

Consumption Area Frequently Asked Questions (FAQs)

- 1. What is the process for getting an endorsement for a cannabis consumption area?
 - a. Applications are accepted in the <u>NJ-CRC Licensing portal</u>. You must already have a Class 5 Retail license or medicinal permit to dispense cannabis.
- 2. What supporting documents do applicants need to submit for a consumption area endorsement?
 - a. Your application for a consumption area must include:
 - i. Municipal approval
 - ii. Detailed floor plans
 - iii. Business and operating plan, which include plans for ventilation
 - iv. Standard Operating Procedures covering 1) safe consumption, 2) transfer of cannabis items, 3) good faith efforts to ensure consumers and patients bring only regulated cannabis into the cannabis consumption area, 4) age verification, 5) emergency protocols, and 6) destruction of unused cannabis
 - v. A notarized attestation form affirming the accuracy of the application

3. Who can apply for a consumption area endorsement?

- a. Only a licensed Class 5 Retailer or permitted medicinal cannabis dispensary are allowed to operate consumption areas. Applications from anyone who does not already have a Class 5 Retailer license, or a medicinal permit to dispense will automatically be rejected.
- 4. I do not own or operate a licensed cannabis dispensary or a permitted medicinal cannabis dispensary, can I still operate a consumption area?
 - a. No. Only operators with a licensed Class 5 Retailer or a permitted medicinal cannabis dispensary may operate a cannabis consumption area pursuant to N.J.S.A. 24:6I-21. Applications from anyone who does not already have a Class 5 personal-use recreational license or a medicinal permit to dispense will automatically be rejected.

5. Can an entity operate multiple cannabis consumption areas?

- a. No. Entities can only operate one cannabis consumption area, regardless of the number of Class 5 Retailer licenses or medicinal cannabis dispensary permits they hold.
- 6. Is there a deadline to apply for a consumption area endorsement?
 - a. No. Applications will be accepted on a rolling basis.
- 7. I am a Diversely-Owned dispensary, when can I apply for a consumption area endorsement?
 - a. Diversely-Owned dispensaries (minority owned, woman owned, disabled veteran owned) can apply beginning April 2, 2025. As of January 2, 2025, only Social Equity designated retail businesses can apply. All other Class 5 Retail operators may apply starting July 2, 2025.
- 8. I am not a Diversely-Owned, or Social Equity designated retail business and I submitted my endorsement application prior July 2, 2025. What happens to my application?
 - a. You will be notified that your application was rejected, and you will need to resubmit your application during the designated time for acceptance. A letter will be sent to the primary contact email provided on your application notifying you of this information.

9. Is there an application fee for an endorsement?

a. Yes. The <u>application fee</u> is \$1,000 (\$200 submission fee + \$800 approval fee).

10. Are there initial or renewal licensing fees?

- a. Yes. The initial or renewal licensing fee is \$1,000 for a microbusiness and \$5,000 for standard businesses.
- 11. Can a municipality deny or revoke a municipal endorsement for a consumption area?
 - a. Yes. The municipality can deny the application for municipal endorsement if the application does not comply with its local ordinances on cannabis consumption areas.

12. What are some reasons an endorsement application may not move forward in the NJ-CRC licensing process?

- a. Reasons an endorsement application does not move forward in the licensing process include:
 - Municipal issues If the applicant fails to submit evidence of municipal approval
 - Unpaid fees Required application or licensing fees are not submitted

- Noncompliant premises -The proposed site does not meet legal and/or regulatory requirements for ventilation and capacity
- Incomplete submission The application does not include all the required information and documents

The NJ-CRC will give the applicant the opportunity to cure its endorsement application. The NJ-CRC may deny the endorsement application if it is found the applicant violates the Commission's regulations, which include, but is not limited to, submitting excess applications, misrepresenting information on an application, failing to pay the required fees after the deadline, and failing to respond to a cure letter after multiple attempts. Additionally, if the municipality denies the application or revokes the municipal endorsement, the NJ-CRC is required by law to deny or revoke the State endorsement.

13. How can I obtain the status of my application submitted to the NJ-CRC?

a. You can contact the NJ-CRC by sending an email to <u>crc.licensing@crc.nj.gov</u> or you can check your status by logging into your portal. In the license application dashboard portion of the page, select the 'Applications' option, and in the status column of your application select the information icon to see your current status.

14. Can I speak with someone for assistance regarding my endorsement application?

 a. For Diversely-Owned and Social Equity designated retail businesses, questions may be forwarded to <u>ODI@crc.nj.gov</u>. For all other Class 5 Retailers, all questions may be submitted to <u>crc.licensing@crc.nj.gov</u>.