

## MEMORANDUM

**TO:** CANNABIS REGULATORY COMMISSION BOARD

**FROM:** CHRISTOPHER RIGGS, ACTING EXECUTIVE DIRECTOR

**SUBJECT:** REGULATION WAIVER REQUESTS

**DATE:** DECEMBER 17, 2025

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**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) and N.J.A.C. 17:30A-7.11, 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 and Alternative Treatment Center, 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/patients; and 3. Does not create a danger to the public health, safety, or welfare.

### REQUESTS:

#### 1. Requested waiver of N.J.S.A. 24:6I-44(j)(13)

**Docket number WR036-** The Other Side Dispensary LLC (“The Other Side Dispensary”), a Class 5 Retail license holder, request a waiver of the statutory requirement that each cannabis retailer, delivery service, or contract vendor of a cannabis retailer shall maintain current hired and non-owned automobile liability insurance sufficient to insure all vehicles used for delivery of cannabis in the amount of not less than \$1,000,000 per occurrence or accident. The Other Side Dispensary asserts that an e-bicycle is not an automobile, insurers do not issue automobile policies or automobile-style limits for bicycles, and complying with the statute is not feasible as the cost of insurance exceeds the value of the e-bicycle. In the alternative, The Other Side Dispensary request that the Commission adjust the liability insurance for its e-bicycle to an amount that aligns with the value of the e-bicycle. The Other Side Dispensary argues that waiving the statute advances the purpose of the CREAMM Act, expands safe access to consumers as it allows those unable to travel to obtain access, and does not create a danger to public health, safety, or welfare.

**RECOMMENDATION FOR WR036:** Waiving the statutory requirement that each cannabis retailer, delivery service, or contract vendor of a cannabis retailer shall maintain current hired and non-owned automobile liability insurance sufficient to insure all vehicles used for delivery of cannabis in the amount of not less than \$1,000,000 per occurrence or accident [REDACTED]

[REDACTED]

## 2. Requested waiver of N.J.A.C. 17:30A-7.10(a)(1)

**Docket number WR040-** Design 710 LLC (“Design 710”), a medial retail permit holder, request a waiver of the regulatory requirement that permit holders must pay an annual fee of \$20,000 for the review of a permit renewal application for an alternative treatment center. Design 710 requests that the annual fee be waived to allow its operations to continue and ensure access of medical marijuana to patients. To support its request, Design 710 provides data to demonstrate that despite its outreach efforts, it is experiencing reduced sales (averaging less than three patients a day) due to reduced patient population. Design 710 argues that the payment of the fee is not feasible due to its reduced sales numbers and its recent payment of \$100,000 to become licensed in the adult use market. Design 710 asserts that the waiver is necessary to continue to offer sales to patients, and that the waiver does not create a danger to the public health, safety, or welfare.

**RECOMMENDATION FOR WR040:** Waiving the requirement that permit holders must pay an annual fee of \$20,000 for the review of a permit renewal application for an alternative treatment center

## 3. Requested waiver of N.J.A.C. 17:30A-7.10(a)(1)

**Docket number WR041-** Restore NJ LLC (“Restore NJ”), a medical retail permit holder, request a waiver of the regulatory requirement that permit holders must pay an annual fee of \$20,000 for the review of a permit remit renewal application for an alternative treatment center. Restore NJ asserts that the lack of medical patients in New Jersey has caused it to operate for only two days a week, with service to less than 700 patients in the last 10 months, resulting in gross sales of \$81,349.63. Restore NJ states that without the waiver, it is unlikely to continue operations, resulting in the reduction of medical retailers that patients can access to receive their medicine. Restore NJ argues that its waiver request achieves the purpose of the Jake Honing Compassionate Use Medical Cannabis Act and is necessary to provide access to cannabis, as maintaining its business provides patients with alternative forms of treatment through the use of medical marijuana. Restore NJ further argues that the waiver of the fee does not create a danger to the public health, safety, or welfare.

**RECOMMENDATION FOR WR041:** Waiving the requirement that permit holders must pay an annual fee of \$20,000 for the review of a permit renewal application for an alternative treatment center

[REDACTED]

[REDACTED]

**4. Requested waiver of N.J.S.A. 24:6I-46b(1); N.J.S.A. 24:6I-36a; N.J.A.C. 17:30-6.8(e)**

**Docket number WR042-** Hamilton Farms LLC (“Hamilton Farms”), a Class 1 Cultivation license holder, applying for a Class 2 Manufacturer license, requests a waiver of the statutory and regulatory requirement that a NJ-CRC license holder can concurrently hold a Class 1 Cannabis Cultivator license, a Class 2 Cannabis Manufacturer license, a Class 5 Cannabis Retailer license, and a Class 6 Cannabis Delivery license provided that no license holder shall be authorized to concurrently hold more than one license of each class and the statutory requirement that a separate license or conditional license shall be required for each location at which a cannabis establishment seeks to operate, or for the location of each premises from which a cannabis distributor or delivery service seeks to operate. Hamilton Farms request that it be allowed to operate its manufacturing operations pursuant to the floor plan (manufacturing operations are co-located with its cultivation operations with a shared entrance, security, shared space for packing and vault ) submitted to NJ-CRC and that its employees who will work in both the Cultivation and Manufacturer licensed facilities, are not required to hold a separate Cultivation and Manufacturer Cannabis Business Identification Card. Hamilton Farms argues that a waiver is not required as there is no basis in the law for treating each license type as a separate legal entity, but it submitted a waiver request to preserve its legal rights in the event of future litigation. Hamilton Farms asserts that it cannot accommodate two separate entrances, operating spaces, packing rooms, and vaults, and having its employees hold separate Cultivation and Manufacturer Cannabis Business Identification Cards creates scheduling and financial burdens on its employees. Cannabis Business Identification Cards causes undue administrative burden, expense, and delay. Hamilton Farms further asserts that a waiver is necessary to supply manufactured products to consumers and does not create a danger to the public health, safety, and welfare as its facility is secure and its employees are already badged for Class 1 Cultivation operations.

**RECOMMENDATION FOR WR042:** Waiving the statutory and regulatory requirement that a NJ-CRC license holder can concurrently hold a Class 1 Cannabis Cultivator license, a Class 2 Cannabis Manufacturer license, a Class 5 Cannabis Retailer license, and a Class 6 Cannabis Delivery license provided that no license holder shall be authorized to concurrently hold more than one license of each class and the statutory requirement that a separate license or conditional license shall be required for each location at which a cannabis establishment seeks to operate, or for the location of each premises from which a cannabis distributor or delivery service seeks to operate

[REDACTED]

