public health and safety.

16 As mentioned earlier, IBO expects that as  
17 unlicensed cannabis dispensaries continuing to be  
18 padlocked or to closing voluntarily, will result in  
19 cannabis tax revenue by the City increasing. The  
20 Enacted Budget also repealed the cannabis potency  
21 tax, which was based on the THC content of cannabis  
22 products sold by processors to retail dispensaries.  
23 In place of the potency tax, the State introduced a  
24 flat 9 percent tax on wholesale cannabis sales from  
25 processors to distributors. This tax will not  
directly affect City cannabis tax collections since

3 city cannabis tax is based solely on retail sales  
4 within the city. The city receives 4 percent of  
5 taxable retail sales of cannabis that take place  
6 within New York City. IBO will continue to monitor  
7 the legal cannabis markets growth and cannabis tax  
8 revenue collections.

9 Thank you for your time and we welcome any  
10 questions.

11 CHAIRPERSON BREWER: Thank you. I have one quick  
12 question. Just to explain to I think the public  
13 because how the tax is collected, how much goes to  
14 the state? How much goes to the city? And if  
15 there's any - that the different type of process I  
16 think than most taxes. Can you explain that?

17 ALAINA TURNQUIST: Yeah, so cannabis is taxed  
18 differently in different states, so in New York we  
19 have a tax that is placed at the time of purchase in  
20 retail. So, 9 percent of that goes to the state and  
21 4 percent of that goes to the city or the locality in  
22 which the purchase is made. So, overall when you go  
23 yourself to buy from a state licensed dispensary,  
24 you'll have a 13 percent sales tax on that purchase.

25 The other tax we discussed is between wholesalers  
and distributors and that is that base 9 percent tax,



3 that's something that most consumers would not see or  
4 experience because they'll be purchasing in the  
5 store.

6 CHAIRPERSON BREWER: Your numbers are - I mean it  
7 is hard to know, we have 79 I think we heard today  
8 legal at this moment, so do you have some sense of  
9 what numbers you project to be legal to come up with  
10 the numbers that you came up with?

11 ALAINA TURNQUIST: Yeah, so our - because the  
12 dispensary can sell, you know the size of a legal  
13 dispensary can really range, so some dispensaries do  
14 a lot of sales, some will do less. It depends on  
15 probably the location that you're in within the city  
16 as well as the size of your overall operation. So,  
17 our projections are more about looking at what  
18 consumer patterns are. So, per capita, how much is  
19 the average person going to consume in a year and  
20 what price is that product being sold at, and that  
21 will give us a sense of the overall size of the  
22 market.

23 We can then take you know the number of  
24 dispensaries and you know divide by the number of  
25 dispensaries to get an average number but right now,  
we would expect to say that dispensaries are probably

3 potentially doing more sales than they would do once  
4 there is a fuller rolled out market.

5 I believe from OCM, the number of dispensaries  
6 that are expected in New York City is supposed to be  
7 around 400. So, right now, if we're at around 80, we  
8 would still expect to see you know continued openings  
9 and again, that's up to OCM. They could go above  
10 400, below, but that's the number that we've heard.

11 CHAIRPERSON BREWER: Okay, that's very helpful.  
12 Thank you. I have one great story. So, the new  
13 cannabis, legal opens in my district and of course  
14 the people next door, a large building complained.  
15 And you know I say, explained that it's a good thing.  
16 So, I'm in there and of course I swear to God, half  
17 of the customers who were in there are from that same  
18 building. So you never know. Thank you very much  
19 for your testimony.

20 ALAINA TURNQUIST: Alright, thank you.

21 CHAIRPERSON BREWER: I will now open the hearing  
22 for public testimony. I have to read this whole  
23 stupid thing. I remind members of the public that  
24 this is a government proceeding and decorum shall be  
25 observed at all times. As such, members of the  
public shall remain silent at all times and I thank

3 you because you've been very quiet. The witness  
4 table is reserved for people who wish to testify. No  
5 video recording or photography is allowed from the  
6 witness table. Members of the public may not present  
7 audio or video recordings as testimony but may submit  
8 transcripts of such recordings to the Sergeant at  
9 Arms for inclusion in the hearing record.

