

PHILLIP D. MURPHY Governor

Tahesha L. Way Lt. Governor DIANNA HOUENOU, Chair
SAMUEL DELGADO, Vice Chair
KRISTA NASH, Commissioner
MARIA DEL CID-KOSSO, Commissioner
CHARLES BARKER, Commissioner
JEFF BROWN, Executive Director

## RESOLUTION 2024-210 MODIFICATION OF DELEGATION OF AUTHORITY TO ACT ON PROPOSED MANAGEMENT SERVICES AND FINANCIAL SOURCE AGREEMENTS AND VIOLATIONS OF COMMISSION RULES

WHEREAS, on September 9, 2022, the Commission adopted Resolution 2022-45, delegating certain powers of the Commission to the Executive Director concerning Management Services Agreements and Financial Source Agreements, Alternative Treatment Center ("ATC") Identification Cards and Cannabis Business Identification Cards, applications for a change of location concerning Alternative Treatment Centers and personal-use cannabis businesses, and proposals to engage in home delivery or curbside pick-up of personal-use and medicinal cannabis items, all of which require the Commission to approve or deny; and

WHEREAS, pursuant to N.J.S.A. 24:6I-24(e), the Commission may designate its powers and authority as it deems necessary and appropriate to carry out its duties and implement the provisions of N.J.S.A. 24:6I-1 et al. and N.J.S.A. 24:6I-31 et al.; and

WHEREAS, the Commission approved and adopted a set of bylaws on January 27, 2022, of which section 3.12 allows the Commission to delegate authority to one or more members of the Commission's staff as it deems necessary and appropriate to carry out its duties and statutory obligations; and

WHEREAS, the Commission has determined that submissions of proposed Management Services Agreements and Financial Source Agreements, applications for an Alternative Treatment Center Identification Card or a Cannabis Business Identification Card, applications for a change of location concerning Alternative Treatment Centers and personal-use cannabis businesses, proposals to engage in home delivery or curbside pick-up of medicinal and personal-use cannabis items and the issuances of notices of violations to ATCs and personal-use cannabis businesses can be appropriately reviewed and acted on by Commission staff with relevant experience; and

WHEREAS, the Commission has determined that it is in the public interest to streamline Commission business and create greater operational efficiency by designating to the Executive Director or his designee the Commission's authority to accept, review, and act on the aforementioned items under the Commission's regulations; and

WHEREAS, the Commission has determined that, notwithstanding the interest to streamline Commission business and create greater operational efficiency, it is in the public interest to ensure transparency and public access to the Commission's actions, especially those that concern approvals for a person or entity to engage in cannabis business or otherwise participate in the regulated cannabis industry; and

**WHEREAS**, efforts to enhance operational efficiency should not decrease transparency or public access to information about the Commission's approvals for a person or entity to participate in the regulated cannabis industry;

**NOW, THEREFORE, BE IT RESOLVED,** by the New Jersey Cannabis Regulatory Commission, that Resolution 2022-45, is hereby amended as follows:

- 1. The Executive Director, or his designee, shall have the authority to review and investigate Management Services and Financial Source Agreements, including any material changes to existing Management Services or Financial Source Agreements, for compliance with the authorizing statute and regulations. All agreements submitted as a part of the application process shall be presented to the Board of Commissioners at a public meeting for final disposition along with the corresponding application materials. Agreements submitted outside of the application process, or amended after disposition by the Board, may be granted a final disposition by the Executive Director provided the Board of Commissioners has been granted 7 business days to review the agreements and any supporting documentation, along with the proposed decision. If a Commissioner raises a concern to the Chair during the review period, then the agreement shall be considered by the Board at a public meeting. If no concern or objection is raised within the review period, then the Executive Director's disposition shall be deemed final. Nothing in this Resolution shall be construed to affect any previously issued approvals to license applicants regarding Management Services and Financial Source Agreements.
- 2. The Executive Director, or his designee, shall have the authority to issue written notices of violations to an ATC permit holder, personal-use cannabis license holder, or testing laboratory license holder pursuant to N.J.A.C. 17:30A-13.5 and N.J.A.C. 17:30-17.4(a). Each regulatory violation shall be presented to the Board of Commissioners at a public meeting for the Board to decide on any imposition of sanctions, including the decision to not impose any sanction. Nothing in this Resolution shall be construed to affect any previously issued Notices of Violation.

The Executive Director, or his designee, shall, as soon as practicable, notify the Commission's Board of any decisions made pursuant to the authority(ies) delegated by this Resolution and provide the Board with any materials relied upon for decision-making. The authorities delegated herein shall take effect immediately and shall remain in effect until modified or rescinded by the Commission.

Submitted by:

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 13<sup>th</sup> day of March 2024.

Dave A. Tuason, Deputy Counsel

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