



State of New Jersey
CANNABIS REGULATORY COMMISSION

P.O. BOX 216
TRENTON, N.J. 08625-0216

PHILIP D. MURPHY
Governor

TAHESHA L. WAY
Lt. Governor

DIANNA HOUEYOU, *Chair*
KRISTA NASH, *Commissioner*
MARIA DEL CID-KOSSO, *Commissioner*
SAMUEL DELGADO, *Commissioner*
CHARLES BARKER, *Commissioner*
CHRIS RIGGS, *Acting Executive Director*

NEW JERSEY CANNABIS REGULATORY COMMISSION
PUBLIC MEETING

Date: Wednesday, October 30, 2024

1 BOARD MEMBERS PRESENT:

2 DIANNA HOUENOU, Chair

3 SAM DELGADO - Vice Chair

4 MARIA DEL CID-KOSSO

5 KRISTA NASH

6 CHARLES BARKER

7 DANIEL SAID, Secretary

1 CHAIR: Good morning, everyone. Thank you
2 for joining us today. The time is now 11:07, and I
3 call this meeting to order. Mr. Said, can you
4 please take roll call? If you could actually first --
5 first read the -- the notice of the public meeting, Mr.
6 Said. Apologies for that.

7 THE SECRETARY: Chairwoman, this is a
8 special meeting added to the New Jersey Cannabis
9 Regulatory Commission's 2024 annual meeting schedule.

10 Adequate notice of this meeting has been
11 provided in accordance with the Senator Byron M. Baer
12 Open Public Meetings Act. Notice of the meeting was
13 provided to the Asbury Park Press, Bergen record,
14 Courier post, Star ledger and the Trenton Times on
15 October 25th, 2024.

16 The agenda and information regarding the
17 virtual nature of the meeting and the ability to
18 livestream was also posted on the CRC website. The
19 meeting time and location has also been posted on the
20 website of the New Jersey Cannabis Regulatory
21 Commission and with the office of the Secretary of the
22 State.

23 CHAIR: Thank you. Now, Mr. Said, if
24 you can take roll call, please.

25 THE SECRETARY: Commissioner Barker.

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MR. CHARLES BARKER: Present.

THE SECRETARY: Commissioner Del Cid-Kosso.

MS. MARIA DEL CID-KOSSO: Present.

THE SECRETARY: Commissioner Nash.

MS. KRISTA NASH: Present.

THE SECRETARY: Vice Chair Delgado.

VICE CHAIR: Present.

THE SECRETARY: Chairwoman Houenou.

CHAIR: Present.

THE SECRETARY: We now have a quorum.

The -- the first order of business is for the commission to go into executive session to discuss legal matters and litigation and investigation updates.

These are discussions that are not shared with the public. We believe the executive session should take about 60 minutes.

CHAIR: Thank you. Is there a motion to go into executive session?

VICE CHAIR: Madam Chairwoman, I move that we -- commission goes into executive session.

MS. DEL CID-KOSSO: Second.

CHAIR: All right. Motion by -- we have a motion by Vice Chair Delgado, and second by Commissioner Del Cid-Kosso. Is there any discussion on

1 this motion to go into executive session? Hearing no
2 discussion, all those in favor say aye.

3 ALL: Aye.

4 CHAIR: All those opposed say nay. Any
5 abstentions? Motion passes.

6 As -- as Mr. Said mentioned, we expect
7 the executive session to last approximately 60 minutes.
8 So we can expect to resume the public session, we'll
9 say at 12:15. We'll give you a five minute buffer. So
10 12:15. We will leave the live stream -- live stream
11 running during that time. So thank you for your
12 patience, everyone.

13 (EXECUTIVE SESSION - not recorded)

14 (RESUME OPEN SESSION)

15 CHAIR: All right. We are back. Time is
16 1:37, and we will resume the public portion of this
17 meeting.

18 Thank you everybody for your patience.
19 Again, we try our best to anticipate -- to accurately
20 anticipate the amount of time that we'll need during
21 our executive session. Sometimes we underestimate how
22 much time we actually need.

23 Now, before we begin the -- before we
24 carry forward with our agenda, I do want to note that
25 we have one agenda change. Application number 2893 is

1 not being considered today, so that staff can do some
2 additional follow up that they requested. So again
3 that is application number 2893 is not going to be
4 considered today, so that staff can do the -- the
5 follow up that they need to do on to process that
6 application. With that, Mr. Said, can you please
7 announce the next agenda item?

8 THE SECRETARY: The next step on the
9 agenda is approving the minutes of the commission's
10 executive session held on September 19th, 2024. The
11 minutes have been shared with the members of the
12 commission prior to this meeting.

13 CHAIR: Thank -- thank you. If there are
14 no further -- if there are no edits or changes needed
15 to the executive session minutes from October -- I'm
16 sorry, from September, is there a motion on this
17 matter?

18 MS. DEL CID-KOSSO: Madam Chair, I move to
19 approve the executive session minutes for the month of
20 September, 2024.