10 If you wish to speak at today's hearing, I think  
11 those of you who wanted to have already filled out an  
12 appearance card, but if somebody wants to and hasn't,  
13 please do so. Do it with the Sergeant at Arms and  
14 wait to be recognized. When recognized, you have  
15 three minutes to speak at the today's Oversight  
16 hearing topic, which of course is about the cannabis  
17 enforcement laws and Proposed Intro. 557A and Intro.  
18 981.

19 If you have a written statement or additional  
20 written testimony you wish to submit for the record,  
21 please provide a copy to the Sergeant at Arms. You  
22 may also send written testimony for those of you who  
23 are listening, [testimony@council.nyc.gov](mailto:testimony@council.nyc.gov) within 72  
24 hours of the close of this hearing. Like I said  
25 earlier, audio and video recordings will not be  
accepted and for in-person, if there's anyone here

3 who wants to, please come up to the table once your  
4 name has been called, but you have to fill out the  
5 slip. Is there anybody here from the in-person panel  
6 and it looks like David Schwartz from Wholesalers,  
7 Anowarul Hague, protest against illegals, Lance  
8 Lazzaro, who is a business owner, Nadia Rahnautz who  
9 is a convenience store, Jeffrey Hoffman and Michael  
10 Zaytsev. So, why don't we take the first five people  
11 which include David Schwartz, Anowarul Hague, Lance  
12 Lazzaro, is that four? Yup and Nadia Rahnautz.

13 Whomever would like to start, go ahead.

14 LANCE LAZZARO: I'd like to start. My name is  
15 Lance Lazzaro. I'm not a business owner. I'm an  
16 attorney that represents a lot of the smoke shops.

17 I'm here today because you've create a statute  
18 and I'm not faulting you for creating the statute but  
19 you've created a statute that gives way too much  
20 power in the hands of the Sheriff. And you've  
21 created a system of fighting these cases which  
22 basically is flawed. And I think the public needs to  
23 know about it and I think the City Council needs to  
24 know about it.

25 Most of the shops that I represent are bodega's  
that are legitimate shops that are in areas that most

3 Walgreens will never enter into, most supermarkets  
4 will never enter into. So, it's nice when Sheriff  
5 Miranda and I don't call him Sheriff Miranda anymore,  
6 I call him Judge Miranda. He comes before this City  
7 Council and tries to argue that there's some type of  
8 mechanism he uses but there is absolutely no  
9 mechanism.

10 I've represented many stores and many of them and  
11 I've also been part of the [INAUDIBLE 02:37:03]  
12 decision. I was the attorney who argued that and I  
13 can probably enlighten you guys to some of the issues  
14 you asked about Councilwoman Brewer. But what I will  
15 say is that I had a store that was closed down a few  
16 days ago that was caught with three prerolls in their  
17 entire store where their entire store was legitimate  
18 and instead of the Sheriff just issuing a summons and  
19 not closing it down, it now has to wait for a hearing  
20 for five days.

21 Excuse me, we actually did the hearing in that  
22 particular case. The summons was dismissed. The  
23 hearing officer found no unlicensed activity. He  
24 recommended that the sealing order be rescinded. We  
25 now have to wait for Sheriff Miranda and I call him  
Judge Miranda, whether or not to uphold that

3 decision. Now think about that. A store could be  
4 selling 99.9 percent of their products that are  
5 legitimate and they get caught with three marijuana  
6 prerolls and yet the Sheriff is sealing that place  
7 down for at least five days and even if you win the  
8 hearing and you're found not guilty of unlicensed  
9 activity, and the sealing order is recommended to be  
10 lifted by the hearing officer, four days later, we  
11 get a decision by Judge Miranda, I'm not going along  
12 with it. I'm keeping you closed for a year.

13 So, what is the store left to do at this stage?  
14 To bring an Article 78 proceeding. Is it a cheap  
15 proceeding? Absolutely not. You have to pay an  
16 attorney. Most judges in the City of New York will  
17 put these hearings off for a month or two before you  
18 get it. The only judge who actually looks at these  
19 cases is Judge Carrigan in Queens County, who  
20 actually has looked at the law and says, you've  
21 appointed Sheriff Miranda as the judge, jury and  
22 executioner because he has made these hearings a  
23 farce. Because even if you win at the hearings, he  
24 can overrule it and the only recourse you're left is  
25 to do an Article 78 proceeding, which can take months  
to get to and even when you win in the Article 78

3 proceeding, the city could automatically appeal it  
4 and then it goes to the appeal division. So, these  
5 store owners that are actually serving communities  
6 that the Walgreens will never enter into, they have a  
7 99.9 percent legitimate product are getting shutdown.  
8 Here's another one.

