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CERTIFICATE OF WAIVER OR SUSPENSION OF REGULATION

Authority: N.J.A.C. 17:30-3.7

Date Issued: April 11, 2024

Regulation(s) Affected: N.J.A.C. 17:30-7.14 Annual Cannabis Business License Acceptance;

Inspection; Issuance; Commencement of Operations

Effective Date: April 11, 2024

Expiration Date: Upon modification or revocation by the Board of Commissioners

The New Jersey Cannabis Regulatory Commission ("Commission") grants relief in the form of this regulatory waiver to allow for the elimination of the 365-day deadline to request a final onsite assessment for cannabis businesses, subject to the criteria and conditions set forth herein. In accordance with N.J.S.A. 24:6I-35(a) of the Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act, N.J.S.A. 24:6I-31 et seq., (the "Act"), the Commission is bestowed with certain powers with respect to regulating cannabis businesses and the adult-use cannabis market, including the authority to, in relevant part, establish procedures for the application, issuance, and denial of a cannabis business license.

After a cannabis business completes the construction and preparation of a cannabis business premises or administrative office, it must submit a written request to the Commission to conduct a final onsite assessment. N.J.A.C. 17:30-7.14(h). The Commission must conduct a final onsite assessment to "determine whether the cannabis business premises or administrative office, operations, plans, procedures, protocols, and actions are consistent with the annual license application and compliant with the Act, [Chapter 30], and any additional requirements provided by the Commission." Pursuant to N.J.A.C. 17:30-7.14(f), "[a] license applicant shall have 365 days from the date of the notice of approval to request a final onsite assessment pursuant to [N.J.A.C. 17:30-7.14(h)]." If the Commission determines that the license applicant has not completed a successful final onsite assessment with a determination of compliance within the 365-day period, "the Commission shall decline to issue the annual license approval and the license shall be returned to the Commission." N.J.A.C. 17:30-7.14(k).

The Commission has determined to issue this regulatory waiver to immediately waive the 365-day deadline for final onsite assessments for cannabis businesses. The Commission finds that waiver

of N.J.A.C. 17:30-7.14(f) and N.J.A.C. 17:30-7.14(k), will ensure more efficient licensing processes for applicants, will benefit cannabis businesses that may be at risk for losing their cannabis business license due to delays caused by external factors, and will not create a danger to the public health safety or welfare.

The specific regulation being waived is as follows:

N.J.A.C. 17:30-7.14 Annual Cannabis Business License Acceptance; Inspection; Issuance; Commencement of Operations

. . . .

(f) A license applicant shall have 365 days from the date of the notice of approval to request a final onsite assessment pursuant to (h) below.

. . . .

(k) If the Commission determines that the annual license applicant is not compliant with this chapter, or the license applicant does not undergo a successful final onsite assessment yielding a determination of compliance pursuant to (i) above within 365 days of the notice of approval, the Commission shall decline to issue the annual license approval and the license shall be returned to the Commission.

This waiver is subject to the following terms and conditions:

- 1. This waiver applies only to annual cannabis business license awardees.
- 2. This waiver eliminates the 365-day deadline by which a cannabis business must request a final onsite assessment.
- 3. Awardees must remain in communication with their assigned field monitors regarding the status of their construction and preparation.
- 4. The Commission's Permitting/Licensing Committee will periodically review the status of cannabis business license awardees to ensure that they are in communication with their assigned field monitor. If it is determined that a cannabis business license awardee has been unresponsive during the review period, the Committee will send a notice to the cannabis business license awardee providing them with a deadline by which to establish communication with their assigned field monitor. If communication is not established within that specified period, the Committee will recommend recission of the award to the Board of Commissioners.
- 5. Nothing in this resolution shall be construed to affect any other continuing obligation enumerated in a cannabis business's Final Agency Decision or any obligations applicable to the cannabis business under subchapter 9 of N.J.A.C. 17:30.
- 6. This waiver shall take effect immediately and shall remain in place until further formal action by the Commission is taken to rescind or amend this waiver.

This relief granted by the Commission is based upon assessments of New Jersey's adult-use cannabis industry. The relief granted is subject to review, modification, or revocation as the Commission deems appropriate.

Dianna Houenou, Chairperson

New Jersey Cannabis Regulatory Commission