RESOLUTION 2021-4 OF THE NEW JERSEY CANNABIS REGULATORY COMMISSION CONCERNING: THE ESTABLISHMENT OF A PLAN OF ORGANIZATION

WHEREAS, Section 5 of P.L. 2021, c.16 requires the Commission to establish, and from time to time alter, a plan of organization;

WHEREAS, establishing a plan of organization will enable the Commission, through the Executive Director, to proceed with employing personnel necessary for the Commission to exercise its authority and carry out its duties;

WHEREAS, employees of the Commission will be under the supervision of the executive director of the Commission;

WHEREAS, Section 5 of P.L. 2021, c.16 further requires the Commission’s plan of organization include an Office of Minority, Disabled Veterans, and Women Cannabis Business Development, herein referred to as the “Office of Diversity and Inclusion”;

WHEREAS, the Office of Diversity and Inclusion shall be under the direct supervision of a director appointed by the Governor;

WHEREAS, the appointed director of the Office of Diversity and Inclusion shall be under the direct supervision of the Executive Director of the Commission; and

WHEREAS, the attached plan of organization meets the requirements of P.L. 2021, c.16 and, along with the attached Commission logo, has been presented to the Commission members for adoption;
NOW, THEREFORE, BE IT RESOLVED by the New Jersey Cannabis Regulatory Commission that the attached plan of organization and Commission logo are hereby adopted.

Submitted by:

[Signature]

Dianna Houenou, Chair

CERTIFICATION

I hereby certify that the foregoing is a true copy of the Resolution adopted by the Cannabis Regulatory Commission at its meeting held on the 12th day of April, 2021.

[Signature]

Jeff Brown, Executive Director

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<th>Vote on the Approval of This Resolution</th>
<th>Motion</th>
<th>Second</th>
<th>Yes</th>
<th>No</th>
<th>Abstain</th>
<th>Absent</th>
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<td>Commissioner Barker</td>
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<td>Commissioner Del Cid-Kosso</td>
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<td>Commissioner Nash</td>
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MEMORANDUM

TO: DIANNA HOUENOU, CHAIR
    CHARLES BARKER, COMMISSIONER
    MARIA DEL CID-KOSKO, COMMISSIONER
    SAM DELGADO, COMMISSIONER
    KRISTA NASH, COMMISSIONER

FROM: JEFF BROWN, EXECUTIVE DIRECTOR

SUBJECT: PLAN OF ORGANIZATION FOR THE CANNABIS REGULATORY COMMISSION

DATE: APRIL 12, 2021

Pursuant to N.J.S.A. 24:6I-24, the Cannabis Regulatory Commission is charged with establishing and from time to time modifying a plan of organization and may employ personnel under the direct supervision of the Executive Director.

The statute requires the establishment of the Office of Minority, Disabled Veterans and Women Cannabis Business Development but leaves the rest of the organizational structure up to the Commission and the Executive Director to determine.

The Division of Medicinal Marijuana, which will transfer to the Commission upon the Commission’s assumption of the powers, duties, and responsibilities from the New Jersey Department of Health with regard to the regulation and oversight of medical cannabis activities authorized under N.J.S.A. 24:6I-1 et al. in accordance with N.J.S.A. 24:6I-24, is structured with the following functions: managerial/administration, policy and rulemaking, customer service, data and information technology, and compliance and investigations. Additionally, the Division of Medicinal Marijuana has relied heavily on support from the Department of Health’s centralized staff infrastructure for technology, communications, fiscal and administration, human resources, and legal. All these functions are necessary to carry out the provisions of P.L. 2009, c.307, P.L. 2019, c.153, and the corresponding rules at N.J.A.C. 8:64.

In looking ahead, these functions will be as important if not more-so as the Commission seeks to expeditiously implement the provisions of P.L. 2021, c.16 and establish a safe, equitable market for personal-use cannabis items for adults over the age of 21.

Based on the experiences of other states that have legalized cannabis before New Jersey, the Commission can anticipate that it will need a robust licensing, investigations, and compliance
staff—they are the frontline regulators who ensure permit-holders and licensees play by the rules, produce safe products, and adequately protect and educate consumers.

Best practice also dictates that good data drives good policy and empowers compliance teams to work smarter and more effectively to prevent diversion, prevent the sale of cannabis to children (unless they are patients), and ultimately promote a safe experience for cannabis consumers and non-consumers alike. Thus, the Commission will need a data-driven infrastructure that empowers its staff to meet and exceed their goals.