9 CHAIRPERSON BREWER: You need to wrap up. Go  
10 ahead.

11 LANCE LAZZARO: One bag of marijuana, the entire  
12 store had legitimate products closed down. One from  
13 yesterday where they came back for a second  
14 inspection, they didn't close the store down. Three  
15 hours later they showed up at the store and closed it  
16 down. The seizure report says zero marijuana  
17 recovered.

18 I have a list of 15 to 20 cases and I'd like you  
19 to ask Sheriff Miranda at some point, how many stores  
20 have won the summonses? Have the summonses been  
21 dismissed? And the sealing orders have been  
22 recommended to be lifted that he has overruled even  
23 though he is not participating in these hearings.

24 CHAIRPERSON BREWER: Alright.

25 LANCE LAZZARO: This Committee has done away with  
due process in how the statute was written and if the

3 federal lawsuit ends up holding that this statue is  
4 unconstitutional, the monetary damage will be so much  
5 more significant to the city and state of New York if  
6 this statue is ruled unconstitutional. The way the  
7 statue is written, it puts way too much power in the  
8 hands of the Sheriff. It's a complete denial of due  
9 process and the way that the sheriff is administering  
10 it. I've caught him on six cases. I think you  
11 should hear this.

12 CHAIRPERSON BREWER: We're very aware of this  
13 situation.

14 LANCE LAZZARO: No, how about this six stores  
15 that lost at OATH. They're supposed to render a  
16 decision within four days of the hearing, the  
17 Sheriff. The decisions came anywhere from one day to  
18 a week late. He back dates the letter and keeps the  
19 store closed. When I call him out on it, and I'm  
20 going to sue him, all six stores get reopened.

21 CHAIRPERSON BREWER: Okay.

22 LANCE LAZZARO: There is power corrupts and the  
23 way the statue is written has really not dealt with  
24 the matter of the cannabis stores or the stores that  
25 are strictly cannabis-

CHAIRPERSON BREWER: I got it. I got it.



3 LANCE LAZZARO: You're shutting down numerous  
4 legitimate -

5 CHAIRPERSON BREWER: We understand what you're  
6 saying. Thank you very much sir. Next.

7 NADIA RAHNAUTZ: Good afternoon. Nadia Rahnautz,  
8 attorney as well. I also represent many convenience  
9 stores, bodega's and smoke shops. Also conducting  
10 the hearings on the defense side at OATH. There are  
11 two points that I wanted to address that were not  
12 addressed. We're not asked by the Sheriff, the  
13 products that were laid out on all were products that  
14 he alleges were directed towards children. As a  
15 mother myself, of course that's a concern for any  
16 parent. However, there was absolutely no questioning  
17 of him of how many stores have documented sales of  
18 cannabis minors. I maintain it. In my office, we've  
19 had absolutely not a single one of a documented sale  
20 of cannabis to any minor.

21 There is also allegations of people reporting it  
22 to 311 of persons getting sick, adults and children  
23 getting sick. What are the numbers of those, what  
24 are the numbers looking like for those? Again, in  
25 all of the cases that I have done, absolutely none of  
those allegations. And those are the fronts that are

3 being purported and being brought in front of the  
4 City Council and the public to appear as though these  
5 closures are not somehow you know otherwise targeted  
6 or based and they definitely are.

7 With respect to asset recovery, that's my main  
8 point here today is that in each and every story, I  
9 believe the question was asked and not really  
10 properly answered also. That in each and every  
11 location there is significant cash being removed from  
12 registers. I even have a client who had a \$10,000  
13 certified check being removed. It was not until I  
14 filed an internal affairs investigation against NYPD  
15 that there was ever any record of that certified  
16 check being removed along with \$7,000 or \$8,000. I  
17 have other stores where there's \$25,000 being  
18 removed, absolutely no documentation. All of the  
19 properties being invoiced by the NYPD accept cash and  
20 when we report into internal affairs to NYPD that, we  
21 want to know where is the cash? Especially in the  
22 case where there's a dismissal, where there is a  
23 dismissal and no violation found and the store can be  
24 reopened. Where is the money? There is absolutely  
25 no message to locate the money and we are being  
directed to the Sheriff who has the money. So, we

