

MEMORANDUM

TO: Cannabis Regulatory Commission Board

FROM: Jeff Brown, Executive Director

SUBJECT: Testing Laboratory Renewals

OCTOBER 19, 2023 **DATE:**

BACKGROUND:

Sriven Labs LLC

Sriven Labs LLC ("Sriven") was awarded a license to operate as a Testing Laboratory by the Board of Commissioners for the New Jersey Cannabis Regulatory Commission on May 24, 2022. Following review of all Standard Operating Procedures and a site visit from the Office of Compliance and Investigations, Sriven was issued its license to operate as a Testing Laboratory on November 18, 2022, with the license expiring on December 31, 2023. On September 19, 2023, Sriven submitted updates through the NIC Licensing Portal through a Business License Renewal application. Additional documentation was requested by the Office of Compliance and Investigations. All requisite documents were received on or about October 5, 2023, and reviewed by the Office of Compliance and Investigations for regulatory compliance.

New Jersey Cannalytics LLC

New Jersey Cannalytics LLC ("NJ Cannalytics") was awarded a license to operate as a Testing Laboratory by the Board of Commissioners for the New Jersey Cannabis Regulatory Commission on May 24, 2022. Following review of all Standard Operating Procedures and a site visit from the Office of Compliance and Investigations, NJ Cannalytics was issued its license to operate as a Testing Laboratory on August 8, 2022, with the license expiring on December 31, 2023. On May 26, 2023, NJ Cannalytics submitted its renewal application through the NIC Licensing Portal. Additional documentation was requested by the Office of Compliance and Investigations. All requisite documents were received on or about October 5, 2023, and reviewed by the Office of Compliance and Investigations for regulatory compliance.



AUTHORITY:

N.J. Admin. Code § 17:30-18.4

(a) A license shall be in effect for a period of one year and shall be renewable annually thereafter.

(b) Ninety days prior to the expiration of a testing laboratory license, a testing laboratory that seeks to renew the license shall submit to the Commission an application for renewal of the license with all required documentation and the required fees pursuant to N.J.A.C. 17:30–18.2.

1. A testing laboratory shall update and ensure the correctness of all information submitted in previous applications for a license or otherwise on file with the Commission.

2. A testing laboratory shall submit a copy of the most recent assessment from the accreditation body as required at N.J.A.C. 17:30-18.5(e).

3. Failure to provide correct and current up-to-date information is grounds for denial of application for renewal of the license.

(c) The license period for a testing laboratory shall be from January 1st (or the date of approval of the application, if later) through December 31st of a given year.

(d) An applicant for renewal of a testing laboratory license shall submit a fee of \$4,000 in a check payable to the "Treasurer, State of New Jersey."

(e) The Commission shall renew the license of a testing laboratory that meets the requirements of this subchapter; the Commission shall deny the application for renewal of the license if the Commission determines that the facility is in violation of the Act or this chapter.

LICENSES UP FOR RENEWAL:

Sriven Labs LLC was approved for the following license at the May 24, 2022, public meeting:

License Approved	Location	
Testing Laboratory	143 Harding Avenue, Bellmawr, New Jersey	

New Jersey Cannalytics LLC was approved for the following license at the May 24, 2022, public meeting:

License Approved	Location
Testing Laboratory	299 Ridgedale Avenue, Suite 1A, East Hanover, New Jersey



COMPLETENESS REVIEW: N.J.A.C. 17:30-18.4(b) establishes the necessary submissions that a Testing Laboratory must provide to the Commission in order to be considered for renewal of each issued license for engaging in the testing of cannabis and cannabis items. The chart below outlines the required documents for submission to the NJ-CRC for Testing Laboratory license renewal and whether the documents were received by the CRC.

DOCUMENTATION SUBMISSION	RECEIVED (Y/N)
Certification that all information submitted in previous applications	
for a license or otherwise on file with the Commission continues to	Y
be accurate, or alternatively, has been updated.	
A copy of the most recent assessment from the accreditation body as	V
required by N.J.A.C. 17:30-18.5(e)	1

IN-DEPTH REVIEW:

In its renewal application, the applicant has stated that it continues to utilize those processes and procedures that were in place at the time it was initially licensed. The Office of Compliance and Investigations can confirm that the applicant has adhered to the standards established in its initial license application.

