





The meeting will begin momentarily

We will take public comments at this meeting. Written comments for the record may also be submitted to the Cannabis Regulatory Commission before, during and after the meeting at nj.gov/cannabis.



February 8, 2023



Agenda

- Roll Call
- Executive Session (Anticipated 30 minutes)
- Approval of prior meeting minutes
- Chair's remarks
- Executive Director's Report
- Special guest remarks: ***New Jersey Economic Development Authority***
- Permitting & Licensing Committee Report
- Final Rules Adoption
 - Readoption with amendments (N.J.A.C. 17:30) and new rules concerning adult-use cannabis (N.J.A.C 17:30-12, 13, 15, and 20.7)
- Modification of Notice of Application Acceptance for adult-use cannabis business licenses



Agenda

- Report on Social Equity Excise Fee Hearings
- Consideration of adult-use cannabis applications
 - Conditional licenses
 - Conditional to annual conversion licenses
 - Annual licenses
- Consideration of business name change applications
 - GLCPC LLC
 - Eastern Green, Inc.
 - JG New Jersey LLC
- Public Comment
- Adjournment



Roll Call



Executive Session

Return: Approx. 30 mins



Approval of Prior Meeting Minutes



Vote:
**To approve prior meeting
minutes**



Chair's Remarks



Executive Director's Report



Executive Director's Agenda

- New Blog: CRC High Points
- Recreational Licensing Update



CRC High Points

Cannabis Regulatory Commission



- Home
- Medicinal Cannabis Program ▾
- Recreational Use ▾
- Cannabis Businesses ▾
- Resources ▾
- Diversity & Inclusion
- News & Events
- CRC High Points**
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Home / CRC High Points

CRC High Points

Social Equity at the NJ Cannabis Regulatory Commission

01/30/2023

[Read More >](#)

Stay up-to-date with the latest in CRC news and actions.

Email:



Updates on Recreational Business Applications

As of January 20, 2023

- **Total 1,575 applications submitted**
- **All applications have started review process**
- *Only 54* applications have yet to advance to completeness review.



Updates on Recreational Business Applications

As of January 20, 2023

- More conditionals are applying to convert to annual
- 150 conditional conversions have been submitted



Applications up for consideration

- 49 conditional applications
- 11 conditional-to-annual conversion applications
- 11 annual applications



Updates on Recreational Business Applications

As of January 20, 2023

Application Type	Number of Applications
Class 1 Cultivator	403
Class 2 Manufacturer	240
Class 3 Wholesaler	5
Class 4 Distributor	10
Class 5 Retailer	893
Class 6 Delivery	13
Testing Laboratory	11

Business Designations	Percentage of Applications
Diversely-owned	72%
Social Equity	25%
Impact Zone	43%



New Jersey Economic Development Authority

Cannabis Grant Program

Synopsis / Purpose: Provide growth funding for legal and licensed entrepreneurs to enter the New Jersey cannabis market with a strategic focus on startups who come from New Jersey communities traditionally denied access to capital.

Product Type: There will be two products – a combination of technical assistance/grant funding for social equity applicants who have obtained a conditional license but have not secured real estate or municipal approval; and a grant only (no technical assistance) for businesses that do not need technical assistance but that still have carrying costs and capital issues associated with converting their conditional license to an actual license.

Total Funding Amount: \$10 million

Funding Source: SFY2022 Budget Appropriation

Grant Amounts: up to 150k for Product 1 w/TA up to 250k for Product 2

Eligible Uses of Funding: Rent/mortgage, payroll, regulatory/compliance expenses, legal expenses, employee training, professional services, utilities/overhead, wages, supplies and equipment

Approvals: Delegated Authority



Permitting & Licensing Committee Report



License Caps & Restriction Deadlines

- The CREAMM Act established a statewide cap of 37 cannabis class 1 (Cultivator) licenses for a 24-month period. Alternative Treatment Centers(ATCs) were included in that limit. Microbusinesses cultivators **do not** count towards the limit.
- This restriction expires on **February 22, 2023**.
- Within the Commission's scope of authority, the Commission can make periodic evaluations on the number of each class of cannabis establishments, including reviewing the limit on the number of **cannabis cultivator licenses** based on the State's market demands.



Overview: Operational Cultivation Facilities

Medical Only	6
Adult Use Only	0
Dual	11
Total	17

Total operational canopy: 418,000 sq/ft



Overview: Cultivator Licenses

- NJ has the fewest number of cultivation licenses among 15 states analyzed with **only 17 operational** cultivation licenses.
- The nationwide average per adult use state is 889 cultivation licenses.
- NJ would need nearly 850 more licenses to meet the national average of cultivator licenses.
- Population: NJ has 1 license for every 197,000 residents, far below the national average of 1 license per 31,000 residents.