21 MS. NASH: Second.

22 CHAIR: Thank you. Is there any
23 discussion on this motion? Hearing no discussion, all
24 those in favor say aye.

25 ALL: Aye.

1 CHAIR: All those opposed say nay. Any
2 abstentions? Motion passes.

3 THE SECRETARY: The next item on the
4 agenda is the consideration of bidding for Safe-Use
5 Public Information Campaign.

6 CHAIR: Thank you. Director Riggs -- oh,
7 I believe the -- our Chief Counsel, Tuason is going to
8 be presenting summary of this item.

9 MR. DAVE TUASON: Yes. Thank you, Madam
10 Chair. So on the September board meeting, the board
11 voted to extend the contract to Princeton Partners for
12 our Safe-Use Campaign. This was under Resolution 2024-
13 283. After that vote, we received additional
14 information, and based on that information, our -- our
15 CRC staff recommends that the commission vacate
16 resolution 283 as it is unable to extend the contract.
17 And with that, I turn it back over to you, Madam Chair.

18 CHAIR: Thank you, chief counsel. Are
19 there any questions from the board? Hearing no
20 questions, is there a motion on this matter?

21 MS. NASH: Madam Chair, I move to vacate
22 the resolution for extension of the contract to
23 Princeton Partners for the Safe-Use Campaign.

24 CHAIR: Moved by Commissioner Nash. Is
25 there a second? Is there a second on this motion?

1 MS. DEL CID-KOSSO: Second.

2 CHAIR: Seconded by Commissioner Del Cid-
3 Kosso. Is there any discussion on this motion to
4 vacate the prior resolution? Hearing no discussion,
5 Mr. Said, can you please call the vote?

6 THE SECRETARY: Commissioner Barker.

7 MR. BARKER: Aye.

8 THE SECRETARY: Commissioner Del Cid-
9 Kosso.

10 MS. DEL CID-KOSSO: Yes.

11 THE SECRETARY: Commissioner Nash.

12 MS. NASH: Yes.

13 THE SECRETARY: Vice Chair Delgado.

14 VICE CHAIR: Yes.

15 THE SECRETARY: Chairwoman Houenou.

16 CHAIR: Yes.

17 THE SECRETARY: The -- the motion passes.

18 The next item on the agenda is the consideration of
19 public notices and publications.

20 CHAIR: So here we have one item
21 concerning our social equity excise fee. Director
22 Riggs, I'll turn the floor over to you.

23 CHRIS RIGGS: Thank you, Madam Chair. The
24 Cannabis Regulatory Commission is authorized to impose
25 a social equity excise fee under the cream act,

1 pursuant to regulation 17:30-3.4. The social equity
2 fee shall be adjusted annually based on the average
3 statewide retail price of an ounce of usable cannabis.
4 That average retail price shakes out to be \$330.68. In
5 accordance with the regulations when the average price
6 is below 350, but above 250, the CEEF is to be set at
7 \$30 for usable cannabis, and \$8 for unusable cannabis
8 sold for manufacturing; therefore, it is staff
9 recommendation that the CEEF be set in accordance with
10 the regulations that were adopted by this board. Thank
11 you.

12 CHAIR: Thank you, Director Riggs. If
13 there are no questions from the board, is there a
14 motion regarding the social equity excise fee?

15 VICE CHAIR: Yes, Madam Chairwoman, do I
16 have the floor?

17 CHAIR: Vice Chair Delgado.

18 VICE CHAIR: Madam Chairwoman, I move to
19 waive N.J. 17:30-3.4 subsection C and set the social
20 equity excise fee at \$5 per ounce of usable cannabis,
21 and \$3 per ounce of unusable cannabis sold for the
22 purpose of manufacturing year 2025.

23 CHAIR: All right.

24 MS. NASH: I second that.

25 CHAIR: There's a motion made to waive

1 part of the -- the -- the Rule 17:30-3.4(C) and set the
2 fee at \$5 for usable cannabis and \$3 for unusable
3 cannabis. Is there any discussion on this motion?

4 MS. DEL CID-KOSSO: Madam Chair, I would
5 like to make an amendment to that motion if possible.
6 I'd like to waive the regulation 17:30-3.4 subsection C
7 and set the social equity excise fee to \$10 an ounce of
8 usable cannabis and \$3 an ounce for unusable cannabis
9 sold for the purpose of manufacturing for calendar year
10 FY, so for calendar year 2025. And I want to share the
11 reason why I landed on \$10 and based on the regulations
12 that we adopted back in the initial ones in 2021 and
13 the amended ones in 2022, the first bracket of
14 increase, what's supposed to happen after the one-third
15 of one percent is -- was set to \$10 per ounce and \$3
16 per ounce for unusable cannabis.

17 CHAIR: All right. There's a motion to
18 amend the present motion such that the fee to be set
19 would be \$10 for usable cannabis and \$3 for unusable
20 cannabis. Is that accurate? I'm sure that's it?

