

NEW JERSEY CANNABIS REGULATORY COMMISSION

June 1, 2021

MINUTES OF PUBLIC MEETING

This Meeting was publicly accessible online via Zoom.

1. CALL TO ORDER

The June 1, 2021, public meeting of the Cannabis Regulatory Commission was called to order by Chairwoman Houenou at 12:00pm at the commission offices, 225 East State Street, Trenton, New Jersey 08608.

2. NOTICE OF PUBLIC MEETING

Executive Director Jeff Brown read the following statement:

"Madam Chair, this is a regular meeting of the New Jersey Cannabis Regulatory Commission. Adequate notice of this meeting has been provided in accordance with the Senator Byron M. Baer Open Public Meeting Act. There was a publication of the meeting time and location in two NJ print publications, The Trenton Times and The Star Ledger, and the notice has been sent to the Secretary's Office. Information regarding the virtual nature of meeting due to the Covid-19 pandemic was posted in the publications and on the CRC/MMP website. In addition, notice of said meeting has been and is being displayed on the websites of both the New Jersey Department of Health and the New Jersey Cannabis Regulatory Commission."

3. ROLL CALL

Chairwoman Houenou took the roll, and the following Commissioners were present:

Mr. Charles Barker, Ms. Maria Del Cid-Kosso, Mr. Samuel Delgado, Ms. Krista Nash, and Ms. Dianna Houenou.

No one was absent.

4. EXECUTIVE SESSION

Chairwoman Houenou called for a motion to go into Executive Session for approximately 60 minutes to discuss litigation and interagency contract negotiations. Commissioner

Delgado made the motion, and Commissioner Barker seconded. Hearing no discussion, Chair Houenou took the vote.

AYES: Chairwoman Houenou, Commissioner Delgado, Commissioner Nash, Commissioner Barker, Commissioner Del Cid-Kosso

NAYS: None

The motion was passed.

Executive session ended at 1:58pm.

5. APPROVAL OF PREVIOUS MEETING'S MINUTES

Chairwoman Houenou asked for a motion to adopt the minutes for public meetings held on April 22nd and May 4th. Commissioner Barker made the motion, and Commissioner Del-Cid seconded. Hearing no discussion, Chairwoman Houenou called the vote.

AYES: Chairwoman Houenou, Vice Chair Delgado, Commissioner Nash, Commissioner Barker, Commissioner Del Cid-Kosso

NAYS: None

The motion was carried.

6. CHAIR'S REPORT

Chairwoman Houenou addressed the establishment of ad hoc committees:

- Audit Committee: Chair Houenou and Vice Chair Delgado
- Public Reporting and Education Committee: Commissioners Nash and Barker
- By-laws Committee: Vice Chair Delgado and Commissioner Del Cid-Kosso

Chairwoman Houenou gave remarks about stakeholder and advocacy group meetings as well as meetings with local and state elected officials.

7. EXECUTIVE DIRECTOR'S REPORT

Executive Director Brown gave remarks about enrollment in medical cannabis and delivered the Executive Director's report. Director Brown shared information about patient enrollment in the medical program:

	5/31/202	New since 2018
Total Patients	110,979	93,956
Caregivers	4,226	3,459
Doctors	1,287	774

Director Brown also provided historical perspective on how the Department of Health worked with municipal partners. Current regulations require local approval for issuance

of a medical permit, and the Department of Health was deferential to municipalities on whether an alternative treatment center was properly situated.

Director Brown further explained that P.L. 2021, c.16 also carves out considerations for municipalities in the licensing process and allows municipalities to enact zoning requirements and restrictions for operation of cannabis establishments.

8. MEDICAL CANNABIS SATELLITE DISPENSARY APPROVALS

Chairwoman Houenou introduced and Executive Director Brown summarized Resolution 2021-8, which concerns approval of applications for satellite dispensary locations by medical cannabis permit holders.

Director Brown explained that the N.J.S. 24:6I-7 states that certain currently permitted Alternative Treatment Centers are authorized to maintain up to two satellite dispensaries. Director Brown went on to explain that under the Department of Health, staff collected the information necessary to determine whether the proposed satellite locations would be fully compliant with regulations. Several satellite locations for existing medical cannabis permit holders were approved under the Department of Health.

