



#### 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 15, 2024



# Agenda

- Roll Call
- Executive Session (Anticipated 1 hour)
- Approval of prior meeting minutes
- Chair's report
- Executive Director's report
- Committee reports
  - Permitting & Licensing Committee
- Consideration of Provisional Badging
- Consideration of application for permit or license change
  - Name change
- Consideration of ownership change application



# Agenda

- Consideration of adult-use cannabis business applications
  - Conditional licenses
  - Conditional-to-annual conversions
  - Annual licenses
  - Annual license renewals
  - Expanded ATC certifications
  - License Application Denials
- Public Comment
- Adjournment



# Roll Call



# Executive Session (Approximately 1 hour)



# Approval of prior meeting minutes



# Chair's Report



### **Chair's Report: Application Timelines**

Steps from application submission to approval:

- 1. Verification of priority status
- 2. Completeness review
- Application scoring
- 4. Review of qualification for licensure
- 5. Application review by Board of Commissioners
- 6. Decision at public NJ-CRC Board meeting

14-17 weeks

3-4 weeks



#### **Chair's Report: 2024 Board Priorities**

- Monitor activities and enforcement of rules to prevent illegal activity and protect public health.
- Maintain momentum on public engagement.
- Update Agency rules for medical and adult-use cannabis businesses.
- Conduct industry assessments to evaluate the impacts of rules.
- Advocate for needed operational resources.



### **Chair's Report: 2024 Committee Priorities**

- Adopt statutorily required annual reports.
- Monitor customer complaints to identify any safety concerns.
- Commission a review of the agency as required by law.
- Solicit industry feedback to improve licensing/permitting processes.
- Increase health care provider participation in the medical cannabis program.
- Convene an ad hoc committee to recommend updates to bylaws.



# Executive Director's Report



#### **How Far We've Come**

- Medical Marijuana Program under Department of Health
- Birth of the New Jersey Cannabis Regulatory Commission in 2021
- Our efforts over 2 ½ years:
  - Staff onboarding and training, from 6 to 73 and growing
  - System requirements
  - Process development and implementation
  - Procurement



#### **How Far We've Come**

- 2023 recreational cannabis sales hit \$673,907,755
- 2023 medicinal cannabis sales reached \$99,588,104 (for the first three quarters of 2023)
- More than 2,500 applications submitted
- More than 100 licensed dispensaries



# **Licensing Update – Total Licenses Submitted**

- as of February 12, 2024

- Total 2,537 applications submitted
- 1,765 applications have been approved
- 113 applications are under review in the Office of Licensing
- 301 applications are pending resubmission following cure
- 194 applications under review in the Office of Compliance & Investigations



### **Updates on Dispensary Openings**

More than 100 medicinal and recreational dispensaries open in 20 counties.



### New Recreational-only Dispensaries

- Dank Poet Dispensary, Washington
- Fire & Oak, Mount Holly
- Jersey Roots, West Milford
- Kind Kush, Rockaway
- The Leaf Joint, Jersey City
- Lemon 22, Scotch Plains
- Mass Grown, Mount Holly

### New Medicinal-only Dispensary

- Theo A. Cannabis, Franklin Park
- Roots Dispensary, Willingboro





# **Creating an Inclusive Market: Ownership Data**

| Reconciled Majority Owner Race/Ethnicity Table (DORES/Self-Report) |               |                   |  |  |
|--|---------------|-------------------|--|--|
| <u>Race</u>  | <u>Number</u> | <u>Percentage</u> |  |  |
| White  | 140           | 37%               |  |  |
| Asian  | 71            | 19%               |  |  |
| Black or African American  | 67            | 18%               |  |  |
| Hispanic or Latino   | 35            | 9%                |  |  |
| No POI Majority or Certification                                   | 30            | 8%                |  |  |
| Other or Not Listed  | 29            | 8%                |  |  |
| American Indian or Alaska Native                                   | 2             | 1%                |  |  |
| Grand Total  | 374           | 100%              |  |  |

