



MEMORANDUM

TO: Cannabis Regulatory Commission Board
FROM: Jeff Brown, Executive Director
SUBJECT: Annual License Renewals for the March 2024
DATE: FEBRUARY 15, 2024

BACKGROUND: Adult Use cannabis business licenses are effective for a period of one year from the date of license issuance and licenses of all classes are required to be renewed annually. This rule applies to licenses issued through the normal course as conversion and/or annual licenses, as well as licenses that have been issued to Alternative Treatment Centers to allow for the expansion of those businesses into the Adult Use market.

The annual renewal application consists of submission of the Adult Use Cannabis License Renewal Certification as well as the requisite fee (the fee is dependent on the number and class of licenses – *see below*).

In addition to the regular requirements, if the renewal is submitted by an expanded Alternative Treatment Center renewing after its first year of Adult Use operations, the following documents must be submitted:

- Certification as to the continued material accuracy of the expanded ATC's previously approved ATC license application and its compliance with the provisions of the Act regarding its operations concerning cannabis and cannabis items.
- Updated written approval from the municipalities in which the expanded ATC is located, approving the continued operations as a cannabis business.

It is the obligation of each business to notify the New Jersey Cannabis Regulatory Commission throughout the year of any material changes to their business, including but not limited to the addition/subtraction of owners, on-boarding of new employees, and execution of additional contracts. Any changes occurring toward the end of the license year may be submitted with the renewal documentation.

AUTHORITY:

N.J. Admin. Code § 17:30-9.4 (*for Expanded ATCs*)



...(m) An expanded ATC issued cannabis business licenses pursuant to N.J.A.C. 17:30–7.1 shall be authorized to use the premises for all activities under the Act and the Jake Honig Compassionate Use Medical Cannabis Act, P.L. 2009, c. 307 (N.J.S.A. 24:6I–1 et seq.), without being required to establish or maintain any physical barriers or separations between operations related to the medical use of cannabis and operations related to personal use of cannabis items...

...3. Not fewer than 90 days prior to the date on which the expanded ATC's cannabis business license is set to expire after its first year of operations, in order to renew its cannabis business license pursuant to N.J.A.C. 17:30–7.16, an expanded ATC shall:

i. Certify to the Commission as to the continued material accuracy of the expanded ATC's previously approved ATC license application and its compliance with the provisions of the Act regarding its operations concerning cannabis or cannabis items; and

ii. Submit a new written approval from the municipality in which the expanded ATC is located, approving the continued operations as a cannabis business.

4. After the end of the second year of expanded ATC's licensure, the license renewal process pursuant to N.J.A.C. 17:30–7.16 shall be followed.

N.J. Admin. Code § 17:30-7.16

(a) A license holder holding an annual license, including an annual license converted from a conditional license, shall renew such annual license annually.

(b) The Commission may renew a license subject to conditions set forth in this chapter.

(c) A license holder shall submit a renewal application and the annual licensing fee pursuant to N.J.A.C. 17:30–7.17 no later than 90 days prior to the expiration of the current cannabis business license. Submission within 90 days of expiration of the current cannabis business license may result in a lapse in the cannabis business's licensure and subject the cannabis business to enforcement action.

(d) Pursuant to (c) above, the following may be grounds for denial of a license renewal application:

1. Failure to provide truthful, correct, and current information;
2. Failure to maintain compliance with the Act or this chapter;



3. Failure to maintain its diversely owned business, impact zone business, social equity business, or microbusiness status;
4. The inclusion of a person or entity not deemed qualified to hold a license; or
5. The commission of three or more major violations within the preceding 12 months.

(e) Renewal materials submitted to the Commission pursuant to N.J.S.A. 24:6I-7.2 or this section shall not be considered a public record pursuant to N.J.S.A. 47:1A-1 et seq., or the common law concerning access to government records.

N.J. Admin. Code § 17:30-7.17

... 6. Annual microbusiness cannabis cultivator initial or renewal licensing fee
\$1,000

7. Annual standard cannabis cultivator initial or renewal licensing fee

i. Tier I

\$5,000

ii. Tier II

\$10,000

iii. Tier III

\$20,000

iv. Tier IV

\$30,000

v. Tier V

\$40,000

vi. Tier VI

\$50,000

8. Annual microbusiness cannabis manufacturer initial or renewal licensing fee

\$1,000

9. Annual standard cannabis manufacturer initial or renewal licensing fee:



- i. With premises up to 10,000 square feet
\$20,000
 - ii. With premises greater than 10,000 square feet
\$30,000
 - 10. Annual microbusiness cannabis retailer initial or renewal licensing fee
\$1,000
 - 11. Annual standard cannabis retailer initial or renewal licensing fee
\$10,000
 - 12. Annual microbusiness cannabis wholesaler initial or renewal licensing fee
\$1,000
 - 13. Annual standard cannabis wholesaler initial or renewal licensing fee
\$10,000
 - 14. Annual microbusiness cannabis distributor initial or renewal licensing fee
\$1,000
 - 15. Annual standard cannabis distributor initial or renewal licensing fee
\$3,000
 - 16. Annual microbusiness cannabis delivery service initial or renewal licensing fee
\$1,000
 - 17. Annual standard cannabis delivery service initial or renewal licensing fee
\$3,000...
- (g) An expanded ATC shall pay initial or renewal licensing fees in accordance with the license(s) it holds, pursuant to (d) above...



LICENSES UP FOR RENEWAL

BLOC Dispensary LLC:

| License Number | Location |
|-----------------------|--|
| C000202 | 1474 Prospect Street, Ewing, NJ 08638 |
| RE000385 | 1761 North Olden Avenue, Ewing, NJ 08638 |
| RE000384 | 1075 Easton Ave., Somerset NJ 08873 |

COMPLETENESS REVIEW: The Commission requires that each renewal application be submitted on the Adult Use Cannabis License Renewal Certification form. Any material changes or business updates are supplied either via Entity Disclosure Form for the business or submission of contracts, as appropriate. An expanded ATC must submit a new written municipal approval after its first year of operations only.

| DOCUMENTATION SUBMISSION | RECEIVED (Y/N) |
|---|-----------------------|
| Adult Use Cannabis License Renewal Certification | Y |
| Updates or Additional Documentation (if necessary) | N/A |
| Updated written approval from the municipalities in which the expanded ATC is located, approving the continued operations as a cannabis business. | Y |

RECOMMENDATION:

Staff recommend renewal of the three Adult Use licenses held by BLOC Dispensary LLC and authorization to continue operations for the next license year. The applicant has submitted all the requisite information and documentation to support their application for renewal and has satisfied the requirements of the Commission and has satisfied the requirements of N.J.A.C. 17:30-9.4(m). All submitted documentation has been provided to and reviewed by staff of the Office of Licensing and the Office of Compliance and Investigations, as well as the Directors of those Offices.