21 MS. DEL CID-KOSSO: Correct. Yes.

22 CHAIR: Is there a second on this motion
23 to amend the motion? Again, is there a second on this
24 motion to amend the underlying motion? Seeing as there
25 is no second, the motion does not carry. The

1 underlying motion remains the -- the same -- before us
2 remains the same to waive 17:30 -- 17:30-3.4(C) and set
3 the fee at \$5 for usable cannabis, and \$3 for unusable
4 cannabis for the purpose of manufacturing. Is there
5 any further discussion -- is there any additional
6 discussion on this motion?

7 MR. BARKER: Briefly, Madam Chair.

8 CHAIR: Commissioner Barker.

9 MR. BARKER: Yes, I move to amend the
10 current motion and move to waive the November 1st
11 requirement, pursuant to 17:30-3.4 subsection D, I
12 believe. I think this will afford the commission more
13 time to gather more information, to speak to more
14 stakeholders and organizations who represent the
15 businesses and the people who will be directly impacted
16 by this decision.

17 CHAIR: Uh-huh.

18 MR. BARKER: Right now, as we've seen
19 before us, we have a -- a pending motion for \$5. We
20 had another motion that didn't pass at \$10, and I think
21 it behooves us to get this right. I -- I think that we
22 -- I speak for myself, I absolutely need more
23 information to understand what would be the appropriate
24 number for New Jersey. I understand where other tax
25 structures are in other states. But at the -- and I

1 understand that we were very creative in our approach
2 to our tax structure. And social equity is a primary
3 goal if we're gonna be successful in New Jersey.

4 And so it's not that I'm trying to limit
5 the social equity excise fee. And it's not that I'm
6 trying to go to the maximum of the social equity excise
7 fee if that is not gonna result in true equity
8 downstream. I think this decision stands to impact a
9 lot of businesses. Especially I'm concerned of our
10 small businesses. I'm concerned for all of our
11 businesses, but our small businesses, our businesses
12 that are just onboarding our new cultivators, this
13 decision can be devastating.

And what

14 we've already heard from businesses access to capital
15 is so hard to come by, at the same time, we're gonna
16 increase fees on them to X number. You know, we -- you
17 know, wherever we land that plane, we need to be sure
18 that we're going to be able to generate more tax
19 revenue for great social equity programming that gets
20 to the communities and the people most impacted by the
21 fail war on drugs, while at the same time not having a
22 colossal effect on the industry where the social equity
23 businesses that we've newly onboarded can't make it and
24 don't succeed. I would not want to see that in the
25 name of the highest form of an excise equity feel.

1 I believe the statute boards us an option
2 to go up to 30. I know our regs, for whatever reason
3 were drafted more strict, but I think the -- the
4 statute affords us a more wiggle room. And so I would
5 -- I would hope that we can take the time to talk to
6 stakeholders, to talk to businesses, to talk to
7 organizations and get more information on what is the
8 right number from New Jersey.

9 And for the record there are many ways to
10 realize social equity outside of the social equity
11 excise fee. Right? Our law conditioned 70 percent of
12 all tax revenue to go to impact zones for social equity
13 investments.

14 I know our governor and legislatures, they
15 have already started to provide direct allocations as
16 other states have done, and we can increase those
17 allocations into the hundreds of millions like other
18 states have done. And that would also in -- have a
19 great impact on social equity. And so I do make this
20 motion to afford the commission more time to get this
21 number right. So we have the right -- we have the
22 right number that can have the dual effect of raising
23 tax revenue for social equity investment, while also
24 protecting our businesses and the industry that we've
25 worked so hard to create and hopefully build as a

1 national model. Thank you.

2 CHAIR: Thank you, Commissioner Barker.

3 So the motion is to amend the underlying motion so that

4 instead of waiving 3.4 subsection C it would be waiving

5 3.4 subsection D. Is that accurate?

6 MR. BARKER: Correct.

7 CHAIR: All right. So there's a motion to

8 waive -- I'm sorry, a motion to amend the underlying

9 motion such that the underlying motion now becomes a

10 waiver -- a -- yes, a waiver of regulation 17:30-

11 3.4(D). Is there a second on this motion?

12 MS. DEL CID-KOSSO: Second.

13 CHAIR: Seconded by Commissioner Del Cid-

14 Kosso. Is there any discussion on this motion to amend

15 the underlying motion? Hearing no discussion on the

16 motion to amend the underlying motion, so that it then

17 becomes a waiver of 17 -- N.J.C. 17:30-3.4(D), Mr.

18 Said, can you please call the vote.

19 THE SECRETARY: Commissioner Barker?

20 MR. BARKER: Aye.

21 THE SECRETARY: Commissioner Del Cid-

22 Kosso?

23 MS. DEL CID-KOSSO: Yes.

24 THE SECRETARY: Commissioner Nash?

25 MS. NASH: No.

1 THE SECRETARY: Vice Chair Delgado?

2 VICE CHAIR: No.

3 THE SECRETARY: Chairwoman Houenou

4 CHAIR: Yes.

5 THE SECRETARY: The motion passes.

6 CHAIR: So now that -- that motion has

7 passed. The underlying motion now becomes a waiver --

8 the motion to waive 17:30-3.4(D). Is there any

9 discussion on this motion?