The renewal application for Sriven's Testing Laboratory license located at 143 Harding Avenue, Bellmawr, New Jersey, was verified by Staff to have been submitted in advance of the October 19, 2023, public meeting. As part of this renewal application, and pursuant to the process imposed by the NJ-CRC, the following documentation was provided:

- 1. Certification that all information submitted in previous applications for a license or otherwise on file with the Commission continues to be accurate, or alternatively, has been updated.
- 2. A copy of the most recent assessment from the accreditation body as required by N.J.A.C. 17:30-18.5(e)

Since license issuance, the following violations have been associated with the Testing Laboratory license: $$\rm N/A$$

Sriven has confirmed that it will remit the requisite \$4,000.00 license renewal fee upon invoicing.

In its renewal application, the applicant has stated that it continues to utilize those processes and procedures that were in place at the time it was initially licensed. The Office of Compliance and Investigations can confirm that the applicant has adhered to the standards established in its initial license application.



The renewal application for NJ Cannalytics Testing Laboratory license located at 299 Ridgedale Avenue, Suite 1A, East Hanover, New Jersey, was verified by Staff to have been submitted in advance of the October 19, 2023, public meeting. As part of this renewal application, and pursuant to the process imposed by the NJ-CRC, the following documentation was provided:

- 1. Certification that all information submitted in previous applications for a license or otherwise on file with the Commission continues to be accurate, or alternatively, has been updated.
- 2. A copy of the most recent assessment from the accreditation body as required by N.J.A.C. 17:30-18.5(e)

Since license issuance, the following violations have been associated with the Testing Laboratory license: N/A

NJ Cannalytics has confirmed that it will remit the requisite \$4,000.00 license renewal fee upon invoicing.

RECOMMENDATION:

Staff recommends renewal of the Testing Laboratory licenses to Sriven and NJ Cannalytics. The applicants have submitted all the requisite information and documentation to support the applications for renewal and have satisfied the requirements of N.J.A.C. 17:30-18.4(b). All submitted documentation has been provided to and reviewed by staff of the Office of Compliance and Investigations as well as the Director.

License	Location	Recommendation
Testing Laboratory	143 Harding Avenue, Bellmawr, New Jersey	Approve
Testing Laboratory	299 Ridgedale Avenue, Suite 1A, East Hanover, New Jersey	Approve

APPENDIX

N.J. Stat. Ann. § 24:6I-18

a. (1) A laboratory that performs testing services pursuant to section 24 of P.L.2019, c. 153 (C.24:6I-17) shall be licensed by the commission and may be subject to inspection by the commission to determine the condition and calibration of any equipment used for testing purposes and to ensure that testing of medical cannabis and medical cannabis products is being performed in accordance with the requirements of section 26 of P.L.2019, c. 153 (C.24:6I-19), and the testing of usable cannabis, cannabis products, cannabis extracts, or any other cannabis resins is being performed in accordance with the requirements of section 18 of P.L.2021, c. 16 (C.24:6I-35). Each applicant for licensure pursuant to this section shall submit an attestation signed by a bona fide labor organization stating that the applicant has entered into a labor peace agreement with such bona fide labor organization. The maintenance of a labor peace agreement with a bona fide labor organization shall be an ongoing material condition of maintaining a license to test all forms of cannabis.

As used in this paragraph, "bona fide labor organization" means a labor organization of any kind or employee representation committee, group, or association, in which employees participate and which exists and is constituted for the purpose, in whole or in part, of collective bargaining or otherwise dealing with medical or personal use cannabis employers concerning grievances, labor disputes, terms or conditions of employment, including wages and rates of pay, or other mutual aid or protection in connection with employment, and may be characterized by: it being a party to one or more executed collective bargaining agreements with medical or personal use cannabis employers, in this State or another state; it having a written constitution or bylaws in the three immediately preceding years; it filing the annual financial report required of labor organizations pursuant to subsection (b) of 29 U.S.C. s.431, or it having at least one audited financial report in the three immediately preceding years; it being affiliated with any regional or national association of unions, including but not limited to state and federal labor councils; or it being a member of a national labor organization that has at least 500 general members in a majority of the 50 states of the United States.

(2) Any laboratory licensed pursuant to this section prior to the effective date of P.L.2021, c. 16 (C.24:6I-31 et al.)1 to only test medical cannabis and medical cannabis products shall be authorized to test usable cannabis, cannabis products, cannabis extracts, or any other cannabis resins under an existing license in good standing, if the laboratory certifies to the commission that its facility, and the condition and calibration of any equipment used for testing meet the commission's accreditation requirements for licensure as a cannabis testing facility, its testing procedures will be performed in accordance with the requirements of section 18 of P.L.2021, c. 16 (C.24:6I-35), and it will not make operational changes that reduce the prompt testing of medical cannabis and medical cannabis products as required by subsection b. of section 24 of P.L.2019, c. 153 (C.24:6I-17). The commission shall acknowledge receipt of the laboratory's certification in writing to that laboratory, which shall

serve as notice and recognition that the laboratory may test usable cannabis, cannabis product, cannabis extract, or any other cannabis resin under the existing license.