Committee's Recommendation

- In this developing market, the Committee recommends **NOT** imposing a statewide cap on cultivation licenses.
- The Committee will continue to monitor the market demands and reevaluate the statewide cap for such license, when needed.



Vertical Integration Pre-Expiration

Currently, there are **12**
Operational VI Entities

Prior to **February 22, 2023**, any owner, stockholder, officer, or director of any corporation, or any other person engaged in the **retail** sale of cannabis items COULD NOT engage in:

- Cultivating (growing),
- Testing,
- Manufacturing (processing),
- Wholesaling,
- or transporting in bulk any cannabis items.



Vertical Integration Post-Expiration

After February 22, 2023, a cannabis license holder shall be authorized by the Commission to:

- **Concurrently** hold one cannabis cultivator, one cannabis manufacturer, one cannabis retailer, and one cannabis delivery service license.
- **Concurrently** hold one cannabis wholesaler license and one cannabis distributor license; and
- Expanded ATCs may **concurrently hold** a cannabis cultivator license, a cannabis manufacturer license, a cannabis retailer license, and additional cannabis retail licenses for each satellite dispensary, and a cannabis delivery service license; or a cannabis wholesaler license and a cannabis distributor license.



Review of Extension Requests

- The committee will meet after today's public meeting to review extension requests made to the Commission.
- The committee will issue determinations on applications with an upcoming deadline. More information on these extensions will be available at the March 2nd meeting.



Rule Adoption



Readoption with amendments (N.J.A.C. 17:30) and new rules concerning adult-use cannabis (N.J.A.C 17:30-12, 13, 15, and 20.7)

- Updates to priority review process for applications.
- Adds 3 license types
 - Class 3 Wholesaler
 - Class 4 Distributor
 - Class 6 Delivery Services



Readoption with amendments (N.J.A.C. 17:30) and new rules concerning adult-use cannabis (N.J.A.C 17:30-12, 13, 15, and 20.7)

- Updates municipal authority subchapter to provide examples of behaviors that violate Local Government Ethics Laws.
- Class 5 Retailers are required to provide safe use information to all consumers.
- Provides clarification on equivalency standards for product types.
- Logo size restriction and quantity of logo restrictions have been removed.
- A penalty matrix for regulatory violations has been added.



Vote:

**To readopt N.J.A.C. 17:30 with
amendments and new rules**



Modification of Notice of Application Acceptance



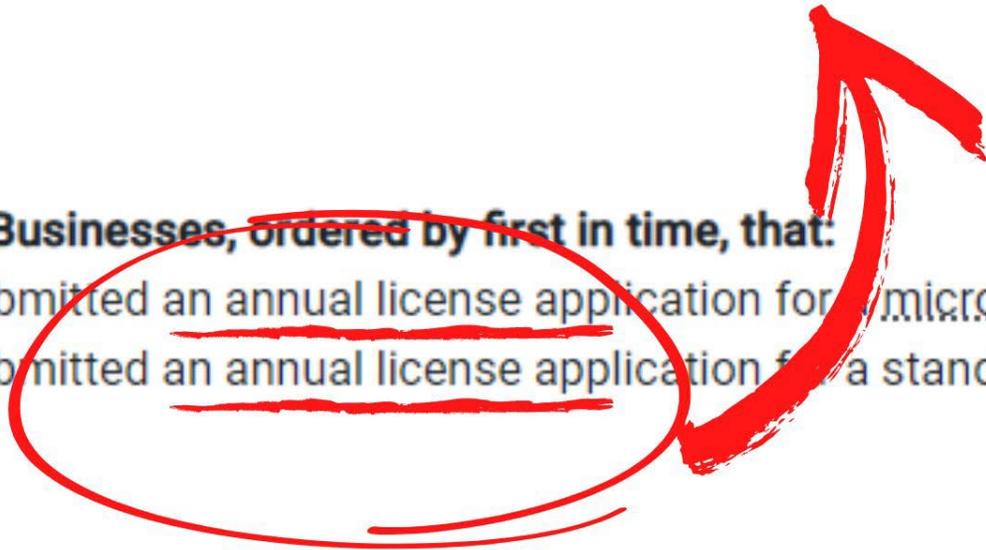
Notice of Application Acceptance

1. Social Equity Businesses, ordered by first in time, that:

- a. Have submitted a conditional license application for a microbusiness;
- b. Have submitted a conditional license application for a standard business;
- c. Have submitted a conditional license conversion application;

