State of New Jersey
CANNABIS REGULATORY COMMISSION
P.O. BOX 216
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CHRIS RIGGS, *Acting Executive Director*

July 23, 2026

[redacted]
Brute's Roots LLC
[redacted]

*Re:* **NOTICE OF ENFORCEMENT ACTION -** INITIAL AGENCY DECISION REGARDING IMPOSITION OF SANCTIONS AGAINST BRUTE'S ROOTS LLC

Dear [redacted]:

The New Jersey Cannabis Regulatory Commission ("NJ-CRC" or "Commission") has imposed a civil monetary penalty of $125,000.00 for the reasons articulated below.

**NJ-CRC's Issuance of Notice of Violation**

Pursuant to N.J.A.C. 17:30-20.4(a), during an onsite assessment, a review of financial records, or other Commission review of the license holder and its operations, if the Commission identifies a violation of the Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act, P.L.2021, c.16, N.J.S.A. 24:6I-31 et seq., (the "Act") or the implementing Personal-Use Cannabis Rules (the "Personal-Use Regulations"), the Commission shall provide notice of the violation, including an official written report of the findings and the nature of the violation, to the cannabis business or testing laboratory within seven business days following the onsite assessment or other identification of the violation.

Pursuant to N.J.S.A. 24:6I-35a.(7)(a)(i), labeling and packaging requirements for cannabis items sold or distributed by a cannabis establishment, including, but not limited to, the affixing of a tracking stamp to containers or packaging as set forth in section 29 of P.L.2019, c.153 (C.24:6I22) and requirements that: (a) Cannabis items and cannabis paraphernalia are not packaged, branded, or marketed using any statement, illustration, or image that:(i) Includes false, deceptive, or misleading statements.

Pursuant to N.J.S.A. 24:6I-35a.(7)(d)(viii), labeling and packaging requirements for cannabis items sold or distributed by a cannabis establishment, including, but not limited to, the affixing of a tracking stamp to containers or packaging as set forth in section 29 of P.L.2019, c.153 (C.24:6I22) and requirements that: . . . (d) Labeling rules that mandate clear identification of health

and safety information, including, but not limited to: . . . (viii) Warning labels that include the nationwide toll-free telephone number used to access poison control centers that is maintained in accordance with 42 U.S.C. s.300d-71, as well as include, but are not limited to, one or more of the following statements, if applicable to a particular cannabis item: "This product is intended for use by adults 21 years of age or older. Keep out of the reach of children".

Pursuant to N.J.A.C. 17:30- 16.3(a), a cannabis manufacturer shall ensure each package of unusable or usable cannabis or cannabis product contains all information set forth and printed directly on the package, affixed with a complaint label before transfer to another cannabis business.

Pursuant to N.J.A.C. 17:30- 16.3(b)(5), direct printing on the package of, or labels affixed to, unusable cannabis packaged for the purposes of manufacturing of cannabis items shall include the following consumer safety and product information: . . . 5. A sequential serial number, batch or lot number, and bar code to identify the batch or lot associated with cultivation or manufacturing.

Pursuant to N.J.A.C. 17:30-16.3(c)(1)(ii), labels affixed to cannabis items shall contain the following consumer warnings, as applicable, in no less than six-point font, unless otherwise noted: 1. For all finished cannabis items: . . . ii. "This product is intended for use by adults 21 years of age or older and not for resale. Keep out of the reach of children".

Pursuant to N.J.A.C. 17:30- 16.3(d), the cannabis business shall submit the label and any required form to the Commission for recordkeeping.

Pursuant to N.J.A.C. 17:30-16.5(a)(1), the packaging and labeling of cannabis items shall not contain any: 1. Statement, illustration, or image that includes false, deceptive, or misleading statements or promotes overconsumption.

