



**State of New Jersey**  
**CANNABIS REGULATORY COMMISSION**

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MARIA DEL CID-KOSSO, *Commissioner*  
CHARLES BARKER, *Commissioner*  
JEFF BROWN, *Executive Director*

**RESOLUTION 2023-178**  
**ADVISORY NOTICE ON REGULATORY POLICY: RENEWAL PROCESS FOR**  
**NEWLY LICENSED TESTING LABORATORIES**

**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,” (“Honig Act”) is charged with implementing the provisions of the Honig Act as well as P.L.2021, c.16, known and cited as the “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act” (“CREAMM Act”); and

**WHEREAS**, the Commission is vested with broad powers, which encompass “all powers necessary or proper to enable it to carry out the commission's duties, functions, and powers” under both the Honig Act and the CREAMM Act; and

**WHEREAS**, the Commission has the authority to oversee all aspects of licensure and permitting, including the licensing for testing laboratories; and

**WHEREAS**, to apply for a testing laboratory license, applicants must satisfy the qualification and application requirements, including the payment of necessary fees, as set forth in N.J.A.C. 17:30-18.2 and N.J.A.C. 17:30-18.3; and

**WHEREAS**, pursuant to N.J.A.C. 17:30-18.2 and N.J.A.C. 17:30-7.17, applicants for a testing laboratory license are subject to an application fee of \$2,000 and an initial license fee of \$4,000; and

**WHEREAS**, applicants for a testing laboratory license are also subject to a thorough vetting by the Commission in accordance with the CREAMM Act and the implementing regulations; and

**WHEREAS**, N.J.A.C. 17:30-18.4 governs the validity and renewal process for a testing laboratory license, and states:

- (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.

....

(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.

**WHEREAS**, a testing laboratory license renewal application is subject to a fee of \$4,000, in accordance with N.J.A.C. 17:30-18.2(e)(3), N.J.A.C. 17:30-18.4(d), and N.J.A.C. 17:30-7.17(d)(22); and

**WHEREAS**, the regulations, as written, are subject to interpretation on the question of whether a testing laboratory that was issued its initial license fewer than 365 days before the license's expiration date must submit the standard license renewal application and pay the \$4,000 renewal fee; and

**WHEREAS**, clarifying and codifying the Commission's interpretation of its regulations pertaining to such renewals for testing laboratory licenses will provide notice to all such applicants and licensees as to how the Commission applies these provisions and processes testing laboratory license renewals;

**NOW, THEREFORE, BE IT RESOLVED**, by the New Jersey Cannabis Regulatory Commission, N.J.A.C. 17:30-18.4 as it pertains to the renewal process for testing laboratory licenses, is interpreted, and shall be applied, as follows:

1. As part of the testing laboratory license renewal process, a testing laboratory that received its first license from the Commission 365 or more days before the current license's expiration date shall submit the standard license renewal application. The testing laboratory shall pay the \$4,000 renewal fee upon approval of the license renewal.
2. As part of the testing laboratory license renewal process, a testing laboratory that received its first license from the Commission fewer than 365 days before the current license's expiration date shall submit an abbreviated license renewal application, which shall include, at minimum, indication of whether the testing laboratory is in compliance with the conditions stipulated in its Final Agency Decision. The testing laboratory is not required to pay the \$4,000 renewal fee.

Submitted by:



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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 7<sup>th</sup> day of December 2023.



Christopher Riggs, Chief Counsel

<b>Vote on the Approval of This Resolution</b>	<b>Motion</b>	<b>Second</b>	<b>Yes</b>	<b>No</b>	<b>Abstain</b>	<b>Absent</b>
Commissioner Barker					X	
Commissioner Del Cid-Kosso			X			
Vice Chair Delgado	X		X			
Chairwoman Houenou			X			
Commissioner Nash		X	X			



## Testing Laboratory License Renewal Overview

### Executive Summary

Testing laboratory licenses are valid for the calendar year (N.J.A.C. 17:30-18.4) and must be renewed at the end of each year (N.J.A.C. 17:30-18.4).

Testing laboratories that have been in operation for at least one year or longer are required to submit a full renewal application and fees. These testing laboratories are required to submit a renewal application satisfying the renewal requirements (N.J.A.C. 17:30-18.4) along with the required fees. The “License Renewal Application” is essentially an updated Entity Disclosure Form that verifies the testing laboratory has not made any changes that have not been disclosed to the CRC and assists CRC staff with determining whether there are any other compliance or investigatory issues.

For testing laboratories, the application fee of \$6,000 covers the first full year of licensing and then the license is renewable thereafter.

### Renewal Overview and Background

Applicants for testing laboratory have submitted fees with their license application. The fees include a \$2,000 application fee along with \$4,000 for the initial license. These fees cover the first full year of licensing in accordance with N.J.A.C. 17:30-18.4.

Additionally, because testing laboratories are investigated prior to initial licensing, testing laboratories are not required to submit a full renewal application until they are in operation for at least one full year. Because licenses are on the calendar year, this means that whenever there is a round of licensing and testing laboratories become operational during the calendar year, the testing laboratories will get some extra time on that initial license before a renewal application is required. Once they have been operational for a full year, however, they then need to submit a full renewal for the next calendar year, including the renewal application and fees.

N.J.A.C. 17:30-18.4 requires the submission of an application for the renewal of their license 90 days prior to expiration of said license. This renewal form is a form that asks for relevant information regarding the financing and operation of the testing laboratory. The fee for the review of a testing laboratory license renewal application is \$4,000. N.J.A.C. 17:30-18.2(e)(3); N.J.A.C. 17:30-7.17(d)(22).

Testing laboratories should not utilize the license renewal form to seek material changes to their license pursuant to N.J.A.C. 17:30-9.2. Changes of location, changes of ownership, name changes, and facility modifications all require distinct applications to the CRC. See N.J.A.C. 17:30-9.2.

Once a renewal application and the required fees are received, CRC staff review to verify that no material changes have been made that would otherwise require approval under N.J.A.C. 17:30-9.2 and that the



testing laboratory is otherwise in compliance with regulations governing the management, operation, and financing of the testing laboratory.

If a testing laboratory submits the renewal application, the fees, and is otherwise deemed in compliance with the Act and Chapter, then the testing laboratory's license is recommended for renewal.

For testing laboratories that have been operational for less than one year, CRC staff have requested updates to verify they are still in compliance with all post award conditions and that no material changes have been made that would otherwise impact the testing laboratories' operations or require disclosure/approval by the CRC.

### **Review and Verification**

Renewal materials are reviewed by CRC Compliance and Investigations staff, reviewed by CRC Office of Legal, reviewed by the Office of the Executive Director, and are then presented to the Board of Commissioners for consideration.

All testing laboratories seeking renewal are reviewed for:

- Completeness and accuracy.
- Material factors that could impact renewal/verification of license:
  - Undisclosed material changes; and
  - Compliance with governing regulations and any conditions imposed upon the testing laboratory by the CRC.
- Certification status and Third-Party Accreditation (MBE, WBE, DVOB, ISO 17025).
- Maintenance of Labor Peace Agreement.
- Management services agreements.
- Financial source agreements.