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P.O. BOX 216 Trenton, N.J. 08625-0216

DIANNA HOUENOU, Chair
KRISTA NASH, Vice Chair
AMELIA MAPP, Commissioner
CHRIS RIGGS, Acting Executive Director

August 14, 2025

CREAM Retail Dispensary Corporation

Re: NOTICE OF ENFORCEMENT ACTION - INITIAL AGENCY DECISION REGARDING IMPOSITION OF SANCTIONS AGAINST CREAM RETAIL DISPENSARY CORPORATION

Dear :

The New Jersey Cannabis Regulatory Commission ("NJ-CRC" or "Commission") has imposed a civil monetary penalty of \$500.00 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.A.C. 17:30-14.3(a), before allowing entrance to a cannabis retailer, and additionally prior to selling or serving cannabis items to a consumer, for each transaction, cannabis retailer personnel shall examine any one of the following pieces of photographic identification and shall confirm the consumer is of legal age to purchase cannabis: (1) the person's United States passport; other country's passport; or proper government-issued documentation for international travel, provided it is lawful to use as identification in the United States; (2) the person's motor vehicle driver's license, whether issued by New Jersey or by any other state, territory, or possession of the United States, or the District of Columbia, provided the license displays a picture of the person; (3) a New Jersey identification card issued by the New Jersey Motor Vehicle Commission; or (4) any other identification card issued by a state, territory, or possession of the United States, the District of Columbia, or the United States that bears a picture of the person, the name of the person, the person's date of birth, and a physical description of the person.

Pursuant to N.J.A.C. 17:30-14.3(c), cannabis retailer personnel shall log that the examination of photographic identification and confirmation of legal age pursuant to N.J.A.C. 17:30-14.3(a) occurred in a record, and the cannabis retailer shall maintain such record and it shall be available for inspection by the Commission.

On May 15, 2025, a Notice of Violation was issued to CREAM Retail Dispensary Corporation ("CREAM Dispensary") for violations related to its failure to ensure proper age verification procedures by having personnel stationed at front door (INV-81-2025).

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. CREAM Dispensary failed to notify the Commission in writing, with a postmark date that is within 20 business days of the date of receipt of the notice of violation, of any corrective actions taken to correct the violations, and the date of implementation of such corrective actions, pursuant to N.J.A.C. 17:30-20.4(b)(2).

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 CREAM Dispensary's violations related to its failure to ensure proper age verification procedures by having personnel stationed at front door, the Commission has determined to impose a civil monetary penalty of \$500.00.

In determining the penalty, the Commission considered penalties previously imposed on businesses for similar violations and the particular facts and circumstances of the violation, including the existence of a mitigating factor as CREAM Dispensary had personnel checking identification and conducting age-verification at the point of sale.

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:

Dave Tuason, 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,

Dianna Houenou Chairperson New Jersey Cannabis Regulatory Commission