6. Social Equity Businesses, ordered by first in time, that:

- a. Have submitted an annual license application for a microbusiness;
- b. Have submitted an annual license application for a standard business;





Notice of Application Acceptance

1. Testing Laboratory applicants and Social Equity Businesses, ordered by first in time, that:
 - a. Have submitted a conditional license application for a microbusiness;
 - b. Have submitted a conditional license application for a standard business;
 - c. Have submitted a conditional license conversion application;
 - d. Have submitted an annual license application for a microbusiness;
 - e. Have submitted an annual license application for a standard business.



Notice of Application Acceptance

To coincide with the proposed readoption and amendment to the NJ-CRC's adult-use cannabis regulations, the NJ-CRC must effectuate a limited update to the Notice of Application Acceptance to account for this updated priority review process for consideration.



Notice of Application Acceptance

V. Application Priority

Applications will be accepted on a continuous rolling basis and shall be reviewed, scored, and approved in the following order:

1. Testing Laboratory applicants and Social Equity Businesses, ordered by first in time, that:
 - a. Have submitted a conditional license application for a microbusiness;
 - b. Have submitted a conditional license application for a standard business;
 - c. Have submitted a conditional license conversion application;
 - d. **Have submitted an annual license application for a microbusiness;**
 - e. **Have submitted an annual license application for a standard business.**
2. Diversely Owned businesses, ordered by first in time, that:
 - a. Have submitted a conditional license application for a microbusiness;
 - b. Have submitted a conditional license application for a standard business;
 - c. Have submitted a conditional license conversion application;
 - d. **Have submitted an annual license application for a microbusiness;**
 - e. **Have submitted an annual license application for a standard business.**
3. Impact Zone Businesses, ordered by first in time that:
 - a. Have submitted a conditional license application for a microbusiness;
 - b. Have submitted a conditional license application for a standard business;
 - c. Have submitted a conditional license conversion application;
 - d. **Have submitted an annual license application for a microbusiness;**
 - e. **Have submitted an annual license application for a standard business.**



Notice of Application Acceptance

4. License applicants receiving bonus points pursuant to N.J.S.A. 24:6I-36.d(2) and this Notice, ordered by first in time, that:
 - a. Have submitted a conditional license application for a microbusiness;
 - b. Have submitted a conditional license application for a standard business;
 - c. Have submitted a conditional license conversion application;
 - d. **Have submitted an annual license application for a microbusiness;**
 - e. **Have submitted an annual license application for a standard business.**
5. All other applicants for conditional licenses, ordered by first in time, that:
 - a. Have submitted a conditional license application for a microbusiness;
 - b. Have submitted a conditional license application for a standard business;
 - c. Have submitted a conditional license conversion application;
 - d. **Have submitted an annual license application for a microbusiness;**
 - e. **Have submitted an annual license application for a standard business.**



Notice of Application Acceptance

Note:

- This modification to the Notice of Application Acceptance does not include acceptance of any new license types.
- The Commission is still only accepting and reviewing applications for Class 1 - Cultivation, Class 2 - Manufacturing, Class 5 - Retail, and Testing Laboratories.
- **Importantly, although the application submission portal may allow for submission of license applications in advance of their acceptance dates, any application submitted before the stated beginning of application acceptance will be immediately rejected.**



Vote:
**To adopt Notice of Application
Modifications**



Report on Recommended Uses for Social Equity Excise Fees (SEEF)



Statutory Requirement

- Revenues, including the Social Equity Excise Fee, is deposited into the Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund.
- 15% of the monies in the Fund are dedicated to the subaccount Underage Deterrence and Prevention Account.



Social Equity Excise Fee

- NJ-CRC makes recommendations to the Governor & Legislature for spending excise fee money → Governor & Legislature decide where the money goes.
- Social Equity Excise Fee = $\frac{1}{3}$ of 1% of average retail cannabis price of \$455.56 - \$1.52 per ounce in Calendar Year 2023
- Set by Commission on Oct 27, 2022, Public Hearing by Resolution 2022-48
- SEEF generated \$219,482 in FY 2022; Projects to generate \$1.5 million in Fiscal Year 2023



NJ-CRC Regional Hearings

3 Virtual public hearings:

- North, Central & South NJ
- November 15,16 and 17, 2022

2 Additional virtual meetings

- January 10 and 18, 2023



NJ-CRC Regional Hearings

4 common themes by participants:

- 1. Economic & Community Development**
- 2. Criminal Justice Reform & Reinvestment**
- 3. Workforce Development and Youth Services**
- 4. Public Health**



Core NJ-CRC Recommendations

- NJ-CRC recommends investing the funds in **grants** and **training/technical assistance** for aspiring entrepreneurs in **impact zones** and **economically disadvantaged** areas, or areas with other economic designations such as Urban Enterprise Zones through the NJEDA's grant program and NJBAC's training/technical assistance programs.



