



MEMORANDUM

TO: CANNABIS REGULATORY COMMISSION BOARD
FROM: CHRISTOPHER RIGGS, ACTING EXECUTIVE DIRECTOR
SUBJECT: REGULATION WAIVER REQUESTS
DATE: JULY 16, 2026

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, 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. 17:30-11.5(d)(3)(ii)

Docket number WR058: CannPowerment, LLC ("CannPowerment"), a Class 2 Manufacturer license holder requests a waiver of the regulatory requirement that cannabis manufacturers shall manufacture cannabis products such that each single serving shall be demarcated in accordance with N.J.S.A. 24:6I-35.a(8)(g). CannPowerment seeks the waiver specifically for baked goods. CannPowerment argues that physical demarcation or stamping is impractical and unreliable for baked goods, as it compromises product integrity, creates dosing inconsistencies, and degrading product quality. CannPowerment further argues that the N.J.S.A. 24:6I-35 is intended to ensure standardized dosing and consumer awareness, not to mandate a specific method such as physical scoring, and that the objective can be achieved through single-serving manufacturing, clear front-facing labeling of total THC content, and child-resistant packaging. CannPowerment asserts that these approaches provide more reliable consumer protection than inconsistent physical demarcation. CannPowerment further asserts that absent a waiver, due to the impracticality of the demarcation requirement, manufactures are constrained from producing regulatory complaint



baked goods at scale. CannPowerment stated that granting the waiver would allow consumers access to regulated baked cannabis goods, and would not create a risk to the health, safety or welfare of the public as baked goods would be manufactured as single-serve units that are compliant with regulatory label and packaging requirements.

RECOMMENDATION FOR WR058:

[REDACTED]

2. Requested Waiver of N.J.A.C. 17:30-16.2(g)

Docket number WR059: Curaleaf NJ II, Inc. (Bellmawr), (“Curaleaf”), a Class 1 Cultivator and Class 2 Manufacturer license and permit holder, requests a waiver of the regulatory requirement that once a package is sealed, a cannabis business shall not open the package, except for quality control purposes, and that once the seal is broken on a cannabis item ready for sale to the consumer, the cannabis item is deemed unusable. Curaleaf seeks to remediate finished pre-roll lots that upon compliance testing, returned results above the permissible limit for chromium. Curaleaf asserts that its internal root cause analysis determined the source of the chromium contamination to be the pre-roll cone components, specifically the glass and wood-tip elements incorporated into the cone format, rather than the cannabis flower itself. Curaleaf explained that if the Commission grants its waiver request, cannabis material extracted from the affected lots would be repacked into alternative pre-roll cones that do not contain glass or wood tip components, followed by full panel compliance testing prior to retail production. Curaleaf argues that granting the waiver allows greater patient and consumer access by ensuring that there is no supply shortage in the market, and that there is no harm to the public health, safety or welfare as compliance testing ensures that the product contains no heavy metals or other contaminants.



RECOMMENDATION FOR WR059:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3. Requested Waiver of N.J.A.C. 17:30-9.14(a)

Docket number WR060: Curaleaf NJ II, Inc. (Winslow), (“Curaleaf”), a Class 1 Cultivator and Class 2 Manufacturer license holder, requests a waiver of the regulatory requirement that a license holder shall manage non-hazardous unusable cannabis, cannabis waste, or cannabis items,



including returned, recalled, or usable cannabis or cannabis products that have expired, by either: destroying the material through incineration; or rendering the material unrecoverable, unrecognizable, and useless for diversion, and then disposing of the material by either transporting it off-site as compost or solid waste or composting it on-site. Instead, Curaleaf seeks to extract THC from expired cannabis and retest it. Curaleaf asserts that extracting THC from expired material and retesting it will demonstrate compliance with the regulations and the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (“CREAMM Act”). Curaleaf further contends that granting the waiver would allow for greater access to cannabis across the market by improving available supply and increasing inventory at cannabis retailers.

RECOMMENDATION FOR WR060:

[REDACTED]

[REDACTED]

4. Requested Waiver of N.J.A.C. 17:30-7.17(d)(11)

Docket number WR061: Canopy Crossroad, LLC (“Canopy Crossroad”), a Class 5 Retail license holder, requests a waiver of the regulatory requirement that cannabis retail licensees pay a \$10,000.00 renewal fee. Instead, Canopy Crossroad seeks to maintain the \$1,000.00 renewal fee applicable to microbusiness. Canopy Crossroad’s explained that although it has successfully converted out of a microbusiness, it is currently unable to expand its operations. Canopy Crossroad’s asserts that it is a woman-owned business and argues that the regulation limiting microbusiness to no more than 10 employees at one time is arbitrary and does not serve the purpose of the CREAMM Act or the community. Canopy Crossroads further asserts that absent a waiver,



consumers will lose access to its services, creating a danger to public health, as the business will have to operate with insufficient staff.

RECOMMENDATION FOR WR061:

[REDACTED]

[REDACTED]

5. Requested Waiver of N.J.A.C. 17:30-7.15(a)

Docket number WR062: BeLeaf NJ LLC, (“BeLeaf NJ”), a Class 1 Cultivator license holder, requests a waiver of the one-year waiting period to submit a microbusiness to standard conversion application as set forth in N.J.A.C. 17:30-7.15(a). Instead, BeLeaf NJ seeks to apply for a Tier 1 Cultivator License prior to commencing operations. BeLeaf NJ explained that it initially pursued a microbusiness licensure as a pathway to enter the New Jersey regulated cannabis market. Since becoming licensed, however, prospective investors have consistently identified the microbusiness cultivation limitations as a significant barrier to providing the capital necessary to complete construction and commence cultivation. BeLeaf NJ asserts that absent a waiver, its ability to secure the investment required to commence operations as a viable Social Equity business is materially impaired. BeLeaf further argues that granting the waiver advances the purpose of the CREAMM Act by supporting the launch of a Social Equity business, contributes to a stable legal cannabis supply, and promotes the Commission’s objective of expanding consumer access through successful market participation by licensed operations. BeLeaf maintains that the waiver would not create a danger to the health, safety or welfare of the public, as it will remain fully subject to all licensing requirements.



RECOMMENDATION FOR WR062:

[REDACTED]

[REDACTED]

[REDACTED]