10 MS. NASH: Madam Chair, could you repeat

11 that. Is that D or C?

12 CHAIR: D as in delta.

13 MS. NASH: Waiving the November 1st date,

14 is that correct?

15 CHAIR: That's correct.

16 MS. NASH: Okay.

17 MR. BARKER: Wait. Okay. What -- the

18 previous motion was about the \$5, \$3?

19 CHAIR: Correct.

20 VICE CHAIR: That was the Original?

21 CHAIR: That was correct. And now through

22 the past amendment to the motion, the under -- the

23 motion before us right now is a motion to waive

24 N.J.A.C. 17:30-3.4 subsection D, as in delta, to the --

25 MR. BARKER: Okay.

1 CHAIR: -- effect that would, it would
2 waive the November 1st deadline for the commission to
3 take action.

4 MR. BARKER: Okay. We -- we just voted on
5 the amendment to supersede the original motion. We
6 didn't vote on --

7 CHAIR: Correct.

8 MR. BARKER: 3.4 -- okay. I was just --

9 CHAIR: That's correct.

10 MR. BARKER: -- okay. Thank you for that.

11 MS. NASH: We didn't vote on any fee, any
12 waiver of the fee.

13 CHAIR: Correct. Correct.

14 MS. NASH: Okay. Got it. Okay.

15 CHAIR: So the -- again, the motion before
16 us right now is to waive N.J.A.C. 17:30-3.4(D), as in
17 delta. Is there any further discussion on this motion?
18 Hearing no further discussion, Mr. Said on the motion
19 to waive N.J.A.C. 17:30-3.4 subsection D, as in delta,
20 can you please call the vote.

21 THE SECRETARY: Commissioner Barker?

22 MR. BARKER: Aye.

23 THE SECRETARY: Commissioner Del Cid-
24 Kosso?

25 MS. DEL CID-KOSSO: Yes.

1 THE SECRETARY: Commissioner Nash.

2 MS. NASH: No.

3 THE SECRETARY: Vice Chair Delgado?

4 VICE CHAIR: No.

5 THE SECRETARY: Chairwoman, Houenou?

6 CHAIR: Yes.

7 THE SECRETARY: The motion passes. The

8 next item we have is the consider -- is the open public

9 comment period.

10 CHAIR: Okay. So as with every board

11 meeting -- sorry, as with every meeting of the Board of

12 Commissioners, members of the public can submit

13 comments to us in writing during or after this meeting

14 by going to our website, nj.gov/cannabis/meetings. The

15 deadline for submitting written comments regarding

16 today's board meeting is 5 o'clock tomorrow, Thursday

17 October 31st. Written comments will be shared with the

18 commission members and will be made public.

19 Speakers, we will go through our list of

20 registered speakers in the order in which they

21 registered to speak. Speakers will be limited to three

22 minutes. We have our timer on the -- the screen for

23 everybody to follow along. Mr. Said will call out

24 the names of our registered speakers. When it is your

25 turn to speak, he'll ask you to turn on your

1 microphone.

2

3 To ensure that the meeting minutes are
4 accurate, we ask everyone to please state your name
5 before the giving your comments.

5

6 So with that, Mr. Said, please call on
7 our first set of speakers.

7

8 THE SECRETARY: Thank you, chairwoman. As
9 a reminder, public speakers during this afternoon's
10 public comment period will be limited to three minutes.

10 Please be respectful and concise during your comments.

11

12 The first person on the list Thomas
13 Norcia. If you're in the room please raise your hand
14 so that I can allow you to speak. All right. I don't
15 see that person.

15

16 The next person on the list is Ami
17 Kachalia. If you're in the room, please raise your
18 hand. Okay. I see you, Ami.

18

19 MS. AMI KACHALIA: Hi there, can you hear
20 me?

20

21 THE SECRETARY: Yes.

21

22 MS. KACHALIA: Okay. Great. Hello.
23 Thank you for the opportunity to submit comment. My
24 name is Ami Kachalia. I'm with the ACLU of New Jersey.

24

25 We, along with partners, work to legalize
and decriminalize cannabis in New Jersey with a focus

1 on racial and social justice. A core tenant of that
2 campaign, and of the promises made in the legislation
3 and regulations that followed were to be reparative in
4 nature, given the decades of harm down to Black and
5 Latinx communities targeted for marijuana arrests.

6 New Jersey spent millions of dollars each
7 year. 143 million to be exact in 2017, enforcing these
8 criminalization laws while simultaneously divesting in
9 resources and opportunities that allow communities to
10 thrive. As such, this has always been one of the most
11 important pillars of the work to ensure community
12 reinvestment. And when the legalization law was signed
13 in 2021 and when the regs were adopted not long after,
14 they promised that a significant portion of their
15 revenue, including 100 percent of the CEEF would go
16 back to communities across the state.

