State of New Jersey
CANNABIS REGULATORY COMMISSION
P.O. BOX 216
TRENTON, N.J. 08625-0216

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Governor

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Lt. Governor

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CHRIS RIGGS, *Acting Executive Director*

July 23, 2026

[redacted]
Curaleaf NJ II Inc.
[redacted]

Re: **NOTICE OF ENFORCEMENT ACTION -** INITIAL AGENCY DECISION REGARDING IMPOSITION OF SANCTIONS AGAINST CURALEAF NJ II INC

Dear [redacted]:

The New Jersey Cannabis Regulatory Commission ("NJ-CRC" or "Commission") has imposed a civil monetary penalty of $12,500.00 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. 17:30-19.5(g), the cannabis business shall report the findings of the stability testing to the Commission, to ensure that usable cannabis and cannabis product purity and potency are maintained throughout the storage process without the stored products falling out of specification.

Pursuant to N.J.A.C. 17:30-11.8(b)- after stability testing has commenced pursuant to N.J.A.C. 17:30-19.5, a cannabis cultivator or cannabis manufacturer shall determine the expiration date based on stability testing information. The expiration date limits established in this section may be exceeded only when there is supporting valid scientific stability testing information that is directly applicable to the specific cannabis product.

Pursuant to N.J.A.C. 17:30-16.3(b)(4)- 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: . . . 4. Expiration date, consistent with the requirements at N.J.A.C. 17:30-11.8.

On April 13, 2026, a Notice of Violation was issued to Curaleaf NJ II Inc. ("Curaleaf") for failure to adhere to the Personal-Use Regulations as it relates to failing to conduct the required stability testing and collection of retention samples for three of its cannabis product brands, and for packaging at least 106,514 units of cannabis products with 12-month expiration dates despite not having supporting stability data and failing to obtain the necessary authorization from the Commission.

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. Curaleaf 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 Curaleaf's violations for failure to adhere to the Personal-Use Regulations as it relates to failing to conduct the required stability testing and collection of retention samples for three of its cannabis product brands, and for packaging at least 106,514 units of cannabis products with 12-month expiration dates despite not having supporting stability data and failing to obtain the necessary authorization from the Commission, the Commission has determined to impose a civil monetary penalty of $12,500.00. The Commission's assessment of the civil monetary penalty is detailed below:

1. Violation 1: N.J.A.C. 17:30-19.5(g)-$5,000.00
2. Violation 2: N.J.A.C. 17:30-11.8(b)-$2,500.00
3. Violation 3: N.J.A.C. 17:30-16.3(b)(4)-$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