

MEMORANDUM

TO: CANNABIS REGULATORY COMMISSION BOARD
FROM: CHRISTOPHER RIGGS, ACTING EXECUTIVE DIRECTOR
SUBJECT: REGULATION WAIVER REQUESTS
DATE: OCTOBER 1, 2025

BACKGROUND: Over the course of the prior months, adult use licensees and medicinal operators have submitted requests for the Commission to waive specific regulations. This memorandum will outline those specific requests, and will also provide recommendations.

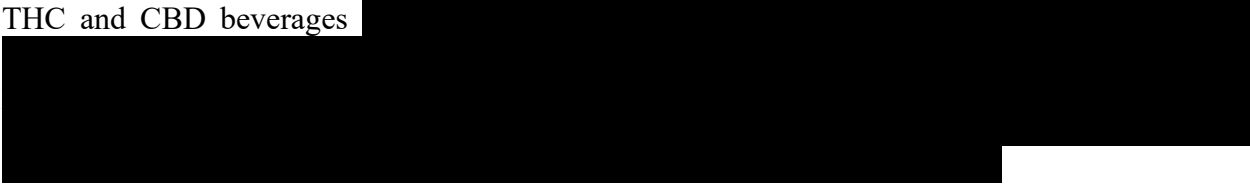
AUTHORITY: Pursuant to N.J.A.C. 17:30-3.7(a), The Commission, in accordance with the general purposes and intent of the Act and this chapter, may waive a regulatory requirement regarding the operations of a cannabis business, to the extent such waiver does not conflict with any other State law, if in the Commission's determination, such a waiver: 1. Is necessary to achieve the purpose of the Act; 2. Is necessary to provide access to cannabis items to consumers; and 3. Does not create a danger to the public health, safety, or welfare.

REQUESTS:

1. Requested Waiver of N.J.A.C. 17:30-1.1(c)

Docket number WR034 – Blue Oak NJ LLC (“Blue Oak”), a Class 5 Cannabis Retail license holder, request a waiver of the regulatory requirement that authorizes Class 5 Cannabis Retail license holders to sell cannabis and cannabis items. Blue Oak seeks the waiver of the regulatory requirement to permit the sale of hemp-derived THC and CBD beverages (“hemp beverages”). Blue Oak argues that the sale of hemp beverages is permitted as it contains cannabis (.3% THC and cannabidiol) and thus meets the definition of “cannabis product” in the CREAMM Act and “cannabis-infused product” and “Cannabidiol or CBD” in the adult use regulations.

RECOMMENDATION FOR WR034: Waiving the requirement that limits Class 5 Cannabis Retail license holders to sell cannabis and cannabis items and permitting the sale of hemp-derived THC and CBD beverages



2. Requested waiver of N.J.A.C. 17:30A-7.9(a)

Docket number WR037- The NAR Group Inc. (“The NAR Group”), a medical cultivator, request a waiver of the regulatory requirement that an ATC shall conduct all operations authorized by the

Act at the address(es) identified on the permit issued by the Commission. The Commission shall not authorize or permit dispensing operations at any satellite locations. However, an ATC, as approved by the Commission, may cultivate marijuana at a location separate from the location where the ATC shall dispense the marijuana, but both locations shall be within the same region. The NAR Group asserts that its NJ-CRC Central region location (Lebanon Township) is delayed in opening as a result of pending litigation with the township and it has been unable to find an alternate location in the Central region. As such, it has secured a location in the Southern region (West Deptford) and seeks a regulatory waiver to extend its existing medical permit to include the Southern region location (The NAR Group is not seeking to replace its Lebanon Township location). The NAR Groups asserts that its waiver request will provide an additional source of supply to the medical market and drive down cost; provide a minority women owned business an opportunity to participate in the New Jersey cannabis market; and does not create a danger to the public health, safety or welfare.

RECOMMENDATION FOR WR037:

3. Requested waiver of N.J.A.C. 17:30-7.17(d)(23)

Docket number WR038- Genuine Grow LLC (“Genuine Grow”), a Class 2 Cannabis Manufacturer license holder, requests a waiver of the regulatory requirement license holders must pay a \$1,000 licensing fee for financial source background investigations. Genuine Grow currently has \$11,000 in licensing fees for financial source background investigations. Genuine Grow requests that the licensing fee be deferred until its manufacturing license is operational. Genuine Grow argues that its waiver request will allow it to become operational, provide safe and equitable access to products, and does not create a danger to the public health, safety or welfare as the waiver is for fees.

RECOMMENDATION FOR WR038: Waiving the requirement that license holders pay a licensing fee for financial source background investigations 



4. Requested waiver of N.J.A.C. 17:30-14.3(d) and N.J.A.C. 17:30-14.3(e)

Docket number WR039- Hello High Dispensary LLC (“Hello High Dispensary”), a Class 5 Cannabis Retail license holder, request a waiver of the regulatory requirement that cannabis retailers shall not sell more than one ounce of usable cannabis or the equivalent weight in cannabis products to a customer in a single sales transaction and the regulatory requirement that cannabis retailers make a good faith effort to prevent a consumer from exceeding the sales limit in multiple transactions. In the alternative, Hello High Dispensary requests that the Commission increase the sales limit and concentrate conversion ratio. Hello High Dispensary asserts that the current limit constrains potential tax revenue, makes it difficult for businesses to remain sustainable and hurts consumers by having them travel to multiple dispensaries to purchase cannabis products. Hello High Dispensary argues that waiving the regulations does not create a danger to the public as other states have higher purchase limits and conversion rates and have not reported any issues.

RECOMMENDATION FOR WR039: Waiving the requirement that cannabis retailers shall not sell more than one ounce of usable cannabis or the equivalent weight in cannabis products to a consumer in a single sales transaction and the regulatory requirement that cannabis retailers make a good faith effort to prevent a consumer from exceeding the sales limit in multiple transactions