**Note: Includes all Annual/Conversion to Annual Awardees** 



# **Diversely-Owned Certification Data**

| Grand Total            | 431           |            |               |                |               |
|------------------------|---------------|------------|---------------|----------------|---------------|
| Sub Total by Group     | 374           |            | 57            |                |               |
| Sub Total by Type      | 141           | 233        | 57            |                |               |
| No Certification       | 45            | 78         | 49            | 33%            | 40%           |
| WBE                    | 38            | 60         | 3             | 26%            | 23%           |
| MWBE/DVOB              | 0             | 2          | 0             | 1%             | 0%            |
| MWBE                   | 20            | 48         | 5             | 18%            | 17%           |
| MDVOB                  | 2             | 1          | 0             | 1%             | 1%            |
| MBE/DVOB               | 0             | 1          | 0             | 0%             | 0%            |
| MBE                    | 33            | 41         | 0             | 20%            | 17%           |
| DVOB                   | 3             | 2          | 0             | 1.3%           | 1.1%          |
| DOB Certification Type | <u>Annual</u> | Conversion | <u>Annual</u> | New AU         | Total Awarded |
|                        | New AU        | Licenses   | Expansions    | Percent of Lic | enses Awarded |



# Licensing Update — Total Recreational Licenses Approved

- as of February 12, 2024

- 1,344 conditionals
- 268 conditional-to-annual conversions
- 153 annuals
- 66 Expanded ATCs
- 209 Total: operating licenses issued



## Applications up for consideration

- 12 Conditional applications
- 20 Conditional-to-annual conversion applications
- 4 Annual applications
- 3 Annual renewals
- 1 Expanded ATC



# **Current Patient Enrollment Numbers**

- As of February 12, 2024

Total patients: 85,641

• Caregivers: 5,234

• Doctors: 1,533



# **CRC High Points Podcast**

- A monthly podcast about the NJ-CRC's work and New Jersey cannabis
- Provides valuable insights, expert discussions, and updates for:
  - Consumers
  - Cannabis business owners
  - Potential entrepreneurs
  - Canna-curious audience
- Next episode, March 1 with Chair Houenou

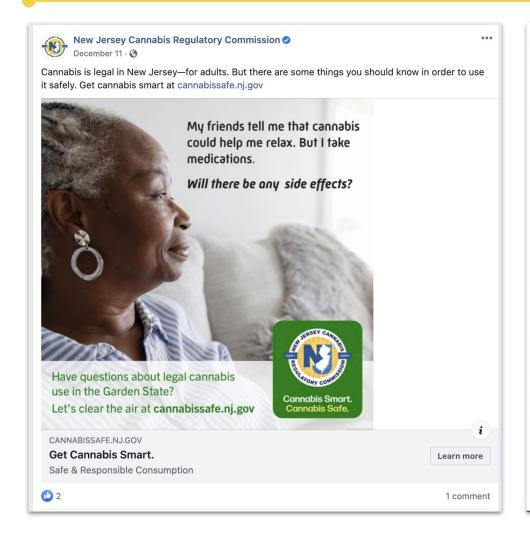


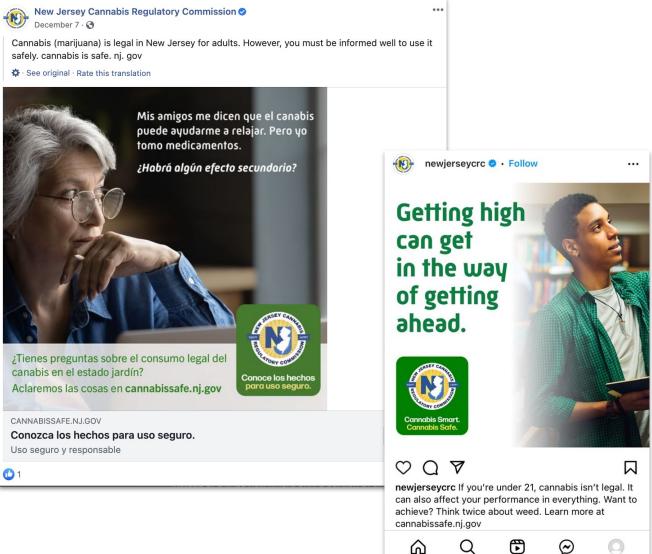


# Safe-Use Campaign Update

- Launched in October 2023
- Primary Goals
  - Promote safe-use practices among adults
  - Promote teen deterrence
  - Educate consumers about keeping small children safe
- Digital ads
  - Social media, internet banner ads, streaming television and audio services
  - Impressions: 6,856,991
  - Outperforming benchmarks for click-thru rates and completions

