



MEMORANDUM

TO: Cannabis Regulatory Commission Board
FROM: Jeff Brown, Executive Director
SUBJECT: Consideration of Update to Notice of Application Acceptance
DATE: February 8, 2023

OVERVIEW

Pursuant to N.J.A.C. 17:30-6.1, the Cannabis Regulatory Commission (“Commission” or CRC”) must adopt a Notice of Application Acceptance that provides notice and detail about the application process for Cannabis Business Licenses. The initial Notice of Application Acceptance was adopted by the CRC on November 9, 2021. The CRC’s regulations and the Notice of Application Acceptance explain the priority system that the CRC utilizes to review and approve applications.

The CRC’s personal use cannabis regulations, proposed for readoption and amendment, provide important updates to N.J.A.C. 17:30-6.1 which modify the application priority review process followed by the CRC.

Specifically, the amended regulations provide that all Social Equity Business applications, Diversely-Owned Business applications and Impact Zone applications – including annual license applications – are reviewed before all other applications.

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

AMENDMENT TO PRIORITY IN NOTICE

Corresponding with the proposed amendments to N.J.A.C. 17:30-6.1, the CRC staff proposes to update the Notice of Application Acceptance to reflect the following priority review process:

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.
 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.

PROCESS

Once approved by the CRC Board of Commissioners, the Notice of Application Acceptance will be filed with the Office of Administrative Law to be published in the NJ Register. Once published, it becomes effective and CRC staff will begin reviewing applications in accordance with the new priority.

In the future, the CRC will need to consider an additional update to the Notice of Application Acceptance to begin accepting applications for the new license types including =: wholesalers, distributors, and delivery services.

For now, the update is limited to the priority review process for existing and future applications.

RECOMMENDATION

In order to better prioritize annual license applications for Social Equity Businesses, Diversely-Owned Businesses and Impact Zone Businesses, the CRC staff recommend approving the updated Notice of Application Acceptance.