3 then have to open two different claims with Internal  
4 Affairs and the Sheriff's Department. Each agency  
5 going like this, the other one took it or the other  
6 one vouchered it or the other one is responsible for  
7 it and no message to recover all this money. But we  
8 maintain that there's many stores here that what is  
9 the process for forfeiture? What is the basis for  
10 forfeiture? Why is the cash being not held at safe  
11 keeping, especially in businesses where there is more  
12 than like Mr. Lazzaro said, 99 percent of lawful  
13 activity. These are not criminal proceedings and  
14 when we offer any criminal case law, they knock it  
15 down patently saying these are administrative  
16 hearings and any criminal case law is not relevant.  
17 So, what's the basis for the forfeiture? For a  
18 product that is legal in New York State, I maintain  
19 that it's unlicensed but the characterization of some  
20 of these sales as being illegal drug sales is just  
21 not accurate and not correct.

22 So, that's one of the issues we want to address  
23 here today and also that this City Council should  
24 really look at the purpose of the statute is to - the  
25 closure of the stores, is it accomplishing what we're  
looking to do? Is it just driving cannabis into the

3 streets as many of you have cited here today, that it  
4 is driving cannabis to the corners. It is increasing  
5 gang violence and other types of violence. You're  
6 driving cannabis to the cars.

7 If the market supported four or five shops in one  
8 street, where did that consumer appetite go? I mean  
9 it didn't go away. So, are we solving the issue here  
10 in New York City? I don't believe that we are. I  
11 believe that all we're doing is punting it. We are  
12 demonizing certain businesses. We're closing them  
13 down but we're not really solving the problem.

14 CHAIRPERSON BREWER: You need to wrap up.

15 NADIA RAHNAUTZ: Thank you. We're not really  
16 solving the problem. The way to solve the problem is  
17 to give a conditional license to the convenience  
18 stores, the bodega's, whoever - been historically the  
19 ones who sold tobacco, who sold vapes, who sold  
20 cigarettes. Any type of smoking product is to give  
21 some type of conditional license. Instead of saying  
22 that this needs to be shut down, absolutely not  
23 marketed at all, maybe we need to relook at how we do  
24 the licensing.

25 CHAIRPERSON BREWER: Thank you for your  
testimony. Sir.

3 ANOWARUL HAQUE: Thank you Chair. Uhm, I'm  
4 actually with the wrong group. My name is Anowarul  
5 Haque. I'm a business owner. I have a business in  
6 the city in Chelsea 26 years. The last five, six or  
7 more years ago, a lot of illegal stores started  
8 opening. I lost one - I had another store in 42<sup>nd</sup>, I  
9 closed that. I've been suffering because of the  
10 illegal store. I have a legal tobacco store. I've  
11 been suffering for all these years. My business  
12 going down and down because people sell out of state  
13 cigarette for \$10, \$9 and my cigarette is \$18.  
14 Nobody want my cigarette.

15 I've been suffering all these years. I had to  
16 take it's be alone a quarter of million to run my  
17 store. I've been suffering through the COVID and  
18 illegal store been opening left and right, north of  
19 me, south of me, all over the places. Thank God they  
20 closed some of them but most of - they're still open  
21 most of them. They closed today, seven days later  
22 they open again. One of the store, they change the  
23 name, they open again.

24 Police came four or five times, that store is  
25 still open. They stealing my business. So, I'm in

3 the wrong isle but all I have to say, please close  
4 the illegal stores.

5 CHAIRPERSON BREWER: Thank you very much for your  
6 testimony. Thank you very much panel. We're taking  
7 your - we're very aware we're taking all questions  
8 and comments very seriously, so thank you.

9 Okay the last in-person are Michael Zaytsev and  
10 David Schwartz and Jeffrey Hoffman. You may begin  
11 whenever you wish.

12 MICHAEL ZAYTSEV: Good afternoon members of the  
13 City Council, my name is Michael Zaytsev. I'm the  
14 Academic Director of the Business of Cannabis Degree  
15 programs at LIM College in Midtown Manhattan. I'd  
16 like to begin by expressing my support for the  
17 initiatives being proposed today and recognizing the  
18 progress made over the past year to address illicit  
19 cannabis stores in our city. However, I must  
20 emphasize that these positive steps are no where  
21 close to enough. We need to take a more  
22 comprehensive approach if we truly want to tackle the  
23 challenges we're facing.