17 Now, at the time, the CEEF was set
18 purposefully low in order to allow the new industry to
19 grow with a promise that a higher fee would be
20 implemented in the future to meet the need for
21 meaningful community reinvestment. But it was always
22 clear when the CEEF would change. And, you know, in
23 March, 2024, the CRC reported that the state's adult-
24 use cannabis market had achieved 1.3 billion in
25 cannabis sales from April -- April, 2022 to March,

1 2024. In the same time, less than \$4 million was
2 raised through the CEEF for community reinvestment.

3 I respect the concerns that were raised
4 earlier by the Commissioner regarding supporting social
5 equity businesses, and want to note that this seems
6 indicative of a larger question of how the state can
7 better support and invest in social equity businesses.

8 I really hope that this is a concern that the CRC and
9 the legislature and the governor take on, but this does
10 not negate the state's obligation to follow through on
11 its promises for community reinvestment.

12 Today's decision, I know was to delay the
13 vote, but my hope is that when a, you know, the final
14 decision is made that we will not be leaving millions
15 of dollars on the table that should be invested back
16 into Black and Latinx communities that have borne the
17 brunt of the drug war, ignoring the laws promises, and
18 the regulations promises. Also set a precedent for
19 future CRC commissioners and elected officials to
20 disregard the reparative goals of cannabis
21 legalization.

22 I urge commissioners to adjust the CEEF in
23 accordance with your regulations that say that the CEEF
24 shall be \$30 when it is at this mark in terms of its
25 average retail cost per ounce. Thank you so much.

1 THE SECRETARY: The next person on the
2 list is Michael Brennan. If you're in the room, please
3 raise your hand.

4 Also, I wanted to note that if you are
5 calling in by phone press '*9' to raise your hand.

6 Michael Brennan. I -- I don't see that
7 person. So I'm gonna move on to the next person.

8 Daniel Kessel. If you're in the room, please raise
9 your hand. I don't see that person.

10 The next person on the list is Ruben
11 Moreno. Ruben Moreno. I don't see that person.

12 The next person on the list is Carlos
13 Almanzar. If you're in the room, please raise your
14 hand. Okay. I see you Carlos. Carlos if --

15 MR. CARLOS ALMANZAR: Can you hear me?

16 THE SECRETARY: -- Yes, I -- we can hear
17 you.

18 MR. ALMANZAR: Hey guys. How's it going?

19 Carlos Almanzar. Counselman (inaudible) from New
20 Jersey. So I am coming to you guys today because, you
21 know, it's been a year, well, two years that I've been
22 trying the hardest to get into this business since.

23 You know, I'm a Spanish, I'm well connected, African
24 American community and everything else.

25 When New Jersey came and opened the market

1 for the cannabis, you know, minority like myself, that
2 have been hurt and incarcerated by this market, you
3 know, we took a hit. So when you guys opened -- the
4 CRC opened for the cannabis in New Jersey, I saw an
5 opportunity and I went for it. I've been fighting for
6 two and a half years so far, I am down too, all my
7 money gone. And the more I keep going, the more
8 corruption I keep fighting, the more disappointed I am
9 more in the system because I have given everything up.
10 I have shown everyone all the corruption, and no one is
11 standing up for it.

12 Now I wanna know what the CRC are going to
13 be doing to hold these people that are doing backdoor
14 deal, township that are doing backdoor deal and hurting
15 people like myself and my family.

16 Now, we were the only female minority in
17 town that applied for dispensary. So far, everyone in
18 town is Caucasian, has a background that never had
19 anything to do with cannabis, and the one that do have
20 a different background of drug dealing with fentanyl
21 and all the other stuff. So, I do not know who I gotta
22 go to, but I am tired and I need answer guys.

23 We need to do something because a lot of
24 my people, I try to come in, but we can't because we
25 are finding all these walls that the township are

1 putting on. And then at the end, it's a favoritism.

2 The people that are getting these license are favored,
3 or are related somehow with the town.

4 Now I have asked my township to sit down.

5 I have asked everyone to sit down. I'm asking you
6 guys. Please, call my township and find out, because
7 it's not fair that all this information that I have,
8 that I don't wanna put it here, I feel like I got my
9 family, we got stabbed, and we keep getting stabbed,
10 and no one is standing for us. So I would like the CRC
11 to start putting down their feet on these townships,
12 please.

13 You guys, I know your place is full, but
14 we cannot get letting these politicians do a lot of
15 favoritism for all these other people, and the people
16 that deserve a chance to get in here, in this market
17 are being stepped on their neck 'cause that's how I
18 feel. I'm choked. I can't go to and know the town.
19 So I would like to see you guys put your feet down with
20 this township. Thank you.

21 THE SECRETARY: The next person on the
22 list is Austin Edwards. If you're in the room, please
23 raise your hand.

24 The next person on the -- in the -- on the
25 list is Rev. Dr. Charles Boyer. If you're in the room,

1 please raise your hand. I don't see that person.

2 The next person on the list William
3 Caruso. If you're in the room, please raise your hand.

4 All right. I see you William.

5 MR. WILLIAM CARUSO: Can you hear me?

6 THE SECRETARY: Yes, we can hear you.

7 MR. CARUSO: Good afternoon, Madam Chair,
8 members of the commission, fantastic staff and cannabis
9 friends. My name's Will Caruso. I'm an attorney at
10 Archer Law Practice in this space. I'm an advocate.

