



State of New Jersey
CANNABIS REGULATORY COMMISSION
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PHILLIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

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

*The Meeting Minutes were approved with corrections at the April 13, 2023 meeting. *

MINUTES – PUBLIC MEETING NO.
March 2, 2023 –1:00PM
Publicly Accessible via YouTube
Board of Public Utilities, 44 South Clinton Ave., Trenton, NJ

1. CALL TO ORDER

The March 2, 2023, public meeting of the New Jersey Cannabis Regulatory Commission was called to order by Chairwoman Houenou at 1:02pm at 44 South Clinton Ave., Trenton, NJ 08625 and via YouTube.

Board Secretary Jolitha Joanem read the following statement:

“Chairwoman Houenou, this is a rescheduled meeting of the New Jersey Cannabis Regulatory Commission’s 2023 annual meeting schedule. Adequate notice of this Meeting has been provided in accordance with the Senator Byron M. Baer Open Public Meetings Act. Notice of the Meeting was provided to the Asbury Park Press, Atlantic City Express, Bergen Record, Courier Post, Star Ledger, and the Trenton Times on January 11, 2023. The agenda and information regarding the of the meeting was also posted 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 Ms. Joanem, 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. *The following CRC staff members were present:* Jeff Brown, Kelly Anderson-Thomas, Toni-Anne Blake, Wesley McWhite, and Christopher Riggs.

3. EXECUTIVE SESSION

Chairwoman Houenou called for a motion to go into Executive Session for approximately 45 minutes. Vice Chair Delgado made the motion, and Commissioner Del Cid-Kosso seconded. Hearing no discussion, Chairwoman Houenou took the vote.

VOTE:

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

NAYS: None

The motion passed.

Executive session started at 1:05pm and ended at 2:07pm.

4. APPROVAL OF PREVIOUS MEETING'S MINUTES

The open, public portion of the meeting began at 2:07pm. Chairwoman Houenou asked for a motion to adopt the minutes and executive session minutes for the February 8, 2023, meeting. Ms. Joanem noted that the minutes were shared with the commission members prior to the meeting. Vice Chair Delgado made the motion, and Commissioner Nash seconded. Hearing no discussion, Chairwoman Houenou called the vote.

VOTE:

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

NAYS: None

The motion passed

5. CHAIR'S REPORT

Chairwoman Houenou provided the public with the agenda for the meeting and advised them item #6 has been removed and will be considered at a future board meeting. She also mentioned the board adopted its final rules and will be published in the New Jersey Register on March 6th. She also stated the 60-day public comment period on cannabis consumption areas will end on March 18th.

Chairwoman Houenou then reminded the public that the CRC publishes the list of applications that are under consideration by the Board at upcoming Board meeting so please check out the CRC website to get a full list of awardees.

6. EXECUTIVE DIRECTOR'S REPORT

Executive Director Brown stated that over the past several months, the CRC has had several new dispensaries approved for medicinal cannabis that have opened. To name a few he mentioned Design710, NJ Leaf, and BLOC. He also mentioned Aunt Mary's Holistic Solutions, Valley Wellness and Sweetspot locations are now open to serve patients. He said Harmony Dispensary in Secaucus has been issued their recreational license and have begun to serve both recreational and medicinal cannabis customers. Executive Director Brown also stated the CRC will be looking at Harmony and other approved ATCs to make sure they are holding up their end of the bargain to patient access. He further added that the CRC has now received over 1,647 applications, only 51 of those applications have yet advanced to completeness review due to the priority under which they applied and the information they supplied. Today there are over 175 conditionals who have applied to convert to annuals. Recommended for approval

today, there are 32 conditionals applications, one (1) conditional to annual conversion applications and 16 annual applications are up for consideration.

7. CONSIDERATION OF CONDITIONAL LICENSES:

Executive Director Brown summarized the 32 conditional applications that are up for consideration. He stated the process used and how they were scored and verified based on application type. Each application was verified based on the application information submitted. They were assessed for completeness and scored. Each application was reviewed for limitations, qualifications, and initial financial and management agreements.

VOTE:

Chairwoman Houenou asked for a motion to adopt the resolution on conditional license applications for class one cannabis cultivator, class two manufacturer, and class five cannabis retailer licenses.

