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## Growing anticipation: Businesses and lawyers are collaborating now on legalization plans

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Every week, attorney [Melissa Subjeck](#) hears from regional businesses that want to plan now for the legalization of recreational marijuana in New York state. The purpose is to explore the ways businesses can profit.

“We have clients who have asked us to assist with the forming of the entity” and the potential licensing process, she said. “Everyone just wants to be in a position that as soon as this is legal, they’re going to be one of the first that is set up and ready to go.”

Subjeck is a partner at [Hodgson Russ LLP](#), isn’t alone. Other local attorneys have fielded many of the same questions.

They have tried to quell confusion about a state law that has yet to be passed, and discern what businesses can do ahead of legalization as they explore unknown factors.

“There’s questions about how it will be implemented, what companies will be able to do and certainly a lot of unanswered questions,” said [Laura Colca](#), partner at [Goldberg Segalla](#).

New York Gov. [Andrew Cuomo](#) has said that he wants recreational marijuana legalized as soon as possible. Legalization efforts sputtered a year ago, but passage could come this year as the state budget is approved or prior to the end of the legislative session in June.

Cuomo has visited other states where legalization has been implemented to see what worked and what didn’t.

The goal is to “have the best bill and the best system when we pass it,” he has said.

Facets of recreational legalization remain unresolved and unclear. And so does how to use the \$300 million in annual revenue that the state has projected.

“I think businesses are looking toward this (thinking) about what opportunities there may be in the field,” Colca said. “It’s going to be huge for the state.”

She said that as long as marijuana remains federally illegal, states benefit and are able to build self-contained ecosystems.

“There’s going to be opportunities for people who are growers, manufacturers and in retail and testing,” Colca said.

“Obviously there’s going to be a lot of restrictions and licensing requirements. I think (some) people are afraid of it, but overall I think it’s going to be a positive.”

Subjeck agreed. She made her way to the sector through her work in agriculture and equine law.

“I think there’s going to be tremendous economic benefit that’s going to come,” she said. “Certainly the hope and belief is that there’s going to be increased tax revenue and job growth.”

Drafted legislation would differ from when medicinal marijuana was approved, said [Tristan Hujer](#), special counsel at [Phillips Lytle LLP](#).



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Melissa Subjeck, partner at Hodgson Russ LLP, is preparing businesses for marijuana's recreational legalization in New York.

He said opportunities could exist for various businesses to have a hand in the industry.

Ten to 15 years from now, Hujer said, the cannabis sector may look similar to today's beer industry.

"It is entirely possible that we could have a very complex and diverse industry," he said.

Flora California Prime Inc., a marijuana manufacturing company, has looked at Lakeside Commerce Park in Buffalo as a possible location to expand operations to include an incubator for small marijuana-related businesses.

"I think they like the close proximity to (Interstate 90), Route 5 and things like that, our close proximity to the border. All that stuff's beneficial," said Christopher Scanlon, councilman for Buffalo's South District.

Scanlon presided over a community meeting last year when the company described plans that are contingent on legalization.

"The representatives at Flora are extremely sold on Buffalo and on how successful they think they can be here, so it gives me even more excitement thinking about those potential jobs," he said.

The facility could build upon several years of redevelopment in South Buffalo, which he said has improved the quality of life for residents.

"I'm sure once legalization goes through, you'll see more things popping up throughout the city and Western New York," he said.

Hujer was introduced to the industry when his father-in-law, Tony Weiss, applied to grow hemp on his farm in Eden. The Weiss family succeeded and now produces cannabidiol (CBD) oil.

"That got me interested in this new potential space," he said. "It kind of dawned on me there is going to be a market here in some shape or form. Like lots of farming families, it's just been a way to diversify and have more financial security."

Subjeck said the industry will have spill over work in finance, accounting, security and other areas.

"There's a lot of opportunity out there and everyone is trying to navigate," she said.

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