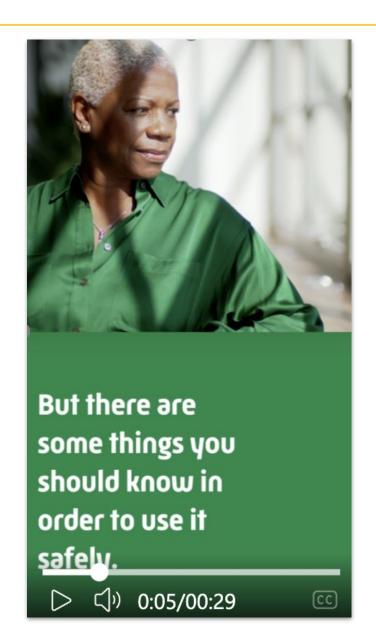
### Facebook / Instagram





#### YouTube







### Display







# Safe-Use Campaign Update

- Interactive Banner ads
  - In English & Spanish
  - Impressions: 564,959
- Streaming service interactive ads (OTT and CTV)
  - Devices and apps
  - 99% viewers watched the video in its entirety
- Billboards
  - 93 digital and analog
  - Located along highways in 12 counties
  - Impressions: 17,120,546

## OOH



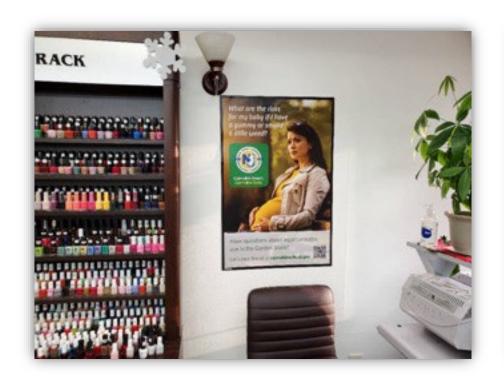




# Safe-Use Campaign Update

- Posters
  - Barbershops and hair salons (places where people sit for a long time)
- Community Partners

# Barbershops/Beauty Salons



























# Committee Reports

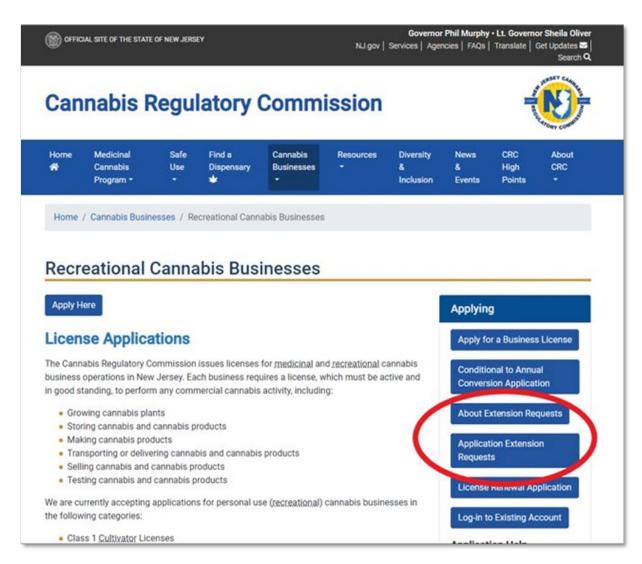


# Permitting & Licensing Committee



### **Permitting/Licensing Committee Report**

194 extensions granted from November – January.





### **Permitting/Licensing Committee Report**

#### AU Awardees approaching their operational deadline

| Month    | Number of Awardees with<br>Operational Deadline |  |
|----------|---|--|
| January  | 14  |  |
| February | 22  |  |
| March    | 17  |  |



#### **Permitting/Licensing Committee Report**

- 2019 RFA There are 21 awardees with an upcoming expiration date.
  - The Committee highly encourages the awardees to stay in constant communication with their Field Monitor.
- From the overall awards, two (2) awardees withdrew their consideration from the 2019 RFA.
  - The Committee is recommending <u>not</u> to reissue those awards.



#### **Permitting/Licensing Committee Report**

- The Committee will solicit feedback on the application and licensing processes.
- The Committee will convene a public hearing this spring to:
  - Give the public an opportunity to weigh in on the current licensing process
  - Understand what's working and what can be improved
  - Hear ideas to make processes more efficient
- Details will be announced soon.



# Consideration of Provisional Badging



#### **Provisional Badging**

- Guidance for both ATC ID and Cannabis Business ID cards include the following provisions and conditions:
  - If fingerprint results are not received within 14 days of an appointment, a provisional ID will be issued (good for 90 days)
  - Average time from request to issuance is 50 days.
  - Applicants must provide a receipt for a fingerprint appointment and signed attestation stating they have no disqualifying convictions.