24 The continued proliferation of illicit cannabis  
25 stores, which have several advantages over legal  
dispensaries, such as no advertising restrictions or

3 proximity protections is largely due to details at  
4 the state level with the Office of Cannabis  
5 Management being understaffed and slow to get license  
6 dispensaries open.

7 These illicit stores are not only undermining the  
8 legal market but also pose a significant public  
9 safety risk. Some of my students have shared the  
10 alarming reports that some of these shops sell much  
11 more than cannabis, including illicit narcotics and  
12 other dangerous substances. While I encourage the  
13 city and state to consider allowing some illicit  
14 operators of these stores to transition to the legal  
15 market or at least create some process for  
16 integration, as opposed to criminalization, which we  
17 know from the city's infamous cannabis history does  
18 more harm than good. This transition must be  
19 carefully managed. It can only happen after those  
20 who have applied and received legal permits to  
21 operate and have had the opportunity to open, which  
22 as we know has been slow.

23 Finally and perhaps most importantly, there's a  
24 critical need for more public education around safe  
25 and responsible cannabis use. We need to ensure that  
the public, especially young people, public school

3 teachers, middle school teachers, healthcare  
4 professionals and senior citizens who are  
5 increasingly using cannabis as medicine are aware of  
6 the real fact behind cannabis, its risks, and its  
7 benefits. Without education, the potential for  
8 misuse and harm increases significantly, especially  
9 with unregulated stores everywhere with illicit  
10 untested product easily available.

11 I urge the City Council to consider a public  
12 education campaign focused on cannabis safety,  
13 responsible use and harm reduction. Who is  
14 responsible for creating and distributing curriculum  
15 on cannabis safety for public schools? I sense that  
16 it's severely lacking today.

17 Additionally, I think the city should require  
18 continuing education for healthcare professionals to  
19 make sure that they're equipped with the latest  
20 information on cannabis use, harm reduction, and how  
21 to consult patients effectively. These education  
22 initiatives would not only protect vulnerable  
23 populations but also encourage cannabis consumers to  
24 shop in the legal regulated market. Thank you for  
25 your time and consideration.

CHAIRPERSON BREWER: Thank you. Next.



3 JEFFREY HOFFMAN: Good afternoon. My name is  
4 Jeffrey Hoffman. I'm an attorney here in New York  
5 City. My law firm focuses entirely on legal New York  
6 cannabis and we have hundreds of clients in the legal  
7 cannabis industry both here in the city and across  
8 the state.

9 While I prepared longer, written comments for  
10 your review, which I've shared with you. I wanted to  
11 share this brief assessment of the state of New York  
12 cannabis with you in person, both addressing  
13 enforcement and two other critical issues that I  
14 believe need to be addressed. As to enforcement, the  
15 efforts are finally having an impact but there is a  
16 long way to go. While a number of illicit stores  
17 have been shut down, there is still a huge number of  
18 illicit stores open across the city and as been  
19 discussed here earlier today, we have now entered the  
20 cat and mouse part of the program.

21 Illicit stores remaining closed during the day  
22 and reopening at night in order to avoid the  
23 enforcement efforts, while others are cutting the  
24 padlocks, what the sheriff puts on their doors and  
25 reopening within days and sometimes even hours of

3 being shut down. You are on the right path. Do not  
4 let your initial efforts result in complacency.

5 To that end, I strongly encourage the city to set  
6 up a regular dialogue with the members of the  
7 cannabis bar here in the city. We attorney's are on  
8 the frontlines of what is happening and we can help  
9 you head off problems and craft solutions to issues  
10 that you will not be aware of until it is too late.

11 For example, we in the cannabis bar have been  
12 saying for over two years that strong enforcement  
13 measures would be required to have a significant  
14 impact on illicit cannabis businesses. This is not  
15 Monday morning quarterbacking. We were saying this  
16 during practice on Thursday.

17 I encourage the city to create a standing  
18 taskforce, perhaps under an expanded cannabis NYC and  
19 the excellent work that defeated Dawson and her team  
20 are doing to coordinate efforts on the issues which  
21 will impact the cannabis industry here.

22 Next, we need to revisit the concept of 24 hour  
23 nightlife districts in the city. At one point, the  
24 Office of Nightlife explored this and it's a concept  
25 being deployed in other cities around the world and I

3 believe it's an idea whose time has come for us here  
4 in New York City.