11 I'm one of the original members of New Jersey United
12 for Marijuana Reform, a group that founded this
13 movement on a basis of racial social equity and social
14 justice. I'm very proud of what we built here
15 together. I'm very proud of this commission's work.
16 I'm sometimes criticized as being a homer for this
17 commission, and that may not be the case today.

18 You have built here a model for the
19 nation. That's not my view. That's the view of other
20 states. I have been in Maryland in panels that have
21 been heralding what Jersey's doing. I have watched the
22 Delaware regulator point to New Jersey and the model
23 that we've created, and I just came from black Cannabis
24 this week, several weeks ago in Philadelphia, where New
25 Jersey was being held up as a model for success. That

1 came through hard work. That came through tremendous
2 advocacy, and it came through the diligence of this
3 commission doing work to ensure this industry gets
4 built. It also came with innovation at the municipal
5 level.

6 We talk about racial and social justice
7 and, and investment in those efforts. That is
8 happening right now in New Jersey, at the local level.
9 It is happening through the two percent tax that these
10 municipalities are creating. It is happening through
11 unfortunately, increasing fees. It is happening also
12 through very odd post community agreements, but it is
13 also happening through the revitalization of downtown
14 areas and the revitalization of industrial parks as a
15 result of cannabis. And that's only happening in 33
16 percent of our towns, as our -- one of our last
17 speakers mentioned, is very difficult to open, but it
18 is happening.

19 And you are in the precipice of doing
20 amazing thing, not just a \$20 million grant fund that
21 has been a successful effort that was funded by the EDA
22 and certainly not just the recent news of a cannabis
23 training at the academy, the first of its time. These
24 models are continuing to build, but you can't kill this
25 golden goose right now because this tax, this CEEF tax

1 at the \$30 rate would decimate the racial and social
2 equity that you've built. And what it would do is
3 absolutely exacerbate the problems of the legacy
4 market. One of the greatest successes that New Jersey
5 has had is not criminalizing its legacy market, but
6 converting it. And that is going on right now.

7 One of the biggest abominations, though,
8 that I am frustrated with is the lack of advocacy. It
9 is wonderful to see folks show up for the money here
10 today, but where were you when this commission was
11 under assault from Well-Heeled financial groups and
12 political actors in this state that wanted to take it
13 out and destroy it? It would've ruined everything we
14 built. Thankfully, members of the black and brown
15 industry and other advocates joined together to help
16 build that wall around this commission and protect
17 them, and I'm happy that we did.

18 Where were you when over the course of a
19 year, we were fighting to lift up the ideals we said to
20 create a state regulated and tested market, and folks
21 in the hemp industry from out of state, were putting
22 this poison not in our regulated market, but on store
23 shelf and convenience stores, selling it to our
24 children, unpacked, unregulated, competing with racial
25 social equity. It was wrong. That bill has still not

1 been enacted. It sits on the governor's desk, signed
2 in a law after a long wait over the summer, clarified
3 by the Courts, and still not implemented in the way it
4 should be.

5 If you want to raise money for the C, go
6 back to the legislature and tell them to tax hemp the
7 same way that they're taxing cannabis. Those folks
8 want be on store shelves, and they should be paying the
9 seats too.

10 Charles Barker, Commissioner Barker, my
11 apologies. You did an amazing thing today. You hit
12 pause. You were right. You were right to go back and
13 study this. There are ways to protect this industry.
14 There are ways to encourage fairness. There are ways
15 to continue building on the phenomenal success that
16 you've built on already. I applaud this commission's
17 work today. I pledge to work with you and the
18 advocates at this table to find the right answer,
19 racial and social equity reinvestment is absolutely
20 important, but not on the backs of this commission and
21 not on the backs of this industry. Thank you for your
22 time.

23 THE SECRETARY: Okay. I -- I see Austin
24 Edwards raised his hand, so I'm gonna call on you
25 Austin.

1 MR. AUSTIN EDWARDS: Thank you very much.
2 Afternoon Chairwoman, Vice Chairman and Esteem members
3 of the Commission. Again, this is Austin Edwards,
4 Senior Policy Director for Salvation Social Justice.
5 We stand alongside our advocate partners like the ACLU
6 and other directly impacted communities urging the
7 state to raise the social excise fee on cannabis
8 revenue.

9 This decriminalization and legalization of
10 cannabis in New Jersey was a critical first step in
11 ending a long, ineffective, devastating war on drugs.
12 Prior to 2020, there are more than 3,600 marijuana
13 related arrests made each year. Research from the
14 ACLUNJ reported that New Jersey ranked 11th for the
15 highest rate of arrests of black people for marijuana
16 possession and eighth in the nation, per a hundred
17 thousand people.

