MINUTES – PUBLIC MEETING NO. 21-09-14
SEPTEMBER 14, 2021 – 6:00PM
Publicly Accessible Online via Zoom (or address when in-person)

1. CALL TO ORDER

The September 14th, 2021, public meeting of the New Jersey Cannabis Regulatory Commission was called to order by Chairwoman Houenou at 6:12pm at 225 East State Street, Trenton, New Jersey 08608 via Zoom Webinar.

Board Secretary Erin Hogan read the following statement:

“Madam Chairwoman, this is a 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 Meetings Act. The Meeting was noticed in the Asbury Park Press, Atlantic City Express, Bergen Record, Courier Post, and the Trenton Times in April 2021. Information regarding the virtual nature of the meeting due to the COVID-19 pandemic was posted in publications and on the CRC website. The meeting time and location has also been posted on the website of the New Jersey Cannabis Regulatory Commission and with the Office of the Secretary of the State.”

2. ROLL CALL

Board Secretary Hogan took the roll, and the following Commissioners were present:

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

No one was absent. The following staff members were present virtually: Kelley Anderson-Thomas, Justin Rodriguez, Toni-Anne Blake, Erin Hogan, Daniel Said.

3. EXECUTIVE SESSION

Chairwoman Houenou called for a motion to go into Executive Session for 60 minutes. Commissioner Del Cid-Kosso made the motion, and Commissioner Nash 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 passed.

Executive session started at 6:16pm and ended at 6:42pm.

4. APPROVAL OF PREVIOUS MEETING’S MINUTES

The open, public portion of the meeting resumed at 6:50pm. Chairwoman Houenou asked for a motion to adopt the minutes for the August 19th public meeting and executive session. Ms. Hogan noted that the minutes were shared with the commission members prior to the meeting. Vice Chair Delgado made the motion, and Commissioner Barker 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.

5. PUBLIC COMMENT ON AGENDA ITEMS

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 at nj.gov/cannabis/meetings by end of the day on September 15, 2021. Chair reminded public that all submitted questions and comments were shared with the Commission members and are made public along with the minutes.

The public had the opportunity to share comments with members of the Commission concerning any matters on the agenda for the public meeting, which included: Consideration of Application by Harmony Foundation to Cultivate from a Second Physical Location, Consideration of Application to Transfer 100% Ownership Interest in GSD NJ, LLC, to Ayr Wellness, Inc., Executive Director’s Delegated Spending Authority for State-Contracted Goods and Services And Emergencies, and/or Consideration Of NIC Licensing Solutions Project.

All speakers were given three (3) minutes to speak. Director of Communications, Toni-Anne Blake called on the members of the public who raised their hand to speak on the agenda items.

Travis Ally: He does not agree to new businesses opening; therefore, he is against the Consideration of Application by Harmony Foundation to Cultivate from a Second Physical Location. Mr. Ally believes it unfair for existing companies to have an increased advantaged over the 2019 RFA applicants who have been waiting for a decision from the Commission. He states that it is ridiculous for this to be a consideration and that we should wait until the 2019 RFAs are settled.

Kevin O’Leary: Mr. O’Leary has remarks on the Consideration of Application by Harmony Foundation to Cultivate from a Second Physical Location. He reminds the Commission that he made comments on this at the July 13th meeting and they are memorialized on the minutes from that meeting. He also notes that he sent comments in-writing after the July 13th meeting as well. Mr. O’Leary says that Lafayette as a governing body, has given Harmony their support for a while. He states that if the Commission has any further questions or would like to visit their facility, to contact him.

Hugh Giordano: Mr. Giordano is from The United Food and Commercial Workers Union (UFCW) and wants to make comments on the Consideration for Consideration of Application by Harmony Foundation
AYES: Chairwoman Houenou, Vice Chair Delgado, Commissioner Nash, Commissioner Barker, Commissioner Del Cid-Kosso
NAYS: None

The motion was carried.

