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TAHESHA L. WAY Lt. Governor 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



Re: NOTICE OF ENFORCEMENT ACTION - INITIAL AGENCY DECISION REGARDING IMPOSITION OF SANCTIONS AGAINST GREEN MEDICINE NJ LLC

Dear

The New Jersey Cannabis Regulatory Commission ("NJ-CRC" or "Commission") has imposed a civil monetary penalty of \$20,000.00 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.A.C. 17:30-16.2(a), a cannabis cultivator or cannabis manufacturer, as applicable, shall package unusable cannabis for the purposes of manufacturing or cannabis items in a secure area connected to the cultivation or manufacturing area in accordance with the Personal-Use Regulations before transfer to another cannabis business. The unusable or usable cannabis and cannabis products shall be handled on food grade stainless steel tables and proper sanitation shall be maintained.

Pursuant to N.J.A.C. 17:30A-10.5, medicinal cannabis that is prepared for distribution shall be stored securely in compliance with 21 CFR 1301.72.

On April 30, 2025, a Notice of Violation was issued to Green Medicine NJ LLC ("Green Medicine") for violations related to the failure to use approved areas for trimming, packaging, and storage of cannabis products (INV-74-25).

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. Green Medicine 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 Green Medicine's violations related to the failure to use approved areas for trimming, packaging, and storage of cannabis products, the Commission has determined to impose a civil monetary penalty of \$20,000.00.

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:

- 1. The fact that Green Medicine has been subject to prior enforcement action for failure to properly store cannabis (INV 121 24); and
- 2. Green Medicine requested approval for using a particular space in its facility for storage of cannabis, and utilized that space even after the Commission denied the request; and
- 3. The regulations allow the Commission to impose greater penalties for successive violations occurring within a 2-year period. Green Medicine's deliberate and repeated disregard for the personal-use regulations and the regulating authority warrants imposing a fine greater than the fine previously imposed for the same 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:

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.nj.gov.

Sincerely,

Dianna Houenou Chairperson New Jersey Cannabis Regulatory Commission