

PHILLIP D. MURPHY Governor

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DIANNA HOUENOU, Chair
SAMUEL DELGADO, Vice Chair
KRISTA NASH, Commissioner
MARIA DEL CID-KOSSO, Commissioner
CHARLES BARKER, Commissioner
JEFF BROWN, Executive Director

## RESOLUTION 2022-<u>51</u> CONSIDERATION OF CONDITIONAL LICENSE APPLICATION FOR CLASS 2 CANNABIS MANUFACTURER LICENSE

WHEREAS, the New Jersey Cannabis Regulatory Commission ("the Commission"), established pursuant to P.L. 2019, c.153, known and cited as the "Jake Honig Compassionate Use Medical Cannabis Act," is charged with implementing the provisions of that Act as well as P.L.2021, c.16, known and cited as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act"; and

**WHEREAS**, on August 19, 2021, the Commission adopted rules pursuant to N.J.S.A. 24:6I-35(a)(1) that established the licensure process for cannabis businesses and testing laboratories; and

**WHEREAS**, N.J.A.C. 17:30-6 through 7 outline the application process and requirements for both conditional license applicants and annual license applicants, including eligibility requirements and limitations for social equity businesses, diversely owned businesses, and impact zone businesses; and

**WHEREAS**, the Commission issued a Notice of Application Acceptance ("Notice") on November 9, 2021, outlining the specific criteria for the types of applications the Commission would accept, and the dates on which the Commission would begin accepting those applications; and

**WHEREAS**, the Notice also outlined the specific priority by which applications would be reviewed by the Commission; and

**WHEREAS**, pursuant to the Notice, the Commission began accepting applications for Class 1 Cannabis Cultivator, Class 2 Cannabis Manufacturer, and Testing Laboratories licenses on December 15, 2021; and

**WHEREAS**, pursuant to the Notice, the Commission began accepting applications for Class 5 Cannabis Retailer licenses on March 15, 2022; and

**WHEREAS**, as of October 4, 2022, the Commission has received 1,118 conditional license applications for Class 1 Cannabis Cultivator, Class 2 Cannabis Manufacturer, and Class 5 Cannabis Retailer licenses, and 242 annual license applications for Class 1 Cannabis Cultivator, Class 2 Cannabis Manufacturer, Class 5 Cannabis Retailer, and Testing Laboratory licenses; and

**WHEREAS**, pursuant to N.J.A.C. 17:30-6.1(d), the Commission shall review and score conditional and annual cannabis business license applications based on the priority designation of applications as set forth in the regulation and the Notice; and

**WHEREAS**, pursuant to N.J.A.C. 17:30-6.1(d), the Commission shall approve and issue licenses to applicants that receive a full score or greater; and

**WHEREAS**, to review applications thoroughly and efficiently, the Commission developed an application review process that included the following chronological steps for each application received:

- 1. Priority assignment;
- 2. Priority verification;
- 3. Review assignment;
- 4. Completeness review;
- 5. Scoring;
- 6. Qualification, Limitations, Financial/Management Agreement review;
- 7. Quality Control;
- 8. Recommendation to the Board of Commissioners; and

WHEREAS, for applications deemed incomplete in any respect, the application was sent back to the applicant with direction on how to appropriately cure any deficiencies in the application; and

WHEREAS, upon resubmission of a cured application, the application was placed in line for review in accordance with its priority designation and the time at which it was resubmitted; and

**WHEREAS**, the conditional license application below for a Class 2 Cannabis Manufacturer license has been timely received prior to October 4, 2022, has been cured as necessary, has passed review by Commission staff, and is recommended by Commission staff for approval;

**NOW, THEREFORE, BE IT RESOLVED** by the New Jersey Cannabis Regulatory Commission pursuant to N.J.S.A. 24:6I-35(a)(1) and N.J.A.C. 17:30-6 through 7, the following applicant has satisfied the requirements set forth in the regulation, and the Commission has determined to approve the applicant's application for a conditional license:

Applicant ID	Applicant Business Name	License Type	Business Category
1965	SVA NJ Services LLC	Manufacturer	Standard

The following conditions shall apply to the above-listed conditional license awardees:

- 1. Conditional licenses issued in accordance with this Resolution shall be automatically granted the additional 45 days allowed by statute to file a conditional conversion application, extending the conditional license phase to 165 days from the date of license issuance.
- 2. Conditional license-holders shall comply with all relevant provisions of N.J.A.C. 17:30-6 through 7 regarding conditional licenses, license-holders, and the conditional license phase.
- 3. If issued a conditional license as a social equity business, diversely owned business, or impact zone business, maintaining eligibility as such is a condition of the license and a condition of seeking an annual license through a conditional conversion application.
- 4. Conditional license-holders may add new owners in the conditional license phase; however, a majority of the ownership shall remain with the owners that qualified for the conditional license.
- 5. Conditional license-holders shall provide an attestation certifying that they will submit to a criminal history background check. No license holder or license applicant shall be granted an annual license without submitting to a criminal history background check and satisfactorily demonstrating that all statutory and regulatory requirements have been satisfied.
- 6. Conditional license-holders are not authorized to cultivate, manufacture, sell, or otherwise possess cannabis or cannabis items.

Submitted by:

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 27<sup>th</sup> day of October, 2022.

Christopher Riggs, Chief Counsel

Vote on the Approval of This Resolution	Motion	Second	Yes	No	Abstain	Absent	Recused
Commissioner Barker			X				
Commissioner Del Cid-Kosso	X		X				
Commissioner Delgado							X
Chairwoman Houenou			X				
Commissioner Nash		X	X				