7. CONSIDERATION OF APPLICATION TO TRANSFER 100% OWNERSHIP INTEREST IN GSD NJ, LLC, TO AYR WELLNESS, INC.

Executive Director Brown provided a summary of the Application to Transfer 100% Ownership Interest in GSD NJ, LLC, to AYR Wellness, Inc. Garden State Dispensary is a current permit holder in the central region that operates one cultivation site and three dispensaries. The Commission staff have reviewed this application and appropriate AYR members have undergone criminal background checks and investigations. Based on review by Commission staff and AYR compliance, Executive Director Brown and the compliance staff recommend approval of this application.

Chairwoman Houenou asked for a motion to adopt the resolution for Application to Transfer 100% Ownership Interest in GSD NJ, LLC, to AYR Wellness, Inc. Vice Chair Delgado motioned and Commissioner Del Cid-Kosso seconded. Hearing no discussion, Ms. Hogan called the vote.

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

The motion was carried.

8. EXECUTIVE DIRECTOR’S DELEGATED SPENDING AUTHORITY FOR STATE-CONTRACTED GOODS AND SERVICES AND EMERGENCIES

Executive Director Brown explained the Delegated Spending Authority for State-Contracted Goods and Services and Emergencies. This authority would allow for the Executive Director, or the Executive Director’s designee, to spend up to $250,000 on goods and services, provided acquired under an existing state contract, such as a state contract that has been procured under the Department of Treasury. This resolution would also establish the ability for the Executive Director or his designee to execute contracts for work or services in emergency situations. In such situations, the Executive Director would have to request, at the next regular Commission meeting, ratification of the existence of the emergency and any purchases or contracts awarded.

Chairwoman Houenou asked for a motion to adopt the resolution concerning the Executive Director’s Spending Authority. Vice Chair Delgado made the motion and Commissioner Nash seconded. Hearing no discussion, Ms. Hogan called the vote.

AYES: Chairwoman Houenou, Vice Chair Delgado, Commissioner Nash, Commissioner Barker, Commissioner Del Cid-Kosso
NAYS: None

The motion was carried.

9. CONSIDERATION OF NIC LICENSING SOLUTIONS PROJECT

Executive Director Brown walked the public through the substantive information about the NIC Licensing Solutions Project. Governor Murphy signed the Cannabis Regulatory Enforcement Assistance and Marketplace Modernization Act on February 22, 2021, and the CRC adopted rules pursuant to that Act on August 19, 2021. The next step in the process is accepting, processing, and approving or denying applications for licensure. Looking at available state contracts, NIC USA, Incorporated (NIC NJ) was
found to be an established vendor with the State of New Jersey since 2009, providing e-government and licensing application services under contract number T2560.

NIC USA is able to quickly deploy a cannabis business specific licensing and employee credential system that will assist the Commission is launching its cannabis business licensing process and accelerate movement toward legal sales and recreational use cannabis. This is a self-funded project, paid out of the fees that the Commission will collect pursuant to rules, with no additional fees for cannabis businesses. It is Executive Director Brown’s recommendation that the Commission approve this so the CRC can move forward with accepting applications for licensure for recreational use cannabis sales.

Chairwoman Houenou asked for a motion. Commissioner Barker motioned and Vice Chair Delgado seconded. Hearing no discussion, Ms. Hogan called the vote.

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

**NAYS:** None

The motion was carried.

10. **PUBLIC COMMENT**

Chairwoman Houenou reminded the public that they can submit their comments to the CRC during and after the public meeting in writing via the CRC website at nj.gov/cannabis/meetings by end of the day tomorrow, September 15, 2021. The Chair reminded public that all submitted questions and comments were shared with the Commission members and are made public along with the minutes.

The public had the opportunity to share questions, ideas, and concerns with members of the Commission.

All speakers were given three (3) minutes to speak. Director of Communications, Toni-Anne Blake, called on members of the public who have signed up to speak. All speakers were reminded to speak only about issues related or relevant to the CRC and not advertise their private businesses.

**Aaron Streeter:** He is a resident of Camden, New Jersey and wants to open a microbusiness in Camden. The flower in New Jersey is not great, but the legacy market flower is. The flower on the underground market is at an all-time low. What will separate legacy and farmers in New Jersey? Is the CRC going to do anything about this or THC?

**Colby Piper:** He is pushing for home grow. What is the CRC going to do about local municipality bias? Can the CRC address consumption lounge regulations?