5 Most significantly, while New York's cannabis  
6 regulations generally prevent sales of cannabis from  
7 2:00 a.m. to 8:00 a.m., they go on to say that this  
8 is true "unless given express written permission by  
9 such municipality or the municipality passes a local  
10 law authorizing it to operate during such hours.

11 Hence, we could enable such stores to be open 24  
12 hours in specific districts established for  
13 nightlife. This would be a game changing aspect for  
14 nightlife in our city.

15 Finally and perhaps most importantly, we need to  
16 consider all of the existing and emerging justice  
17 issues related to cannabis legalization in New York,  
18 namely expungement and employment. We must assist  
19 all city residents in clearing their records of  
20 cannabis convictions and we need to focus on bringing  
21 real economic opportunity to those that were impacted  
22 by anti-cannabis enforcement. While there will be  
23 thousands of cannabis license in New York, there will  
24 be hundreds of thousands of cannabis related jobs.  
25 This is where we need to focus our efforts and I  
discuss this in more detail in my written comments.

3 In closing, I again want to thank you for  
4 inviting me to speak here today. I have often said  
5 that New Amsterdam is the New Amsterdam. We have a  
6 unique opportunity to be the cannabis capital of the  
7 world here in New York City and I look forward to  
8 working with all of you to make that happen. Thank  
9 you very much.

10 CHAIRPERSON BREWER: Thank you very much. Thank  
11 you so much. We'll now turn to virtual panelists.  
12 For virtual panelists, once your name is called, a  
13 member of our staff will unmute you and the Sergeant  
14 at Arms will set the timer and give you the go ahead  
15 to begin for three minutes. Please wait for the  
16 Sergeant to announce that you may begin before  
17 delivering your testimony. So, we will first call on  
18 Toni Smith and then Dave Nicopanski and Jacqueline  
19 Tellez. Let's start with Tony Smith.

20 SERGEANT AT ARMS: You may begin.

21 TONY SMITH: Good afternoon. Thank you Chairs  
22 and members of the Council for the opportunity to  
23 testify. My name is Tony Smith. I'm the New York  
24 State Director at the Drug Policy Alliance, which led  
25 the work to pass the MRTA, establishing a pioneering  
framework for a fair and diverse cannabis industry in

3 New York that intentionally did not follow the model  
4 most favorable to big business interests.

5 Over the past two years, we've seen a concerted  
6 effort by well-funded lobbyists and large cannabis  
7 corporations, threaten to undermine the law and  
8 social equity goals by pushing a narrative of  
9 disaster and dysfunction, which has come to a head  
10 this year. And framing the law as a failure, these  
11 entities are setting the ground work to reshape the  
12 market to their advantage. But since its inception,  
13 the MRTA has broken national records and  
14 implementation of New Yorks cannabis market looks  
15 intentionally different than other states. 95  
16 percent of our retail market is small business. New  
17 York has doubled the number of majority black owned  
18 dispensaries nationwide. Nearly half of adult use  
19 dispensaries are majority minority owned and roughly  
20 90 percent of adult use retail license are minority  
21 and women owned business, well above the national  
22 estimates.

23 These successes are the result of a commitment to  
24 swimming against the tide of racial capitalism. As  
25 you address concerns with the market, it is critical  
to ensure enforcement steers clear of criminalization

3 and that adjustments to the market remain tailored to  
4 specific issues and couched within the broader goals  
5 and successes of the MRTA.

6 We appreciate the Council's attention to  
7 reporting systems that help to capture a fuller  
8 picture of the market. 311 call logs were an  
9 important tool in addressing discriminatory policing  
10 before passage of the MRTA. Now, we can use 311 to  
11 monitor the cannabis market through a civil lens as  
12 we do other types of noncompliant businesses. So, as  
13 we gain a fuller picture of the market, we also need  
14 a more robust office to provide leadership,  
15 coordination and oversight of the industry, including  
16 oversight of local cannabis tax revenue.

17 Today's hearing I think highlights the need for  
18 more centralized information and oversight. While  
19 Cannabis NYC is doing some of this work, we ask the  
20 Council to explore the establishment of a separate  
21 cannabis agency with commission level leadership to  
22 break down silos and provide necessary support to  
23 accomplish these goals. And we are going to follow  
24 up with fuller written comments. Thank you so much.