Economic & Community Development

- Financial and Technical Assistance for Cannabis Businesses – Public input suggested using revenue to provide technical assistance to cannabis businesses, especially people with past marijuana convictions, and/or to people from economically disadvantaged areas.
- Housing – Participants expressed an interest in seeing revenue used to improve housing conditions across the state and expand housing opportunities, especially for first-time homebuyers.
- Capital improvements and Infrastructure – Participants supported funding improvements of public buildings, such as libraries and schools, and waterways.



Criminal Justice Reform & Reinvestment

- No Money for Law Enforcement – Many members of the public stressed that cannabis revenue should not be used to fund criminal law enforcement and should instead be targeted to community-based organizations such as violence-intervention initiatives.
- Reentry Support Services – Hearing participants expressed wanting to support services that offer housing, job opportunities, and access to health and wellness services that are critical components to ensuring successful reintegration into the community after incarceration.



Workforce Development and Youth Services

- Workforce Development – The public expressed interest in using revenue for critical educational support services, including scholarships for young people and adults, vocational training, professional certificate programs, business development, and financial literacy.
- Youth Services – The public expressed that tax revenue should support afterschool and out-of-school programs that help children develop healthy life habits, offer recreational opportunities, and offer safe spaces that can protect children from after-school dangers



Public Health

- Healthcare Services – Commenters suggested that revenue from cannabis sales support the expansion of healthcare services in communities most impacted by cannabis prohibition and to ensure that New Jersey is building healthy infrastructure, healthy people, healthy communities, and a healthy society.
- Mental Health Services – The NJ-CRC received recommendations that revenues should support services for mental health, including intervention support services, mental health urgent care centers, and restorative healthcare centers.
- Harm Reduction Services – Speakers called for investments in addiction treatment, harm reduction, and other support services for people who struggle with addiction.
- Public Health and Safety Messaging – Cannabis revenues could be used to support public health messaging campaigns, especially to understand cannabis’s effects on the body, to understand cannabis’s impact on driving, and to deter underage use.



Vote:
To adopt the
recommendations of the SEEF
Report



Consideration of Adult-use Cannabis Business Applications



Adult-Use: Consideration of conditional license applications

Recommendation:

No.	Applicant ID	Applicant Business Name	License Type	Business Category
1	2357	AC Flower Pot LLC	Cultivator	Micro
2	2551	CC Bloom LLC	Cultivator	Micro
3	1215	Eighth Street Provisions	Cultivator	Standard
4	2544	Bioguyax LLC	Manufacturer	Micro
5	2550	CC Bloom LLC	Manufacturer	Micro
6	1356	Lovefloriza Holdings LLC	Manufacturer	Micro
7	2567	Amcann Group LLC	Manufacturer	Standard
8	2477	Elixicor LLC	Manufacturer	Standard
9	2561	Strain House, LLC	Manufacturer	Standard
10	1653	AC LEEF LLC	Retailer	Micro
11	2575	All Budz LLC	Retailer	Micro
12	2241	Cannabis Company of New Jersey	Retailer	Micro
13	2592	Captain Jenks, LLC	Retailer	Micro
14	2556	Delilah's Apothecary LLC	Retailer	Micro
15	2476	Exquisite Images and Fine Entertainment	Retailer	Micro
16	2255	Gotaylor LLC	Retailer	Micro
17	2601	HighLine Cannabis	Retailer	Micro
18	2452	Mememes Danckk World	Retailer	Micro



Adult-Use: Consideration of conditional license applications

No.	Applicant ID	Applicant Business Name	License Type	Business Category
19	2345	Nadia Aldakar	Retailer	Micro
20	2543	Natural Smokes LLC	Retailer	Micro
21	2456	Not Your Mother's Garden, LLC	Retailer	Micro
22	2588	Quality Cannabliss LLC	Retailer	Micro
23	2566	Rue's Garden LLC	Retailer	Micro
24	2536	Spot 23 LLC	Retailer	Micro
25	2555	Sweet Dreams Dispensary, LLC	Retailer	Micro
26	2247	The Hydroponics Club	Retailer	Micro
27	2565	White Lotus Dispensary LLC	Retailer	Micro
28	2598	662 Mota Dispensary LLC	Retailer	Standard
29	2590	A La Herb LLC	Retailer	Standard
30	2522	BeeHighv	Retailer	Standard
31	2560	Blazin Brown Suga	Retailer	Standard
32	2367	Bud City LLC	Retailer	Standard
33	2366	Bud Space LLC	Retailer	Standard
34	1909	Flavors Wellness	Retailer	Standard
35	2542	Fresh Elizabeth LLC	Retailer	Standard
36	1870	Garden of Eden Dispensary	Retailer	Standard