Commissioner Del Cid-Kosso made the motion, and Commissioner Barker seconded. Hearing no discussions, Ms. Joanem called the vote:

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

NAYS: None

The resolution passed

8. CONSIDERATION OF CONDITIONAL CONVERSION LICENSE:

Executive Director Brown summarized the applications to convert a conditional license to an annual license. Like conditional licenses, he stated they are assessed for priority. He explained that there significantly more scoring sections for conditional conversions than there are for conditional applicants. After scoring, the CRC moves on to limitations, financial management agreement review, as well as qualification review. Thereafter, it is moved onto investigations, in which they conduct a qualification review, assess any criminal history, as well as vet the applicants against our regulations for qualification. Additionally, CRC's investigators work to identify the source of funds where applicable. Finally, he stated those that score sufficiently high have been appropriately investigated and deemed qualified by staff up to the Board ultimately. The CRC then conducts quality control and makes a recommendation to the CRC Board for approval.

VOTE:

Chairwoman Houenou asked for a motion to adopt the resolution concerning applications to convert from class 2 manufacturer, class 3.

Vice Chair Delgado made the motion, and Commission Del Cid-Kosso seconded. Hearing no discussion, Ms. Joanem called the vote:

AYES: Commissioner Del Cid-Kosso, Vice Chair Delgado, and Chairwoman Houenou.

NAYS: Commissioner Barker

ABSTAIN: Commissioner Nash,

The resolution passed

9. CONSIDERATION OF ANNUAL LICENSE:

Executive Director Brown summarized the process for annual license, which is like conversion, except here they have applied directly for an annual license instead of going first to a conditional. Each application is assigned a priority. Assessed for completeness, and then scored. He stated that the scoring criteria is slightly different for direct annual licenses versus conditional conversions because a lot of that is written into statute. He then stated that those that are scored sufficiently high are reviewed for any regulatory limitations, financial management, and ultimately for qualification which includes a criminal history background check, as well as a financial investigation. The CRC conducts quality control. Those that are ready for Board approval, are then recommended to the Board for approval.

VOTE:

Chairwoman Houenou asked for a motion to adopt the resolution of considering the annual cannabis business applications for class one cultivator, class two manufacturer, and class five retailer.

Discussion: Commissioner Barker discussed the CRC at another meeting out of the 14 annuals applications up for consideration 11 out of the 14 proposed awardees are majority-owned by white applicants, there are zero majority-owned by Latino, Latina and there is one black applicant. He said he hope "We can do better". Chairwoman Houenou asked Commissioner Barker to clarify the "we" because the board simply review the applications that have been submitted. Commissioner Barker said when he stated "we" he is referring to the CRC. Commissioner Barker said the CRC prioritize and promote awardees that reflect the diversity and inclusion especially the black and brown community who have been most harmed by the war on drugs. He would like a better understanding of why it is not reflecting in the CRC proposed awards and is hopeful that the CRC can do better.

Chairwoman Houenou asked Executive Director Brown if he can respond to Commissioner Barker.

Executive Director Brown explained he does not have the exact numbers here at the meeting but the CRC will have the data update in April. At that time, he will present on the majority of ownership based on race/ethnicity of the POIs involved in the industry. He also asked the public and Board members to go the CRC website where they can find a host of data slides related to demographics of the license awardees. Executive Director further mentioned a review that was conducted after the last meeting that showed 25% of license awardees who were majority black-owned businesses. He also discussed there are 12 who are diversely owned businesses in today's awardees including the conditional conversions. He thought that seven of them were either minority owned, or women owned businesses.

Chairwoman Houenou also responded to Commissioner Barker by adding she thought the entire Board shared the vision of wanting to be a diverse industry, but the Board cannot control who is applying and the makeup of those business entities. She then advised the members of the public to submit their applications and provided that the CRC wanted to see everyone who wants to join the CRC on the regulated industry have an opportunity to do so. Chairwoman Houenou also mentioned there are tons of resources available on the CRC website including demo videos, easy one-pagers, and assistance for prospective applicants to help them with the process and connect with support in their journey to sustain a cannabis business.

Commissioner Del Cid-Kosso credited ODI Director Wesley Mc White for all the work he has been doing. She mentioned the upcoming meeting with the National Hispanic Caucus to motivate Latinos, black and

brown applicants to submit their applications. Commissioner Del Cid-Kosso also advised the public and prospective applicants there are programs such as the NJBAC's technical assistance program and the NJEDAs program to help them with their business. She also stated that it is the CRC's mission to continue to fight for social equity in the cannabis industry.

Commissioner Nash made the motion, and Vice Chair Delgado seconded. Ms. Joanem called the vote:

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

NAYS: Commissioner Barker

The resolution passed

9b. Two (2) ADDITIONAL RECUSAL ANNUAL LICENSE

Board Secretary Ms. Joanem advised the Board and the public Commissioner Del Cid-Kosso has recused herself from Application #1008 and #1060 from Clade9 New Jersey, LLC due to a prior working relationship. Commissioner Del Cid-Kosso will step out of the room while the Board considers these two applications. Afterwards, she will return to the room to continue the rest of the meeting.