25 CHAIRPERSON BREWER: Thank you very much. Dave  
Nicopanski.

3 SERGEANT AT ARMS: Your time has begun.

4 DAVID NICOPANSKI: Good afternoon to the Chair  
5 and Committee Members. My name is David Nicopanski  
6 and I am the CEO of Freshly Bake NYC, a licensed  
7 dispensary located in Arthur Avenue in Bronx's Little  
8 Italy. I also serve as a Board Member of the New  
9 York Cannabis Retail Association. Thank you for the  
10 opportunity to provide this Committee testimony.

11 Since we all know the problems with unlicensed  
12 cannabis retail sales, I'm not going to dwell on the  
13 problem itself, other than to say it continues to be  
14 significant. Enforcement efforts while certainly  
15 welcome are alarmingly insufficient in responsiveness  
16 to cannabis reports to resources allocated to  
17 enforcement and to the general scale of the  
18 enforcement operations. For example, nearly all of  
19 the unlicensed stores near us that were previously  
20 padlocked immediately reopened within three days and  
21 there are actually more unlicensed operators around  
22 our legal dispensary now than there were four months  
23 ago when we began reporting them.

24 Further details of this and the problem itself  
25 can be found in my submitted written testimony.  
Given my limited time, I'm going to focus on our

3 recommendations to make enforcement meaningful and  
4 powerful.

5 First, improved communication and cooperation  
6 with licensees. We need a more direct two way  
7 communication channel with enforcement needs.

8 Dropping reports into a 311 black hole while useful  
9 to initiate reporting is going to be opaque and  
10 demoralizing. We want to be able to track the status  
11 of reporting businesses and receive updates on follow  
12 up enforcement actions.

13 Further, licensees are eager to assist with  
14 enforcement. We are willing to provide photo and  
15 video evidence, documentation or even report  
16 purchases of illicit products if necessary to  
17 establish probable cause. We want to work in  
18 partnership with enforcement rather than at arm's  
19 length and we have obvious incentives to do so. We  
20 just need a mechanism by which we civil engage.

21 Second, rapid follow up on reopening's. When  
22 unlicensed stores are shutdown, there needs to be  
23 swift follow up enforcement to ensure they remain  
24 closed. Businesses reopening days after being shut  
25 should be a top priority for immediate action.



3 Licensees again are able to report these immediately  
4 if we can see follow up action.

5 Third, we need to strengthen the law and  
6 penalties regarding padlock removal. A current law  
7 regarding padlock removal from illegal cannabis  
8 retailers are clearly insufficient to deter reentry.  
9 According to conversations with the Manhattan  
10 District Attorney's Office, unless there is video  
11 evidence of someone physically removing the padlock,  
12 there's little that they can do to enforce against  
13 that.

14 Even when there is evidence, the penalties are  
15 minimal and owners of the establishments can just  
16 treat this as the cost of doing business. Fourth, we  
17 need to seize the profits of the illegal businesses.  
18 Again, in conversations with Manhattan DA's Office,  
19 they indicated that seizing profits is going to be  
20 the only way to make a dent in the large operators.  
21 The more well financed ones, I'm not talking about  
22 the bodega's and corner shops here but the well-  
23 financed ones have the resources and sophistication  
24 to avoid arrest and if their profits are not seized,  
25 they will [INAUDIBLE 03:01:48].

3 Fifth, we need to restrict access to retail  
4 storefronts. Access to these storefronts is the life  
5 blood of the large illegal operators, so denying them  
6 access to the retail space is essential. Landlords  
7 would have the power to easily evict the illegal  
8 operators and prosecutors need -

9 SERGEANT AT ARMS: Your time has expired.

10 DAVID NICOPANSKI: And lastly, six a private  
11 action. Enforcement resources remain as thin as they  
12 are. Consider granting licensed business by right of  
13 action. We are willing to take legal measures and  
14 take the fight directly to the NYC businesses if we  
15 are allowed to do so. Thank you again for the  
16 opportunity to testify and I'm happy to answer follow  
17 up questions or forward information as requested.

18 CHAIRPERSON BREWER: Thank you very much. The  
19 next one is Jacqueline Tellez.

20 SERGEANT AT ARMS: You may begin.

21 JACQUELINE TELLEZ: Thank you everyone for the  
22 opportunity to testify today. My name is Jacqueline  
23 Tellez and I am representing the New York Association  
24 of Wholesalers and Distributors. Today, I want to  
25 draw attention to the same critical [INAUDIBLE  
03:02:46] that Mr. Haque brought to your attention a

3 few minutes ago. And that is the illegal sale of  
4 untaxed cigarettes and flavored e cigarettes in  
5 unlicensed stores throughout New York City.