**Darrin Chandler Jr.:** The top priority for the CRC is 2019 RFAs. The CRC has been silent about this. The state has had 11 months to accurately score, plus the time in the court proceeding. The delay in MSOs in 2018 have opened even 3 places during this time. What are the CRC’s priorities?

**Dave Christian:** He is from Shorehouse Canna, which is a disabled veteran owned business and a prospective applicant for retail. He is trying to prepare a business plan and potential projections for a proposed dispensary. How can new applicants understand the supply situation as they understand business plans?

**David Feder:** There are over 100 companies waiting a decision by the CRC in the 2019 RFAs. The CRC is making this more difficult. It is critical to give these applicants a decision and timeline for awards.
David Yusefzadeh & Mario Rodriguez: Potential applicant in New Jersey for manufacturing license, and a current license holder in Massachusetts. He suggests expanding the medical repertoire because it is important for medical patients. They need to have something other than smoking because some patients cannot smoke. Proposing the CRC checks in with local health departments who are already checking for food safety, because we cannot just test for cannabinoids, but CRC also needs to test to make sure the food is safe.

D’onna Johnson: There are only limited edibles allowed in your rules because of safety. Food resembling other foods shouldn’t be banned. She agrees that we should stay away from kids and pets, but should have edibles resemble food. Some people don’t have children and the ones that do, kids eat anything anyway, not only things that look like food. The exclusion will prevent a transparent relationship with cannabis businesses and the Commission. The CRC would be getting additional revenue from this, too and advances in the New Jersey market. Edibles would minimize negativity by bystanders. It would also replace the buying and preparing of cannabis being rolled, and kids will eat anything, not only things that look like food. Foods are growing in popularity.

Dr. Monique Hamilton: She is board certified in internal medicine. It is important to make sure that health equity is addressed as well in the Medical Marijuana Program. There are several qualifying conditions that allow marijuana as an alternative treatment and want to make sure that the CRC is committed to allowing patients to establish the bonified relationship with the physician, this way a physician isn’t just prescribing the medicine and the patient never sees them again. This is important to follow up, see how you’re tolerating the marijuana and to ensure you’re achieving the treatment goal. To ensure this relationship, CRC should consider required evaluations, or establish restrictions or a program to ensure patients are getting adequate care.


Hasaan Austin: Works with applicants, investors, and municipalities in assisting a pathway for licensing. Municipalities should not be required to enforce fees that aren’t in line with the CRC. He wants to try to limit the barrier to entry for equity applicants. There should be social entrepreneurship in engaging applications, which would allow all parties to get together and get business going to diminish the barrier to entry.

Igor Hutvum: Thanks, the CRC for giving New Jersey residents the opportunity to be involved and notes that the Commission’s hard work has been shown. He wants to bring awareness to the public that new businesses have shown up this year since the CRC launched. There is a loophole in giving services with cannabis. This is not good in the long run, since it is not tested and there won’t be measures to take that applicants do. This is bad for business and thus, CRC should avoid this bad reputation. New Jersey is a progressive state and a lot of things in our bill aren’t seen in other states.

Jack Payne: Thanks, the CRC for the opportunity to speak. He has been a resident of New Jersey his entire life and almost had life ruined from cannabis. Back when he was a sophomore in high school in Paramus, he was expelled and had to go to another high school from a bad incident. A lot of people aren’t as fortunate in the situation that happened to him since there are worse consequences. Believes CRC is going in right step, but knows the CRC has no power of expungements. CRC should push social and equity programs for the most recently expunged and ones sitting in jail, to teach about getting jobs in this field. The most recently convicted and expunged need to be the first in the state to get help from the Commission and social equity in the state.
James Diecidue: He wants to address vape cartridge safety. After seeing Maryland’s law, we need to be better. There is a sense of unpreparedness, but good testing measures will help. Things that should change include, additional metal testing, gas components, plastics, silicones, better labeling with all foreign additives and cannabinoids, as well as percentage of terpenes. CRC should be in line with what Colorado is doing.