Adult-Use: Consideration of conditional license applications

No.	Applicant ID	Applicant Business Name	License Type	Business Category
37	2538	Greenlight Apothecary	Retailer	Standard
38	2360	Hashes to Ashes LLC	Retailer	Standard
39	2571	King Kanna	Retailer	Standard
40	2486	Mac Holdings nj	Retailer	Standard
41	2586	Mr Jerry's LLC	Retailer	Standard
42	2530	Nhale LLC	Retailer	Standard
43	2450	Suburban Greens	Retailer	Standard
44	2528	The Elevation Dispensary LLC	Retailer	Standard
45	1547	Trance Dispensary	Retailer	Standard
46	2552	Vayana II	Retailer	Standard
47	1648	Violetblu Enterprises Co	Retailer	Standard
48	2298	Weed To Go LLC	Retailer	Standard
49	2411	Xhale Cannabis Lounge LLC	Retailer	Standard



Vote:

To approve 49 conditional license applications



Adult-Use: Consideration of conditional to annual license conversion applications

Recommendation:

No.	Applicant ID	Applicant Business Name	License Type	Business Category
1	2143	Garden Organics LLC	Cultivator	Standard
2	2294	HarvestWorks Farm Corporation	Cultivator	Standard
3	2217	Cannabis Plus LLC	Manufacturer	Standard
4	2144	Garden Organics LLC	Manufacturer	Standard
5	2295	HarvestWorks Farm Corporation	Manufacturer	Standard
6	2323	Elevated by TheCannaBossLady	Retailer	Micro
7	2340	Hackettstown Dispensary LLC	Retailer	Micro
8	2262	Mountain View Pharmacy LLC	Retailer	Micro
9	2362	Cloud Nine Dispensary	Retailer	Standard
10	2395	Molly Ann Farms LLC	Retailer	Standard
11	2396	New Era Dispensary LLC	Retailer	Standard



Vote:

To approve 11 conditional to annual license conversion applications



Adult-Use: Consideration annual license applications

Recommendation:

No.	Applicant ID	Applicant Business Name	License Type	Business Category
1	1001	Bass River Buds, LLC	Cultivator	Micro
2	2441	Yerrr Canna LLC	Cultivator	Micro
3	1177	HillviewMed	Manufacturer	Standard
4	1249	Sun Extractions, Inc.	Manufacturer	Standard
5	1631	Blue Oak NJ 1 LLC	Retailer	Micro
6	2342	Blue Violets LLC	Retailer	Micro
7	1708	Big Kahuna Companies, LLC	Retailer	Standard
8	2120	Blossom Dispensary LLC	Retailer	Standard
9	2236	Highway 90 LLC	Retailer	Standard
10	1480	Puffin Store NJ LLC	Retailer	Standard



Vote:
**To approve 10 annual
license applications**



Adult-Use: Consideration annual license applications

- **Recommendation:**

No.	Applicant ID	Applicant Business Name	License Type	Business Category
1	2062	Township Green LLC	Retailer	Standard



Vote:

**To approve 1 remaining
annual license application**



Consideration of applications to change business names



Name change applications

- GLCPC LLC to:
Theo A. Cannabis LLC
- Eastern Green Inc. to:
Eastern Green Dispensary Inc.
- JG New Jersey LLC to:
BLOC Dispensary LLC



Vote:

To approve name changes



Public comment

1. Speakers signed up in advance.
2. 3 minutes per speaker.
3. Please be respectful, concise and on-topic to issues the Commission has the power to address and/or should be aware of.
4. Do not use this time to market or advertise private businesses.
5. Must be listed by name or phone number submitted on request to speak.
6. Host will ask you to unmute when it is your turn.
7. On phone - *6 to mute or unmute when it is your turn
8. May also submit comments in writing at NJ.gov/cannabis/meetings



Adjournment

Details for the next meeting on **Thursday, March 4**
will be posted on nj.gov/cannabis/meetings