6 Our sting operation which we conducted a few  
7 years ago, revealed a reality that is illegal  
8 cigarette trade is costing the city and the state of  
9 New York over \$2.5 billion annually. Over the past  
10 15 years, this amounts to a staggering loss of \$37.5  
11 billion. This is not just a financial issue; it is a  
12 crisis that demands urgent action.

13 At the New York Association of Wholesalers and  
14 Distributors, we believe in maintaining a fair and  
15 free market where businesses can thrive based on  
16 merit and competition. However, the rapid sale of  
17 illegal cigarettes is eroding this foundation. It  
18 diverts potential profits from legitimate businesses,  
19 funds criminal activity and undermines the rules of  
20 law. Through our revitalized First Alert program, we  
21 identified thousands of locations across the city  
22 suspected of selling illegal products. We gave this  
23 report to the city and state and we are thrilled that  
24 the city is acting and closing down these stores.

25 Our undercover operative documented their  
findings, revealing that while some shops operate

3 within the law, the majority do not. This illegal  
4 activity occurs in broad daylight showcasing a  
5 blatant disregard for our laws. We need to finish  
6 the job and shutdown all of these stores so the legal  
7 trade can take back the market place. When we  
8 shutdown illegal stores, consumer affairs must open  
9 up the market to legal shops and terminate the  
10 moratorium on cigarette licenses because that policy  
11 defies logic. The city went from 10,000 cigarette  
12 license to less than 5,000, which hurts the legal  
13 distribution channels and enhances the legal  
14 channels.

15 While cigarettes and vape products should be  
16 bought in brick and mortar stores where we collect  
17 the taxes on these products. The consequences of  
18 this illicit trade are far reaching. Not only are we  
19 losing billions in tax revenue but we are also  
20 witnessing the rise of organized crime. Criminal  
21 enterprises are capitalizing on the high taxes in New  
22 York by smuggling cigarettes from states with lower  
23 taxes. This illicit market poses a significant  
24 danger to our public safety and national security.  
25 Revenue generate from illegal cigarette sales,  
violent groups and criminal organizations

3 contributing to a cycle of violence and instability.

4 We are at a crossroads. Either we uphold our laws  
5 and restore integrity to our markets or we allow  
6 these illegal operations to continue unchecked,  
7 further endangering our communities.

8 We urge this Council to take decisive action  
9 against the sale of illegal untaxed cigarettes and  
10 flavored e cigarettes. By enforcing existing laws  
11 and posing stringent penalties on violators, we can  
12 begin to reclaim the billions of dollars lost to this  
13 illegal market place. Let us work together to  
14 eliminate this from our street. Our mission is  
15 clear, to ensure that every illegal cigarette needs  
16 to be removed from our city, protecting both our  
17 economy and our communities.

18 SERGEANT AT ARMS: Your time is expired.

19 JACQUELINE TELLEZ: Thank you very much for your  
20 consideration.

21 CHAIRPERSON BREWER: Thank you very much. We  
22 have now heard from everyone who was signed up to  
23 testify. If we inadvertently missed anyone who would  
24 like to testify in person, please visit the Sergeants  
25 table and complete a slip. If we inadvertently  
missed anyone who would like to testify virtually,

3 please use the raised hand function in Zoom and a  
4 member of our staff will call on you in the order of  
5 hands raised. Anybody's hands raised? Nobody's hand  
6 is raised.

7 I will now read the names of those who registered  
8 to testify but have not yet filled out a witness slip  
9 or appeared on Zoom and they include Jide Raffa (SP?)  
10 and David Schwartz. Is either person around? No.  
11 Seeing no one else, I would like to note again that  
12 written testimony, which will be reviewed in full by  
13 Committee Staff may be submitted to the record up to  
14 72 hours after the close of this hearing by emailing  
15 it to [testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). If there are no  
16 other comments, I want to thank the great Justin  
17 Brannan for his leadership on this issue and also the  
18 incredible staff. This is quite a report, a great  
19 hearing, lots of follow up will be necessary and I  
20 thank everyone who participated, testified and all  
21 the amazing staff. Thank you. [GAVEL]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date October 2, 2024