Pursuant to N.J.A.C. 17:30- 11.12(a)(1) and (5), a cannabis manufacturer shall designate a manufacturing supervisor who will be responsible for ensuring compliance with this subchapter, including ensuring that:

1. Cannabis products have been properly prepared, labeled, controlled, stored, sold, and distributed in accordance with the provisions of this standard;

2. All aspects of the manufacturing process are documented and that accurate manufacturing records for all cannabis products prepared by the cannabis manufacturer are maintained;

3. Manufacturing personnel are capable of, and qualified to perform, their assigned duties;

4. Ingredients used in manufacturing have their expected identity, strength, quality, and purity consistent with the requirements in this standard;

5. Cannabis products are manufactured with acceptable strength, quality, and purity, are packaged with appropriate packaging and labeling, and are prepared in accordance with good manufacturing practices pursuant to 21 CFR Parts 110 and 210, as applicable;

6. Critical processes are recorded and validated to ensure that procedures will consistently result in the expected strength, quality, and purity in the finished cannabis products;

7. The manufacturing environment is suitable for its intended purpose;

8. Appropriate stability testing pursuant to N.J.A.C. 17:30-19.5 is performed, or is determined from literature, for establishing reliable expiration dating to ensure that the finished cannabis products have their expected strength, quality, and purity, at least until the labeled expiration date;

9. Manufacturing conditions and standard operating procedures are in place to minimize the potential for errors; and

10. Adequate procedures and records exist for investigating and correcting failures or problems in manufacturing, quality control, or in the cannabis product itself.

Pursuant to N.J.A.C. 17:30-16.3(b)(6), a list of any other inactive or excipient ingredients besides unusable or usable cannabis or cannabis concentrate used to manufacture a cannabis product or contained within the package; for non-TCS food items, this includes a list of ingredients in descending order of predominance by weight or volume, as applicable, and a nutritional label.

Pursuant to N.J.A.C. 17:30-8.1(a), every owner, principal, management services contractor, employee, or volunteer of a cannabis business license holder or a testing laboratory that accesses the premises of a cannabis business or handles cannabis on behalf of a license holder or testing laboratory and every cannabis handler pursuant to N.J.S.A. 24:6I–44.a shall be required to register with the Commission and be issued a Cannabis Business Identification Card.

Pursuant to N.J.A.C. 17:30- 9.10(a), each cannabis business shall provide effective controls and procedures to guard against unauthorized access to the cannabis business premises or the cannabis business's electronic systems, theft, and diversion of cannabis. Such controls may include, but are not limited to, systems to protect against electronic records tampering.

Pursuant to N.J.S.A. 24:6I-35a.(8)(g)(i), health and safety regulations and standards for the cultivation of cannabis, and the manufacture and sale of cannabis items, including, but not limited to, requirements that: . . . (g)(i) Set appropriate dosage, potency, and serving size limits for cannabis items, provided that a standardized serving of a cannabis product shall be no more than 10 milligrams of active THC and no individual edible cannabis product for sale shall contain more than 100 milligrams of active THC.

Pursuant to N.J.A.C. 17:30-11.5(d)(2), a cannabis manufacturer shall manufacture cannabis products such that each package of finished cannabis product shall, for ingestible products, contain no more than 100mg of active THC.

Pursuant to N.J.A.C. 17:30-11.13(b)(2), a cannabis manufacturer shall maintain a manufacturing record for each cannabis product; the record shall contain the following information: . . . 2. Verification that the ingredients comply with the master formulation record

On May 21, 2026, a Notice of Violation was issued to Brute's Roots LLC ("Brute's Roots") for failure to adhere to the statute and Personal-Use Regulations as it relates to utilizing authorized packaging and labeling on products, allowing unauthorized individuals to access business systems, and exceeding allowable THC limits on products.

Pursuant to N.J.A.C. 17:30-20.4(b), unless otherwise specified by the Commission, within 20 business days of receipt of the notice of violation, the cannabis business or testing laboratory shall correct the violation(s) and notify the Commission, in writing, of any corrective actions taken to correct the violations, and the date of implementation of such corrective actions. Brute's Roots responded to the Notice of Violation and provided a corrective action plan within 20 days of receipt of the Notice of Violation.

**NJ-CRC's Review of Imposition of Sanctions**

Regardless of whether a license holder provides a corrective action plan, pursuant to N.J.A.C. 17:30-20.5(a), in response to a violation of any provision of the Act or the Personal-Use Regulations, the Commission is authorized to take enforcement action or impose sanctions upon a license holder. Sanctions may include, but are not limited to, civil monetary penalties; suspension, revocation, non-renewal, or denial of a license; referral to State or local law enforcement, pursuant to N.J.A.C. 17:30-20.6, -20.7, and -20.8; or any combination thereof.