18 See on the heels of this legalization
19 between 2010 and 2018, New Jersey saw increase of 45.6
20 percent in its rate of marijuana possession arrests,
21 which existed as the ninth highest increase in the
22 nation at the time. The sheer magnitude of the impact
23 on black residents in the state cannot be overstated
24 with policies that fueled blight, disinvestment in the
25 collapse of critical infrastructure within our

1 communities.

2

3 This is the legacy of cannabis prohibition
4 in New Jersey, and we won't repair the harm that was
5 committed against blacks in this state, by the state.

6

7 Absent significant and inter -- intentional investments
8 directed towards restorative equity and wealth building

9

10 programs. This is why we are in support of raising the
11 amount of the CEEF. Specifically, we don't think even

12

13 \$10 enough upward, we're hoping to raise it to the
14 highest statutory amount \$60 if possible, because this

15

16 is necessary to ensure the investments are so

17

18 desperately, that are desperately needed to repair and

19

20 restore impacted communities are done in a meaningful

21

22 and substantive way.

23

24 In addition to CEEF, we're urging this --

25

26 urging this commission and lawmakers to create a public

27

28 dashboard that allows residents to track the funding

29

30 that's been set aside for community reinvestment and

31

32 how it's being utilized to support community programs,

33

34 resources, supports, and other opportunities.

35

36 There should be an be an annual report on

37

38 the cannabis community reinvestment and the way those

39

40 dollars are being used over time. We need this

41

42 transparency about how much revenue is being generated,

43

44 how that money is being allocated 'cause currently,

1 it's unacceptable that the public must be subjected to
2 perpetual states of not knowing.

3 We've worked long and hard and our
4 residents have done the same to make sure that this
5 legalization reinvestment should be able to see where
6 their tireless efforts are going.

7 I just want to acknowledge that we
8 recognize the work of this commission, and I know a lot
9 of commissioners spoke to the same earlier. We're just
10 hoping to create and establish an equitable and legal
11 cannabis industry. We know it's not easy, but we know
12 that you have the power to create that equity back in
13 our community. Thank you very much.

14 THE SECRETARY: I just wanna note that I -
15 - I -- the names that I did call that I -- I see
16 raising their hands. I -- I will get back to you. I'm
17 just gonna go in order and then get back to the other
18 names.

19 The next person on the list is Damon
20 Hanchell. If you're in the room, please raise your
21 hand. If you're also -- just another thing to keep in
22 mind. If you're calling in by phone, please dial '*9'
23 to raise your hand.

24 The next person on the list is Joseph
25 Kannegiesser. If you're in the room, please raise your

1 hand.

2

The next person on the list is Ken Wolski.

3 If you're in the room, please raise your hand. Ken

4 Wolski.

5

The next person on the list is James

6 Graziano. James Graziano.

7

The next person on the list is Samuel

8 Reichbart. If you're in the room, please raise your

9 hand.

10

The next person on the list is John

11 DeMaio. Oh, I -- I see you Samuel Reichbart. So I

12 will go to Samuel.

13

MR. SAMUEL REICHBART: Hi. Can you hear

14 me okay?

15

THE SECRETARY: Yes.

16

MR. REICHBART: Okay. Hi. I just wanted

17 to bring a point to your guys' attention. I really

18 think there needs to be a delineation between -- I -- I

19 don't wanna say MSO because there are, you know, newer

20 smaller businesses that are moving over to New Jersey,

21 but some of the larger corporate companies absolutely

22 can afford to pay the \$30 SEEF fee.

23

Companies like Curaleaf have done patients

24 wrong for many, many, many years now, they produce

25 cannabis around a hundred dollars a pound and then turn

1 around and sell it inside their dispensaries for
2 anywhere from 6 to \$8,000. And they -- at wholesale,
3 they're still getting about \$4,000 per pound. There is
4 no reason, not a single one that they cannot afford the
5 \$480 per pound of this C fee. There is absolutely no
6 reason. But at the same time, we do still need to
7 protect these small businesses that have worked so hard
8 to come online and that are struggling for money right
9 now. They cannot afford that. We need to create a
10 delineation between the micro licenses or something
11 along those lines, because I don't want to see the
12 companies that I would actually bother to smoke that
13 are on shelves right now go under. But at the same
14 time, I think Curaleaf and GTI and MPX and Kind Tree
15 and every single one of these companies that has put
16 out garbage, that puts their weed in radiation
17 machines, that makes sure mold gets to the market, that
18 pays extra to inflate their numbers, that lab shops
19 that harms patients. Every single one of those
20 companies should absolutely have to pay every single
21 dollar that you guys are allowed to charge them by law.
22 If you don't, you are just allowing them to do our
23 state dirty and allowing them to continue to hurt
24 people that should be getting the benefits of the war
25 on drugs and of cannabis legalization.

1 Do right by the people that you keep
2 saying you want to do right by; the small businesses
3 that have worked so hard to get into this industry, and
4 the people who y'all have spent the last 50, 60, 70
5 years arresting. Thank you.