#### **Provisional Badging**

- Provisional status not offered to owners, principals, or managers (line-level employees only).
- Being issued a provisional ID does not guarantee qualification.
- Submitting a false attestation can result in disqualification and ineligibility.



To approve provisional badging



### Consideration of Applications for Permit or License Changes



### Name change applications:

- Clade9 New Jersey LLC The QCC Group LLC
- Shigh LLC Midnight Greens LLC



### To approve name change applications



### Consideration of Applications for Ownership Changes



#### Ownership change application:

- Harmony Foundation
  - Illicit Cannabis New Jersey LLC



### To approve ownership change application



# Consideration of Adult-use Cannabis Business Applications



#### **Conditional applications:**

- 12 conditional licenses
  - 2 cultivators
  - 1 manufacturer
  - 1 wholesaler
  - 1 distributor
  - 6 retailers
  - 1 delivery



### Adult-Use: Consideration of <u>conditional</u> applications

#### **Recommendation:**

| No. | Application ID | Applicant Business Name        | License Class | Business<br>Category |
|-----|----------------|--------------------------------|---------------|----------------------|
| 1   | 5503           | Garden St. Gas LLC             | Cultivator    | Microbusiness        |
| 2   | 4919           | Simply Pure Trenton NJ Inc     | Cultivator    | Standard             |
| 3   | 6537           | TerpTaxi LLC                   | Delivery      | Standard             |
| 4   | 5533           | YCE Wholesale & Logistics      | Distributor   | Standard             |
| 5   | 5791           | Mudd Brothers Cannabis Company | Manufacturer  | Standard             |
| 6   | 5887           | Atlantic City Cannabis         | Retailer      | Microbusiness        |
| 7   | 3288           | Epitome7 LLC                   | Retailer      | Microbusiness        |
| 8   | 1382           | Gas on the Go Vending          | Retailer      | Microbusiness        |
| 9   | 5709           | Green Acres Dispensary LLC     | Retailer      | Microbusiness        |
| 10  | 6403           | Green Paradise Therapy, LLC    | Retailer      | Microbusiness        |
| 11  | 3957           | Emerald Apothecary, LLC        | Retailer      | Standard             |
| 12  | 5532           | YCE Wholesale & Logistics      | Wholesaler    | Standard             |



### To approve 12 conditional license applications



### Consideration of Adult-use Conditional Application Denials



### Adult-Use: Consideration of conditional application denials

#### **Payment Process Overview for conditional licenses:**

- Upon approval, applicants are required to pay required fees
- Payment is considered delinquent after 30 days
- Final 30-day notice is issued after an additional 30 days
- Notice of denial recommendation is issued after 60 days



### Adult-Use: Consideration of <u>conditional</u> application denials

#### Recommended denial for nonpayment:

| No. | Applicant ID | Applicant Business Name | License Class | Business Category |
|-----|--------------|-------------------------|---------------|-------------------|
| 1   | 3788         | JNB Prime LLC           | Cultivator    | Standard          |
| 2   | 3789         | JNB Prime LLC           | Manufacturer  | Standard          |
| 3   | 1915         | High Buddy              | Retailer      | Microbusiness     |
| 4   | 3262         | Loddy Exotics           | Retailer      | Microbusiness     |
| 5   | 2900         | Urth Company LLC        | Retailer      | Microbusiness     |
| 6   | 3637         | Aspen Corner Office LLC | Retailer      | Standard          |
| 7   | 3241         | JNB Prime LLC           | Retailer      | Standard          |



To deny 7 conditional license applications license application



### Conditional-to-Annual license conversion applications

- 20 conditional-to-annual conversion licenses
  - 3 cultivators
  - 6 manufacturers
  - 11 retailers



### Adult-Use: Consideration of <u>conditional-to-annual license conversion</u> applications

#### **Recommendation:**

| No. | Application<br>ID | Applicant Business Name   | Conditional<br>Application<br>ID | License Class | Business<br>Category |
|-----|-------------------|---------------------------|----------------------------------|---------------|----------------------|
| 1   | 3033              | 420 Organics LLC          | 2232                             | Cultivator    | Microbusiness        |
| 2   | 3784              | Shnicks Shnacks           | 1248                             | Cultivator    | Microbusiness        |
| 3   | 4398              | Aeterna LLC               | 1175                             | Cultivator    | Standard             |
| 4   | 3019              | Green Alchemy LLC         | 1289                             | Manufacturer  | Microbusiness        |
| 5   | 3335              | Prolific Growhouse        | 2465                             | Manufacturer  | Microbusiness        |
| 6   | 3785              | Shnicks Shnacks           | 1250                             | Manufacturer  | Microbusiness        |
| 7   | 3243              | ABCO Garden State LLC     | 1349                             | Manufacturer  | Standard             |
| 8   | 2718              | Jersey Extraction Lab LLC | 1245                             | Manufacturer  | Standard             |
| 9   | 3432              | Topless Pre Rolls LLC     | 2876                             | Manufacturer  | Standard             |
| 10  | 3684              | Canopy Crossroad, LLC     | 1406                             | Retailer      | Microbusiness        |