Pursuant to N.J.A.C. 17:30-20.6(b), a monetary penalty imposed by the Commission on a license holder pursuant to this subchapter may not exceed $500,000 per major violation or $50,000 per any other license violation. Pursuant to N.J.A.C. 17:30-20.6(c), a violation by each entity or person per day shall constitute a separate incident for the purposes of calculating the number of violations.

Pursuant to N.J.A.C. 17:30-20.6(d), the Commission may impose greater penalties for successive violations up to the maximum amounts.

Pursuant to N.J.A.C. 17:30-20.6(f), the Commission may, in the Commission's sole discretion, consider additional factors in determining the penalty for each violation. Such factors may include, but are not limited to:

1. Any prior violations that the license holder has admitted to or was found to have engaged in;
2. Good faith measures by the license holder to self-report or prevent the violation;
3. The license holder's record of compliance with the laws and rules pertaining to personal use cannabis;
4. Corrective action(s) taken by the license holder related to the current violation or prior violations;
5. Willfulness and deliberateness of the violation;
6. Likelihood of reoccurrence of the violation; and
7. Violations involving damage or danger to the life, health, welfare, safety, or property of any person.

After completing a thorough review of Brute's Roots' violations for failure to adhere to the statute and Personal-Use Regulations as it relates to utilizing authorized packaging and labeling on products, allowing unauthorized individuals to access business systems, and exceeding allowable THC limits on products, the Commission has determined to impose a civil monetary penalty of $125,000.00. The Commission's assessment of the civil monetary penalty is detailed below:

1. Violation 1: N.J.S.A. 24:6I-35a.(7)(a)(i)-$10,000.00
2. Violation 2: N.J.S.A. 24:6I-35a.(7)(d)(viii)-$10,000.00
3. Violation 3: N.J.A.C. 17:30-16.3(a)-$5,000.00
4. Violation 4: N.J.A.C. 17:30-16.3(b)(5)-$5,000.00
5. Violation 5: N.J.A.C. 17:30-16.3(c)(1)(ii)-$25,000.00
6. Violation 6: N.J.A.C. 17:30-16.3(d)-$5,000.00
7. Violation 7: N.J.A.C. 17:30-16.5(a)(1)-$10,000.00
8. Violation 8: N.J.A.C. 17:30-11.12(a)(1) and (5)-$5,000.00
9. Violation 9: N.J.A.C. 17:30-16.3(b)(6)-$5,000.00
10. Violation 10: N.J.A.C. 17:30-8.1(a)-$10,000.00
11. Violation 11: N.J.A.C. 17:30-9.10(a)-$5,000.00
12. Violation 12: N.J.S.A. 24:6I-35a.(8)(g)(i)-$25,000.00

13. Violation 13: N.J.A.C. 17:30-11.5(d)(2)-$0.00
14. Violation 14: N.J.A.C. 17:30-11.13(b)(2)-$5,000.00

In determining the penalty, the Commission considered where applicable, the license holder's history of violations, penalties previously imposed on businesses for similar violations and the particular facts and circumstances of the violation. The Commission finds the imposed penalty to be fair, reasonable, and consistent with the regulations at N.J.A.C. 17:30.

**Next Steps**

Fines must be paid online by logging into the Commission's licensing portal at https://nj-crc-public.nls.egov.com/login. If you feel you cannot pay the fine within 30 days of the date of this notice, you are encouraged to contact the Commission to establish a payment plan.

Please inform your assigned investigator when payment has been made.

If you wish to contest the imposition of this penalty, you may request an adjudicatory hearing pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and 52:14F-1 et seq., to contest the Commission's imposition of a civil monetary penalty for any license violation within 14 days of receipt of this initial decision. If you wish to exercise your right to a hearing, such a request must be made in writing and sent to:

Arundhati Mohankumar, Chief Counsel
New Jersey Cannabis Regulatory Commission
PO Box 216
Trenton, NJ 08625-0216
David.Tuason@crc.nj.gov

Should you have any questions regarding this correspondence, please submit your inquiry to the NJ-CRC Licensing inbox at crc.licensing@crc.nj.gov.

Sincerely,



Harris Laufer
Chairperson
New Jersey Cannabis Regulatory Commission