6 THE SECRETARY: The next person on the
7 list is John DeMaio. If you're in the room, please
8 raise your hand.

9 The next person on the list is Beau Huch.
10 If you're in the room, please raise your hand. Beau
11 Huch.

12 I'm gonna go over the names of the people
13 that did not get a chance to speak that are on the
14 list. Thomas Norcia. If you're in the room, please
15 raise your hand. Michael Brennan, if you're in the
16 room, please raise your hand. Daniel Kessel. I see
17 that you have your -- your hand raised. Daniel?

18 MR. DAN KESSEL: Yes, I'm here. Can you
19 hear me?

20 THE SECRETARY: Yes, we can hear you.

21 MR. KESSEL: Hi, my name is Dan Kessel.
22 I'm owner of Budhub NJ based in Toms River. Hoping to
23 open up somewhere in Ocean County. Also a social
24 equity applicant. Also someone who just got out of
25 prison recently for cannabis ally for crimes they say.

1 But what I'm really calling today would be
2 about corruption in the government and processing and
3 licensing. What would happen if a town with
4 dispensaries currently open, the ordinance was not done
5 properly? Now I'm gonna use Pine Beach, Ocean County
6 as an example, because they just opted in and I'm sure,
7 as you guys know, the process for opting in is, towns
8 have to do a first read and a second read of an opt-in
9 ordinance, and then there's a 20-day maturation period.
10 And during that 20 days, the residents are allowed to
11 go collect signatures, which would be about 25 percent
12 of the last vote to overturn that. Now, that gets me
13 to South Toms River.

14 South Toms River did a first read on
15 February 28th, and on the same day, except that an RFP
16 process. And then two weeks later on March -- March
17 14th, gave the RFP acceptance letters to open up to
18 three companies. One is currently open and they did
19 the second reading of the ordinance, not giving the 20
20 days.

21 Now, my issue with that is, I can't get
22 into specifics because there is a criminal
23 investigation going on at the South Toms River is
24 cannabis program, but if you would like to speak with
25 me, I can meet with my lawyers. But also as the social

1 equity -- tax you guys are doing, it's gonna absolutely
2 triple manufacturers, wholesalers. It's gonna cripple
3 retailers. Purchasing prices are gonna skyrocket. I
4 don't think it's an old idea, I'm all for social
5 justice. And why wouldn't you guys recommend -- why is
6 cannabis taking the full burden of social equity and
7 social justice when alcohol has hurt our communities
8 way worse than cannabis ever could? Maybe rewriting
9 the cannabis laws and re-taxing, I mean, or alcohol
10 laws and taxing alcohol a lot more, just like you guys
11 are gonna be doing on cannabis, would bring more
12 revenue for the state of New Jersey for social equity
13 and social justice. But that's just the point on that
14 topic.

15 But on corruption, it's happening on every
16 -- on all local towns. It's something that needs to be
17 looked into. I spoke with someone a year and a half
18 ago, let 'em know. I made a criminal complaint and you
19 guys still let dispensaries open knowing what is going
20 on, that there's a criminal investigation going on. So
21 we have a huge problem.

22 Your job is to make sure these deals are
23 done correctly and they're not being done correctly,
24 and the ordinances aren't even being done correctly.
25 So these dispensaries that are open are now fruit from

1 the bad tree. So we have a huge problem, and I look
2 forward to working with you guys in the future. Thank
3 you.

4 THE SECRETARY: The next person on the
5 list is Ruben Moreno. If you're in the room, please
6 raise your hand. Ruben Moreno.

7 The next person on the list is Reverend
8 Dr. Charles Boyer. If you're in the room, please raise
9 your hand.

10 The next person on the list is Damon
11 Hanchell. If you're in the room, please raise your
12 hand.

13 The next person on the list, Joseph
14 Kannegiesser. If you're in the room, please raise your
15 hand.

16 The next person on the list, Ken Wolski.
17 If you're in the room, please raise your hand. The
18 next person on the list James Graziano. The next
19 person on the list, John DeMaio. If you're in the
20 room, please raise your hand.

21 And last but not least, the pers -- Beau
22 Huch. If you're in the room, please raise your hand.

23 Chairwoman Houenou, this will conclude the
24 registered speakers we have for today's public meeting.

25 CHAIR: Thank you, Mr. Said. And thank

1 you to everybody who -- who shared their -- their
2 comments, their experiences and -- and their -- their
3 suggestions and ideas for the commission.

4 Again, anybody can submit written comments
5 to the commission by going to our website
6 nj.gov/cannabis/meetings and submit it. And sharing
7 your written comments to us by 5 o'clock tomorrow or
8 October 31st.

9 This concludes the business that we have
10 before us today. With that, I move that we adjourn
11 today's meeting. Is there a second?

12 MS. DEL CID-KOSSO: Second.

13 CHAIR: Seconded by Commissioner Del Cid-
14 Kosso. Any discussion on this motion to adjourn?
15 Hearing no discussion, all those in favor of adjourning
16 say aye.

17 ALL: Aye.

18 CHAIR: All those opposed say nay. Any
19 abstentions? The motion passes. The time is 2:23 and
20 we are adjourned. Thank you everyone, and have a great
21 rest of your evening.

22 (Meeting concluded)

23

24

25