Executive Director Brown summarized the process for annual license, which is the exact same process that was followed for these two applications as the previous 14 applications. They were scored sufficiently high, deemed complete, review for qualifications, reviewed for limitations, management services, financial. The CRC conducts quality control. Those that are ready for Board approval, are then recommended to the Board for approval.

VOTE:

Chairwoman Houenou asked for a motion to adopt the Additional consideration of annual license - recusal applications #'s 1008 and 1060 as recommended by the staff. Commissioner Nash made the motion, and Vice Chair Delgado seconded. Hearing no discussion, Ms. Joanem called the vote:

AYES: Commissioner Nash Vice Chair Delgado, and Chairwoman Houenou.

NAYS: Commissioner Barker

The resolution passed

RECUSED: Commissioner Del Cid-Kosso

10. CONSIDERATION BLOC ATC LICENSE:

Executive Director Brown summarized the process for obtaining an Expanded ATC license, Alternative treatment centers with locations in Ewing as well as Franklin Twp. He stated that the scoring criteria is slightly different for alternative treatment center licenses. He then stated that they had to submit documents proving municipal approval, proof they could continue to dispense to their registered patients. They have supply on hand to continue to serve their medical population as well as serve additional adult use consumers. Based on the provisions in the statute and the CRC regulations, they are then recommended to the Board for approval

VOTE:

Chairwoman Houenou asked for a motion to adopt the resolution of considering BLOC Dispensary, LLC for expanded ATC conversion certification. She encouraged municipalities to be explicit and to make sure the language of the municipal ordinances is clear and accurately reflects its intent, and to work with staff to make sure any confirmation or any follow-up questions are answered in a timely manner.

Vice Chair Delgado made the motion, and Commissioner Del Cid-Kosso seconded. Hearing no discussion, Ms. Joanem called the vote:

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

NAYS: Commissioner Barker,

The resolution passed

11. PUBLIC COMMENT ON AGENDA ITEMS:

Chairwoman Houenou reminded the public that they can submit their comments to the CRC before, during, or after the public meeting in writing via the CRC website at nj.gov/cannabis/meetings by 5:00pm on March 3, 2023. The Chairwoman reminded the public that all submitted questions and comments are shared with the commission members and are made public along with the minutes.

Invited speakers and the public had the opportunity to share questions, ideas, and concerns with members of the commission.

Board Secretary Jolitha Joanem, called on members of the public who signed up to speak. All speakers were given three (3) minutes to speak. Director Blake called on the invited speakers to speak first.

Jennifer Robles: From Empire Dispensary, spoke about being a minority women own business is frustrated they are bleeding money on lease and not being able to get an answer from CRC staff about their application status. She said the State of NJ said this is about small people, not for the wealthy but they can't seem to get answers on their application inquiries about moving forward with their business. Hope the Board will work on their application.

Heather Kaiser: CEO of Couslings' Route 420 LLC, family-owned business since September 2021. She said the process is difficult, she has everything in place and has provided all requested information to her town and CRC and has been turned down due to regulations in place in her town. She said there is a stigma on cannabis. There are other things out there that are harmful such as opioids and alcohol and there is no problem with them but they are afraid of a little plant.

Hugh Giordano: Representative from UFCW Local 360. Said he is happy to see all the people who attended and spoke about issues and values on wellness. He spoke about some of the cannabis businesses who decided to unionize due to poor working conditions in the facilities. He spoke about the issues some cannabis business employees are facing such as immigration violations, human trafficking at legal cannabis businesses, Russian and Chinese Mafia influence in the cannabis business.

Kevin Riley: A Botanist who spoke about the importance of the Labor Peace Agreement between cannabis businesses with the unions. He spoke about provisions to providing fair wages and benefits, maintaining safe working conditions, and respecting the rights of workers to organize and collectively bargain.

12. ADJOURNMENT

Chairwoman Houenou called for a motion to adjourn. Commissioner Barker made the motion to adjourn and seconded by Commissioner Del Cid-Kosso. Chairwoman Houenou called the vote.

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

NAYS: None

The public meeting adjourned at 3:01pm.

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 **March 2, 2023**.



Christopher Riggs
Chief Counsel

Date: 5/9/23



Jolitha Joanem
Administrative Assistant

Date: 5/9/23