### Adult-Use: Consideration of <u>conditional-to-annual license conversion</u> applications

#### **Recommendation:**

| No. | Application<br>ID | Applicant Business Name | Conditional<br>Application<br>ID | License Class | Business<br>Category |
|-----|-------------------|-------------------------|----------------------------------|---------------|----------------------|
| 11  | 4291              | Lady L Cannabis LLC     | 1462                             | Retailer      | Microbusiness        |
| 12  | 4027              | Social Dispensary       | 2026                             | Retailer      | Microbusiness        |
| 13  | 3608              | Citi Roots LLC          | 2786                             | Retailer      | Standard             |
| 14  | 4385              | Dogwood Green LLC       | 1812                             | Retailer      | Standard             |
| 15  | 3006              | Hound Town 543          | 1976                             | Retailer      | Standard             |
| 16  | 2774              | HudHaus LLC             | 1504                             | Retailer      | Standard             |
| 17  | 4020              | Nimbus Holdings LLC     | 1786                             | Retailer      | Standard             |
| 18  | 3200              | ReLeaf Cannabis LLC     | 1418                             | Retailer      | Standard             |
| 19  | 3621              | Scarlet Reserve Room RB | 1434                             | Retailer      | Standard             |
| 20  | 3038              | Vigor Dispensary LLC    | 1428                             | Retailer      | Standard             |



### To approve 20 conditional-to-annual license conversion applications



### Consideration of Adult-use Conditional Conversion-to-Annual Application Denials



### Adult-Use: Consideration of conditional conversion-to-annual application denials

#### Payment Process Overview for conditional conversion-toannual licenses:

- Upon approval, applicants are required to pay required fees
- Payment is considered delinquent after 30 days
- Final 30-day notice is issued after an additional 30 days
- Notice of denial recommendation is issued after 60 days



### Adult-Use: Consideration of <u>conditional</u> <u>conversion-to-annual</u> application denials

#### Recommended denial for nonpayment:

| No. | Applicant ID | Applicant Business Name | Conditional<br>Applicant ID | License Class | Business Category |
|-----|--------------|-------------------------|-----------------------------|---------------|-------------------|
| 1   | 2559         | Sensory Dispensary      | 2322                        | Retailer      | Standard          |



### To deny 1 conditional conversion-toannual license application



#### **Annual license applications**

- 4 annual licenses
  - 0 cultivators
  - 0 manufacturers
  - 4 retailers



### Adult-Use: Consideration of <u>annual</u> <u>license</u> applications

#### **Recommendation:**

| No. | Application<br>ID | Applicant Business Name | License Class | Business<br>Category |
|-----|-------------------|-------------------------|---------------|----------------------|
| 1   | 3825              | Kine Buds Maywood LLC   | Retailer      | Standard             |
| 2   | 3592              | Kine Buds Monroe LLC    | Retailer      | Standard             |
| 3   | 4773              | KushKlub NJ LLC         | Retailer      | Standard             |
| 4   | 4741              | Lenola Wellness LLC     | Retailer      | Standard             |



## To approve 4 annual license applications



#### **Annual license renewals**

- BLOC Dispensary LLC
  - ATC 1474 Prospect Street, Ewing
  - ATC 1761 North Olden Avenue, Ewing
  - ATC 1075 Easton Avenue, Somerset



## To approve 3 annual license renewal applications



#### **Expanded ATC certifications:**

- Harmony Foundation, Class 1 Cultivator, 144 Route 94,
  Lafayette
- Harmony Foundation, Class 2 Manufacturer, 144 Route 94,
  Lafayette



# To approve Harmony Foundation expansion certifications





#### **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. May also submit comments in writing at NJ.gov/cannabis/meetings



### Adjournment

The Commission will hold its next public meeting on Wednesday, March 13th, 2024, at 44 South Clinton Avenue, Trenton, New Jersey.