Under consideration today are applications for the following three satellite dispensary locations:

Applicant Entity	Proposed Satellite Location	Date Application was Received by the Department
Ascend New Jersey, LLC	461-469 West Street, Fort Lee, NJ 07024	December 28, 2020
Curaleaf NJ II, LLC	4237 US-130, Edgewater Park, NJ 08010	December 28, 2020
Curaleaf NJ II, LLC	191 US-130, Bordentown, NJ 08505	October 30, 2020

Director Brown explained that the applications for the three satellite locations was found by staff to be complete and compliant with the regulations. Ascend New Jersey operates in the northern region of the state and Curaleaf NJ operates in the southern region of the state.

Chairwoman Houenou stated that consideration of the three applications is captured under one resolution but that the Commission would be voting on each application individually. Chairwoman Houenou then asked for a motion to adopt the resolution concerning approvals for medical cannabis satellite dispensaries. Commissioner Del Cid-Kosso made the motion, and Commissioner Nash seconded. Hearing no discussion, Executive Director Brown called the vote:

Satellite Dispensary Application from Ascend New Jersey, LLC in Fort Lee, NJ:

AYES: Commissioner Barker, Commissioner Del Cid-Kosso, Vice Chair

Delgado, Commissioner Nash and Chairwoman Houenou.

NAYS: None

Satellite Dispensary Application from Curaleaf New Jersey II, LLC in Edgewater Park, NJ:

AYES: Commissioner Barker, Commissioner Del Cid-Kosso, Vice Chair

Delgado, Commissioner Nash and Chairwoman Houenou.

NAYS: None

Satellite Dispensary Application from Curaleaf New Jersey II, LLC in Bordentown, NJ:

AYES: Commissioner Barker, Commissioner Del Cid-Kosso, Vice Chair

Delgado, Commissioner Nash and Chairwoman Houenou.

NAYS: None The resolution was passed.

9. ADOPTION OF INTERIM STANDARDS FOR LABORATORY TESTING OF MEDICAL CANNABIS

Chairwoman Houenou introduced and Resolution 2021-9, which outlines interim standards for laboratory testing of medical cannabis pursuant to N.J.S.A. 24:6I:19. Chairwoman Houenou explained that public comment on this item was solicited during the April 22, 2021, public meeting.

Executive Director Brown summarized his recommendation on the matter. Director Brown explained that the recommended testing standards would be for the interim period until the Commission establishes formal regulations on laboratory testing pursuant to N.J.S.A. 24:6I-19. Director Brown stated that the law only applies to medical cannabis.

The resolution chooses Maryland's third-party laboratory standards and corresponding Maryland Medical Cannabis Commission's Technical Authority for Medical Cannabis Testing as New Jersey's interim testing standards. The resolution allows alternative treatment centers to contract with private third-party laboratories to get their medical cannabis products tested and ultimately released to the public.

Chairwoman Houenou asked for a motion to adopt the resolution concerning the adoption of interim standards for laboratory testing of medical cannabis as recommended by the staff. Commissioner Nash made the motion, and Commissioner Barker seconded. Hearing no discussion, Executive Director Brown called the vote:

AYES: Commissioner Barker, Commissioner Del Cid-Kosso, Vice Chair

Delgado, Commissioner Nash and Chairwoman Houenou.

NAYS: None The resolution was passed.

Chairwoman Houenou reminded the public that they can submit their comments to the CRC before, during and after the public meeting in writing via the CRC website (nj.gov/cannabis/meetings) or by sending an email to mmppquestions@doh.nj.gov. The Chair reminded the public that all submitted questions and comments were shared with the commission members and will be made public, along with the meeting minutes.

Invited speakers and the public had the opportunity to share questions, ideas, and concerns with members of the commission about zoning and local considerations, concentrates and edible cannabis products, and protecting patient access during the recreational market availability.

All speakers were given three (3) minutes to speak. Executive Director called on the invited speakers to speak.

Mayor Janice Kovach, Mayor of Clinton, President of New Jersey League of Municipalities: The League has not taken position on legalized cannabis. Opting out does not necessarily mean "no," and in some cases it means "maybe later." Municipalities are delaying decision until they know all the rules. Mayor Kovach gave recommendations that municipalities be given local control and discretion, as well as the ability to revoke a license if needed. Municipalities should have ability to set requirements regarding odor control, health and safety, and site locations. The League wants to make sure we prioritize issuing the 24 medical permits. Aside from CRC rules, municipalities will have issues to respond to, such as traffic and parking requirements and standard quality of life issues.

