



Legislation Text

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Res. No. 27

Resolution calling on the New York State Legislature to pass, and the Governor to sign S7998/A8428, in relation to the unlawful sale of cannabis.

By Council Members Schulman, Ariola, Powers, Lee, Gennaro, Louis, Yeger, Williams and Marte

Whereas, In 2021, New York State enacted the Marijuana Regulation and Taxation Act (“MRTA”) to regulate legal marijuana sales. MRTA established the New York State Office of Cannabis Management (“OCM”) and the Cannabis Control Board to regulate production and sale of cannabis within New York State; and

Whereas, Since cannabis was legalized there has been a proliferation of unlicensed commercial businesses selling it in New York City and New York State and reports indicate only one such shop was padlocked in New York City in 2023 and only 8 permanently closed across the state; and

Whereas, Commonly referred to as illicit smoke shops, there were an estimated 1,400 illicit shops in New York City in 2022 according to the New York City’s Sherriff’s office, with some reports indicating that number may now be much higher; and

Whereas, The widespread operation of illicit smoke shops undermines the effectiveness of MRTA, creates unfair competition, increases the risk of sale of cannabis products to minors and distribution of untested cannabis products to consumers; and

Whereas, Current state law hinders municipalities from enforcing state law and immediately ordering the closure of these unlicensed illicit smoke shops; and

Whereas, Lack of effective enforcement has contributed to the proliferation of unlicensed illicit smoke

shops selling cannabis throughout New York State; and

Whereas, In New York City, to address this proliferation we sponsored and passed Local Law 107 of 2023 to enhance enforcement efforts in New York City. Local Law 107 authorized city and state entities to impose significant fines against landlords for allowing illicit smoke shops to operate in their buildings and force them to evict these operators; and

Whereas, The Cannabis Control Board has been unable to conduct enforcement actions against illicit smoke shops in New York City and across the state at a rate necessary to limit proliferation of such illicit smoke shops, nor have local authorities been authorized and or able to do so; and

Whereas, S7998/A8428, known as the Stop Marijuana Over-proliferation and Keep Empty Operators of Unlicensed Transactions Act, sponsored by New York State Senator Leroy Comrie and New York Assemblymember Jenifer Rajkumar, would amend the cannabis and penal law regarding the unlawful sale of cannabis; and

Whereas, S7998/A8428 authorizes municipalities to enforce licensure, permitting and registration requirements for retail dispensaries, allowing the closure of retail locations selling cannabis without a license and authorizing the seizure of property involved in unlawful sales; and

Whereas, This grant of authority will provide municipalities with a valuable tool to combat unlawful marijuana retailers, enhance public safety, and strengthen New York's legal cannabis industry; now, therefore, be it

Resolved, That the Council of the City of New York calls on the New York State Legislature to pass, and the Governor to sign S7998/A8428, in relation to the unlawful sale of cannabis.

CMB
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