b. There shall be no upper limit on the number of laboratories that may be licensed to perform testing services.

c. A person who has been convicted of a crime involving any controlled dangerous substance or controlled substance analog as set forth in chapter 35 of Title 2C of the New Jersey Statutes except paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law of the United States or any other state shall not be issued a license to operate as or be a director, officer, or employee of a medical cannabis testing laboratory, unless such conviction occurred after the effective date of P.L.2009, c. 307 (C.24:6I-1 et al.) and was for a violation of federal law relating to possession or sale of cannabis for conduct that is authorized under P.L.2009, c. 307 (C.24:6I-1 et al.) or P.L.2015, c. 158 (C.18A:40-12.22 et al.).

d. (1) The commission shall require each applicant for licensure as a medical cannabis testing laboratory to undergo a criminal history record background check, except that no criminal history record background check shall be required for an applicant who completed a criminal history record background check as a condition of professional licensure or certification.

For purposes of this section, the term "applicant" shall include any owner, director, officer, or employee of a medical cannabis testing laboratory. The commission is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. The Division of State Police shall forward criminal history record background information to the commission in a timely manner when requested pursuant to the provisions of this section.

An applicant who is required to undergo a criminal history record background check pursuant to this section shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. No check of criminal history record background information shall be performed pursuant to this section unless the applicant has furnished the applicant's written consent to that check. An applicant who is required to undergo a criminal history record background check pursuant to this section who refuses to consent to, or cooperate in, the securing of a check of criminal history record background information shall not be considered for a license to operate, or authorization to be employed at, a medical cannabis testing laboratory. An applicant shall bear the cost for the criminal history record background check, including all costs of administering and processing the check.

(2) The commission shall not approve an applicant for a license to operate, or authorization to be employed at, a medical cannabis testing laboratory if the criminal history record background information of the applicant reveals a disqualifying conviction as set forth in subsection c. of this section.

(3) Upon receipt of the criminal history record background information from the Division of State Police and the Federal Bureau of Investigation, the commission shall provide written notification to the applicant of the applicant's qualification or disqualification for a license to operate or be a director, officer, or employee of a medical cannabis testing laboratory.

If the applicant is disqualified because of a disqualifying conviction pursuant to the provisions of this section, the conviction that constitutes the basis for the disqualification shall be identified in the written notice.

(4) The Division of State Police shall promptly notify the commission in the event that an individual who was the subject of a criminal history record background check conducted pursuant to this section is convicted of a crime or offense in this State after the date the background check was performed. Upon receipt of that notification, the commission shall make a determination regarding the continued eligibility to operate or be a director, officer, or employee of a medical cannabis testing laboratory.

(5) Notwithstanding the provisions of subsection c. of this section to the contrary, the commission may offer provisional authority for an applicant to be an owner, director, officer, or employee of a medical cannabis testing laboratory for a period not to exceed three months if the applicant submits to the commission a sworn statement attesting that the person has not been convicted of any disqualifying conviction pursuant to this section.

(6) Notwithstanding the provisions of subsection c. of this section to the contrary, no applicant to be an owner, director, officer, or employee of a medical cannabis testing laboratory shall be disqualified on the basis of any conviction disclosed by a criminal history record background check conducted pursuant to this section if the individual has affirmatively demonstrated to the commission clear and convincing evidence of rehabilitation. In determining whether clear and convincing evidence of rehabilitation has been demonstrated, the following factors shall be considered:

(a) the nature and responsibility of the position which the convicted individual would hold, has held, or currently holds;

(b) the nature and seriousness of the crime or offense;

(c) the circumstances under which the crime or offense occurred;

(d) the date of the crime or offense;

(e) the age of the individual when the crime or offense was committed;

(f) whether the crime or offense was an isolated or repeated incident;

(g) any social conditions which may have contributed to the commission of the crime or offense; and

(h) any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in correctional work-

release programs, or the recommendation of those who have had the individual under their supervision.

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2. A testing laboratory shall submit a copy of the most recent assessment from the accreditation body as required at N.J.A.C. 17:30–18.5(e).

3. Failure to provide correct and current up-to-date information is grounds for denial of application for renewal of the license.

(c) The license period for a testing laboratory shall be from January 1st (or the date of approval of the application, if later) through December 31st of a given year.

(d) An applicant for renewal of a testing laboratory license shall submit a fee of \$4,000 in a check payable to the "Treasurer, State of New Jersey."

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