Tiyahnn Bryant, Vice President for Minorities 4 Medical Marijuana (M4MM), CEO and Founder of Roll Up Life Inc.: Urged municipalities to not opt out, but rather consider zoning for low traffic areas. Need to have small businesses to balance supply chain. Bryant spoke in favor of concentrates and edibles, supporting a variety of products and monitoring dosage. M4MM suggested medical-only dispensaries and higher dosages for pain management as a preventative to opioid usage. Move from advertising in a popular way so we can keep products away from kids. We should look to California, Oregon, Washington, Nevada, and Massachusetts for rules on cannabis products.

Ken Wolski, Director of the Coalition for Medical Marijuana New Jersey (CMMNJ): A registered nurse in New Jersey for 45 years. Stated that edible products were okay for minors in the medical program under Christie administration, but are not widely available. CMMNJ detailed different ways to obtain and educate on edibles. Edibles can help with sleep and can improve public safety through proper regulation. Edibles have a bad reputation but never had any fatalities, only panic and sickness. Banning edibles is contrary to the voters' will. We should allow full plant, full spectrum concentrates. High-potency products should come with an appropriate warning.

Chuck Latini, President of American Planning Association New Jersey: The statute does not allow enough time to adopt ordinances and address challenges. CRC should

provide timeline for interim standards and zoning standards, including guidance on administrative controls. Should give municipalities a list of considerations to consider when zoning businesses, including any drug-free zone, buffer areas, and odor mitigation. Need guidance on best practices for municipalities. We should avoid local host agreements that drown industry and should provide a plan for how to issue new licenses.

Dr. Beatriz Carlini, University of Washington Addictions, Drug & Alcohol Institute (ADAI): Concerns with increasing potency of products for non-medical consumption. Data shows relationship between THC potency, frequency of use and negative consequences. Risk of addiction or developing psychiatry disorders, like schizophrenia, several years later. Tightly regulated high-potency cannabis is a matter of equity, dabbing high-potency products disproportionately effects minorities and low-income people and these products are highly advertised for non-medical use. People can use titration to measure and reduce their dosages. Recommend a cap on THC of 10%. Don't know if medical patients have the same risks with high potency products - usually the more CBD in products balances the risks of the THC effects.

Dr. Mikhail Kogan, Doctors for Cannabis Regulations: Some patients have transitioned from recreational to medical, even though they've had a history of abuse and dependency. We need to concentrate on labeling, child-proof packaging, and high-grade testing facilities. Should be testing medical and recreational cannabis the same. Doesn't believe potency dosages in a particular setting results in a significant risk of long-term mental health issues — there is no data about the risks with non-inhaled products.

Robert Devine: A NJMPP patient. Believes all cannabis products and their variations of flowers, edibles and concentrates should be available to both medical and recreational users in the state. Urges CRC to drop the 350 mg THC cap for concentrated and edible packages for medical patients. Emphasizes allowing home grow to subsidize cost.

Aubrey Navarro-Conway: A patient advocate working with mostly terminal patients. Need sugar-free edible options, especially for insulin-dependent patients. 350 mg cap will be problematic when allowing concentrates. Patients are still being stopped by law enforcement.

Neil Willner: On the Cannabis Beverage Council for ATACH (501c6). Has a pilot cannabis certification program. CRC should allow beverages for recreational and medical sectors. Beverages are fast-acting.

Zach Katzen: On the Atlantic City Cannabis Advisory Committee. Want to talk with CRC about zoning and other issues. AC has unique opportunity for recreational cannabis industry. AC can host East Coast cannabis conferences. Consumption lounges should not have to be connected to a dispensary. High dosage edibles have helped with his pain.

Steven Pardalis: CRC should help towns open to cannabis business by sharing information on what's happening and what they can do to let applicants know they're open for business.

Gerri Budd: CRC should give information about the rules and how to apply for a license.

Dr. Rahi Abouk: Director of Cannabis Research Institute at William Patterson University. Doing research on the effects of CBD laws. We should have a closer look at promoting CBD products in addition to THC products. This would help address DUI risks of THC.

Even Manaresi: A prospective applicant. The CRC should let free market determine what products should be available. How will canopy be measured for microbusinesses? Will they have additional space for other business operations. Shared the Shaping Fire podcast, episode 72.

Charles Gormally: A former municipal official. Municipalities can decide whether to allow business in their towns. Nearly 70% of towns in California opted out. CRC should give guidance to municipalities. Don't let municipalities tell business how they can meet state regulations, the CRC should do that.

Paula Weinberg: A prospective applicant. This issue is also about economics and social equity. Likes the idea of microbusinesses.

Susan Sciarretto: A prospective applicant and disabled patient. Forced to take opioids for \$20/month rather than \$1368/month cost for medical cannabis. Home grow is the most fair and equitable factor.

