Legislation Details (With Text)

File #:	Res 0737-2019	**Version:**	A	**Name:**	Grants NYC agencies the authority to regulate local licensing of the adult-use cannabis market in the City.
Type:	Resolution			**Status:**	Adopted
				In control:	Committee on Consumer Affairs and Business Licensing
On agenda:	2/13/2019				
Enactment date:				**Enactment #:**	

Title: Resolution calling on the New York State legislature to pass legislation that grants New York City agencies the authority to regulate local licensing of the adult-use cannabis market in the City.

Sponsors: Laurie A. Cumbo, Alicka Ampry-Samuel, Brad S. Lander, Ben Kallos, Carlina Rivera, Diana I. Ayala

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Date	Ver.	Action By	Action	Result
2/13/2019	*	City Council	Introduced by Council	
2/13/2019	*	City Council	Referred to Comm by Council	
2/27/2019	*	Committee on Consumer Affairs and Business Licensing	Hearing Held by Committee	
2/27/2019	*	Committee on Consumer Affairs and Business Licensing	Laid Over by Committee	
2/27/2019	*	Committee on Public Safety	Hearing Held by Committee	
2/27/2019	*	Committee on Public Safety	Laid Over by Committee	
2/27/2019	*	Committee on Civil and Human Rights	Hearing Held by Committee	
2/27/2019	*	Committee on Civil and Human Rights	Laid Over by Committee	
2/27/2019	*	Committee on Justice System	Hearing Held by Committee	
2/27/2019	*	Committee on Justice System	Laid Over by Committee	
3/27/2019	*	Committee on Consumer Affairs and Business Licensing	Hearing Held by Committee	
3/27/2019	*	Committee on Consumer Affairs and Business Licensing	Amendment Proposed by Comm	
3/27/2019	*	Committee on Consumer Affairs and Business Licensing	Amended by Committee	
3/27/2019	A	Committee on Consumer Affairs and Business Licensing	Approved by Committee	Pass
3/28/2019	A	City Council	Approved, by Council	Pass

Res. No. 737-A

Resolution calling on the New York State legislature to pass legislation that grants New York City agencies the authority to regulate local licensing of the adult-use cannabis market in the City.

By Council Members Cumbo, Ampry-Samuel, Lander, Kallos, Rivera and Ayala

Whereas, Legalizing the marketplace for the general adult (non-medical) use of cannabis is a major priority for the New York State legislature; and,

Whereas, The New York City Council supports this policy change particularly because the City's black and brown communities have been disproportionately harmed by the effects of cannabis criminalization; and,

Whereas, Establishing state-wide regulations to ensure consistency with regard to age restrictions, potency levels, and other health and safety concerns is paramount; and,

Whereas, However, New York City should also be empowered to make local licensing laws regarding the adult-use cannabis market, in parallel with the City's current authority over business licensing; and,

Whereas, The City's sheer population size, in addition to the 60 million or so tourists that visit each year, means that the New York City market for the general, non-medical use of cannabis could potentially be the biggest in the State; and,

Whereas, While this presents an enormous business opportunity, the City will want to protect against unintended consequences; and,

Whereas, For example, when ride-hailing services such as Uber and Lyft came to New York City, they greatly increased travel options for the City's residents; and,

Whereas, While this was a welcomed development for consumers, the services also had negative consequences as the sudden expansion of for-hire vehicles and the increased competition for taxi companies quickly impacted the value of taxi medallions and take-home pay for drivers; and,

Whereas, One of the measures enacted by the City Council in order to mitigate these adverse effects is a cap on the number of licenses for ride-hailing services; and,

Whereas, The City has implemented similar restrictions on street vendors, to protect sidewalks from

becoming overly congested; and,

Whereas, To prevent the concentration of tobacco retailers in particular neighborhoods, the City has also capped the number of tobacco and electronic cigarette retailer licenses according to each community district; and,

Whereas, Given the City's density, similar restrictions on the licenses for adult-use cannabis sales may need to be implemented so that certain areas are not oversaturated; and,

Whereas, However, the City will also want to balance these restrictions with the potential for redress that legalization of the cannabis market can offer; and,

Whereas, Communities of color in New York City have been particularly harmed by the criminalization of cannabis; and,

Whereas, In order to alleviate some of these harms and rectify the injustice, these communities should be given first preference when it comes to establishing the new, legal industry; and,

Whereas, New York City has established programs to help support minority- (and women-) owned business enterprises (M/WBEs) through the Mayor's Office of M/WBEs in partnership with the Mayor's Office of Contract Services and the Department of Small Business Services and may consider similar programs in relation to communities benefiting from the cannabis industry; and,

Whereas, As one of the most diverse cities in the Country, New York City has an obligation to ensure that the business opportunities on offer are accessible to the broadest range of residents; and,

Whereas, Therefore, the Department of Small Business Services could benefit the equitable growth of the industry by providing tools to new business owners in this new industry to foster economic redress for communities in New York City affected by prior criminalization; and,

Whereas, New York City's dense and diverse population, in addition to its large number of tourists means that the impending legalization of the adult-use cannabis market cannabis is enormous; and,

Whereas, As with all capitalist ventures of this size, the money-making potential brings with it the

possibility of widespread exploitation and corruption if appropriate systems and regulations are not developed and enforced; and,

Whereas, The City's Department of Consumer Affairs, which currently licenses more than 81,000 business and more than 50 industries in the City, is also tasked with enforcement powers relating to false advertising, deceptive trade practices and weights and measures; and,

Whereas, It can be expected that a legal adult-use cannabis market will affect all of these areas and therefore may require similar City oversight; and,

Whereas, Once cannabis is legalized for general adult use, its consumption in commercial venues such as bars, clubs, restaurants and sidewalk cafes will also need to be considered; and,

Whereas, In a densely populated city, these venues already provoke a variety of competing interests including the commercial interests of the owner, the recreational needs of the consumer and residents' desire for quiet, livable streets; and,

Whereas, Currently, nightlife venues and commercial hospitality spaces have to adhere to a range of City-specific zoning laws and building codes; and,

Whereas, Indoor venues are regularly inspected by the Fire Department, the Department of Buildings and, if food is served on the premises, the Department of Health and Mental Health and Mental Hygiene; and,

Whereas, Meanwhile, sidewalk cafes are governed by a range of different rules that are administered by a raft of City agencies including the Departments of City Planning, Buildings, Environmental Protection, and Consumer Affairs, and the Landmarks Preservation Commission; and,

Whereas, The Community Board and Local Council Member for the area that will house the sidewalk cafe, in addition to the Council Speaker, also have some authority over this issue; and,

Whereas, This current decentralized licensing model gives the City a useful framework to address the unique characteristics of New York City; and,

Whereas, The hyper-localized issues that the City will face after the general adult-use cannabis market

is legalized will be drastically impacted by its diversity, density and raft of competing needs; and,

Whereas, However, the City's agencies are well-equipped to tackle these challenges; and,

Whereas, To ensure that New York City can continue to balance the competing and complex needs of its residents, business groups, and consumers, the City's agencies should be granted powers to regulate adult-use cannabis market; now, therefore, be it

Resolved, That the New York State legislature pass legislation that grants New York City agencies the authority to regulate local licensing of the adult-use cannabis market in the City.

LS #8493
3/19/19
LMS