Finally, and perhaps most importantly, the Commission must honor and empower the call for equity in New Jersey's cannabis markets by employing leaders and staff who can help educate aspiring entrepreneurs and cannabis industry employees from communities that have been disproportionately underrepresented in regulated cannabis industries across the country, including those impacted by the war on drugs, about opportunities in this new industry.

Therefore, the Cannabis Regulatory Commission should establish the offices described below within the Commission (also see attached organization chart).

Organization charts for the offices listed herein, aside from the Office of the Executive Director, will be developed by the Executive Director, in consultation with the Director of each office, and pursuant to Civil Service Commission rules and guidance and N.J.S.A. 24:6I-24.

Office of the Executive Director

Under the direct supervision of the Executive Director, who is appointed by the Governor, this office shall be responsible for operations concerning staff management, legal, regulatory and policy development, legislative affairs, communications, labor compliance and education, hiring, supervision and discipline of staff, and administration for the Commission. This office includes the following positions, as well as the subordinate positions noted on the attached organization chart: Deputy Executive Director, Chief Counsel, Director of Communications, Director of Legislative Affairs, Director of Labor Compliance and Education, Director of Administration, and the Chief of Staff to the Commission. Although in the Office of the ED, and reporting to the ED, the Chief of Staff to the Commission will be primarily responsible for supporting the operations of the Commission itself—planning and executing public meetings with the Commissioners, overseeing a small staff in the Office of the ED, preparing and briefing Commissioners on upcoming meeting agendas and materials, and ensuring any actions by the Commission are communicated to the appropriate Commission staff members following meetings.
Office of Diversity and Inclusion (Office of Minority, Disabled Veteran, and Women Cannabis Business Development)

Led by a Director who is appointed by the Governor, this office, by statute, "shall establish and administer, under the direction of the commission, unified practices and procedures for promoting participation in the medical cannabis and personal use cannabis industries by persons from socially and economically disadvantaged communities, including by prospective and existing ownership of minority businesses and women’s businesses, as these terms are defined in section 2 of P.L. 1986, c.195 (C.52:27H-21.18), and disabled veterans' businesses as defined in section 2 of P.L. 2015, c.116 (C.52:32-31.2)." This office will spearhead public relations campaigns aimed at achieving these goals and will help establish measures by which the Commission and this office can measure success in meeting permitting and licensing goals.

Office of Compliance and Licensing

Led by a Director who is under direct supervision of the Executive Director, this office shall be responsible for accepting, processing, and reviewing applications for permits and licenses; making recommendations to the Commission on whether to deny or approve an application; investigating individuals and entities associated with applicants for permits or licenses; conducting criminal background checks pursuant to the authorities in N.J.S.A. 24:6I-1 et seq and N.J.A.C. 8:64; accepting applications for Alternative Treatment Center identification cards and approving or denying those applications pursuant to the authorities in N.J.S.A. 24:6I-1 et seq and N.J.A.C. 8:64; accepting, processing and reviewing applications for proposed facility modifications, changes of location, changes in ownership and other operations or facility changes authorized pursuant to N.J.A.C. 8:64; investigating complaints regarding permit-holders and licensees; inspecting alternative treatment centers and other entities regulated by the Commission and issuing minor regulatory violations; recommending enforcement actions to the Commission for major regulatory violations; collecting product samples and facilitating the testing of products; regulating third-party laboratories that are licensed by the Commission to provide testing services; and collecting fees pursuant to N.J.S.A. 24:6I-1 et seq and N.J.A.C. 8:64 and subsequent regulations.

Office of Patient and Customer Services

Led by a Director who is under direct supervision of the Executive Director, this office shall be responsible for accepting, reviewing, processing, and approving or denying applications for patients, caregivers, and health care practitioners pursuant to N.J.S.A. 24:6I-1 et seq and N.J.A.C. 8:64; issuing patient and caregiver registry ID cards; operating a call center and fielding inquiries from the public about the Commission, medical cannabis, and personal use
cannabis services; fielding and responding to inquiries from patients, caregivers, and health
care practitioners; receiving, processing and investigating complaints from patients,
caregivers, health care practitioners, and members of the public; and providing assistance to
external stakeholders in utilizing the medical cannabis patient registry.

Office of Data and Business Analytics

Led by a Director who is under direct supervision of the Executive Director, this office shall
be responsible for operating any analytical, information technology, or database systems
necessary for the operations of the Commission and its staff. These systems include the
inventory tracking system required by P.L. 2019, c.153 and the tax stamp system required by
P.L. 2021, c.16, as well as the patient registry and any other systems or software deemed
necessary by the Commission. This Office shall assist every other office by providing
analytics, project management support, business process design, and assist with assessing the
performance of key Commission operations.