Edward Salzman: From NJ but currently in Oregon. Microbusiness option is good. Troubled by the cultivation license caps and caps on THC products because it feeds underground market for people who want to consume higher potency products. Municipalities tend to be restrictive with zoning and local regulations. Financial requirements are a big barrier to entry.

Andro George: A student of law from Ontario and an iAnthus shareholder representing shareholders from New Jersey. The CRC is being asked to approve a change in control of the MPX New Jersey license to iAnthus. The CRC should consider existing regulations concerning the background of principals, directors, owners, and board members of entities involved in the transaction. The CRC should consider the qualifications of Gotham Green, IAnthus, and transferees.

Roland Pott: A small business owner and Chairman of Trenton Downtown Association Board. We shouldn't be so restrictive in zoning and allow as many licenses as possible – a way for revenue for downtown small business owners who have been stretched thin over the years as retail has been moved to big towns.

Dr. Monique Hamilton: Dr. Monihami Medical Center in South Orange, NJ. The type of cannabis product the patient uses is dependent upon the cannabis product and what

condition the cannabis is being used for. Bona fide doctor-patient relationship is essential in determining treatment goals and care plans. Patient should be able to choose between a variety of cannabis products. Safe packaging for these products just like other medications.

Eric Jiang: Owner of Scarlett reserve, CBD business and prospective applicant. Microbusiness restrictions in statute are problematic.

Robert Miller: From ACT Laboratories. Should test every batch to ensure product quality control. Some labs are good and other are not. Ingredients can degrade over time.

Dr. Yan Shipelskiy: From Cannalytics testing lab. Producers should be allowed to produce edibles and other products. Products that are safe for patients should be permitted for recreational. Some states have some products allowed in medical and not recreational, though it is hard. Should establish a scientific advisory board.

Carlos Jara: A licensed producer in another jurisdiction. Big businesses will buy up small entities. Can create a program for big companies to sponsor smaller, women or minority owned business. If you force microbusinesses to have the same requirements as big businesses, they cannot compete – CRC should create a path for microbusinesses to be competitive with big businesses. NJ can be a leader in microbusinesses.

Joe Johnson: From ACLU-NJ. Municipalities have a large role to play, and they should opt in to protect and incentivize microbusiness and local businesses. Municipalities should create licensing structures to properly regulate but not stifle. Create local equity programs. Won't be equity in market unless the government brings it in. Municipalities would be more likely to create programs if the CRC is willing to fight for more funding in support.

Chirali Patel: From Blaze Responsibly. Medical patient. Patients need access to concentrates, transdermal patches, edibles. Feel that ATCs are created to cater to recreational users. Bud tenders are uneducated — unable to recommend particular products based on patient needs. Create separate menus for available products in medical vs. recreational.

Dr. Alan Ao: A registered pharmacist. Increasing dosage doesn't necessarily translate to increased utility. Doesn't believe increasing potency would affect public safety. Should focus on clear packaging and labeling. Should allow suppositories, oral sprays, topicals, sugar-free & gluten-free products.

Scott Miccio: An attorney representing several municipalities in South Jersey. Medical cannabis can be grown on protected lands. Will recreational cannabis? What are implications of the Right to Farm Act? Munis have to expressly permit activities. Confirm?

Michael Hoffman: Need more education. How can municipalities know if they're in an impact zone? The cannabis arrest data is only available by arresting authority, not the municipality; will be problematic for towns that don't have their own police force.

Zachary Windham: From Ansell Grimm & Aaron. Restricting cannabis products is not productive.

Adam Umansky: Cannabis should be allowed for religious purposes.

Jesse Marie Villars: A medical patient and prospective applicant. Some patients can't smoke or vape.

11. ADJOURNMENT

Chair Houenou, Vice Chair Delgado, Commissioner Nash, Commissioner Barker, and Commissioner Del Cid-Kosso gave final remarks. Chairwoman Houenou called for a motion to adjourn. Commissioner Del Cid-Kosso made the motion to adjourn, and seconded by Commissioner Nash. Chairwoman Houenou called the vote.

AYES: Chairwoman Houenou, Commissioner Delgado, Commissioner Nash, Commissioner Barker, Commissioner Del Cid-Kosso

NAYS: None

The public meeting adjourned at 5:49pm.

<u>CERTIFICATION</u>

The foregoing minutes represent a true and complete summary of the public meeting held by the Cannabis Regulatory Commission on Tuesday, June 1, 2021.

Dianna Houenou, Chair