Jo Anne Zito: Thanks to the CRC for their hard work. She has been an activist for Coalition for Medical Marijuana for 27 years. As someone who has suffered under cannabis prohibition and arrested for cannabis, can the CRC make recommendations to legislature and Governor to pass legislation that makes home grow legal? Can the CRC make suggestions to also free those serving time from cannabis offenses and have their convictions expunged? She has concerns of what price legal cannabis will be. Consumption lounges are viable. There should be funding for those with financial hardship. There was none of that when program was enacted.

Lonnie Affrime: How can you communicate to hundreds of applicants in New Jersey to apply when the only companies are largely companies that aren’t from New Jersey? These companies aren’t minorities or women, like Harmony that was just passed. The 2019 RFA applicants haven’t gotten any word. How is this justified? When are you going to award these applicants? People have spent so much money on leases when they don’t even know if they’ll be licensed.

Marc Fuentes: He is a Latino entrepreneur that’s been following and participating closely. He is having difficulty finding delivery business fees.

Marcus James: He is Panda from Star Power, a designer cannabis group from New York. He hopes that there’s real equity in New Jersey and a lot of people are thinking that, too. Equity needs to be ongoing. These people who you are supposed to be gearing equity to, aren’t going to be able to afford it. You need money, capital, training, and employees to do this. The people that you are trying to benefit, should have some type of say. A lot of states pledge on equity, but we all see the numbers that are really run by minorities – barely any, such as Massachusetts.

Nicholas Cody: There is a discrepancy in size limit. It will make it impossible for micro cultivations.

Robert Collins: Commission makes no comment on no 2019 RFA licenses. Executive Director doesn’t comment.

Scheril Murray Powell, Esq.: She really appreciates the work that the CRC is doing and states that the CRC’s regulations are very progressive. The information being shared is consistent and better than she’s seen across the country. Do cities/municipalities that opted out, translate to additional support to those who have opted in? There is such a significant amount that have chosen not to.

Todd Seafftini: He is a retired Army Lieutenant Colonel who has been watching the cannabis space across the country since 1996. Congratulates the CRC, who has set an example and the bar high for other states to follow. The CRC has the most social economic focused policies. New Jersey needs to elevate communities through education and lowering barriers to entry by lowering fees. The CRC shouldn’t make the rules ambiguous and be specific in what the state is looking for out of applicants. If not, it leads to a lot of litigation and it really favors the rich and experienced. They either have money to secure attorneys to make sense of the application or have experience from other states to deal with it. New Jersey is a shining example for the rest of the country.
Tom Choi: He is usually in Maryland or New Jersey so he sees the two cannabis worlds. In Maryland, medical is very important that testing is done properly and not skewed. There is education and a standard training level. New Jersey needs true leaders and local community leaders.

Smrita Choubeay: Indian American, lifelong resident of New Jersey. Potential microbusiness applicant taking a holistic approach for marijuana, which is part of their heritage. Cannabis has recreational, spiritual, and medicinal uses. Cannabis grows in the wild. The CRC should think further on edibles. One of the most prevalent ways in ancient times is in drink format and cooked with a variety of Indian foods. For the size of the Indian community in New Jersey, they’d love to contribute in a way that stays true to Indian tradition.

Manuel Munoz: Latin entrepreneur from New York but has lived in New Jersey half of his life. Wants to thank everyone for giving New Jersey the greenlight as it has been a long time coming. He’s seen arrests for minor infractions and is eager to get his foot in door.

Hugh Giordano: He put his public testimony in writing. Thanks, CRC, for the hard work of all the members of the Commission.

11. ADJOURNMENT

Chairwoman noted that RFA scoring is ongoing. She requested that the public be patient, but once they are ready, awards will be issued. She directed people to go to the Commission’s website for information about rules and regulations.

Chairwoman Houenou called for a motion to adjourn. Vice Chair Delgado made the motion to adjourn and seconded by Commissioner Barker. 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 8:27pm.

CERTIFICATION

I hereby certify that the foregoing minutes represent a true and complete summary of the public meeting held by the Cannabis Regulatory Commission on Tuesday, September 14, 2021.

[Signature]
Erin Hogan
Executive Assistant

Date Signed: October 15, 2021

Page 8 of 8