

July 2019 Request for Applications for Alternative Treatment Centers
Division of Medicinal Marijuana
New Jersey Department of Health

Question	Response
<p>Our municipality has been approached by an applicant who claims the Department's scoring will give them extra points if a municipality signs an exclusivity agreement with a single applicant. Is this accurate?</p>	<p>No. Exclusivity agreements are not required, nor would the Department consider them in the scoring process. Related to municipalities, the only items the Department is looking for are local approval of the ATC Entity and confirmation either by the municipality or via an analysis supplied by the applicant that the location chosen is in compliance with all local codes and ordinances and outside of a drug free school zone. See the pre-application webinar for more details.</p>
<p>Is there a different application/business plan requirement for just a medical marijuana dispensary endorsement than there is for a cultivating or vertically integrated permit?</p>	<p>Yes. Please review Section IV of the RFA which details the application process for each endorsement type. Permit application forms are available on the Department of Health's website at www.nj.gov/medicalmarijuana.</p>
<p>Criteria 7, Measure 1: Indicates failure to provide a signed [labor peace] agreement will result in a score of 0 for this measure [out of 30 points]. Conversely, if an applicant provides such a signed agreement, does that mean it shall be granted the full 30 points or are there other criteria to be used in scoring?</p>	<p>If an applicant submits a signed labor peace agreement (by ATC entity and a labor union) that includes provisions that ensure the cultivation, manufacturing and dispensing of medical cannabis will not be disrupted by labor-related disputes, the applicant shall receive the full 30 pts.</p>
<p>If my company wins a dispensary endorsement, would that preclude us from being awarded additional licenses in the future as we expand?</p>	<p>Each RFA stands on its own and it is speculative to determine whether current or proposed awardees would be eligible for additional licenses in the future. Also consult N.J.S.A. 24:6I et seq as amended by Jake Honig's Law, signed on July 2nd, 2019.</p>
<p>Are entities only allowed to apply for one vertically integrated license? Or can they apply for multiple vertically integrated licenses (one in each region)?</p>	<p>Please refer to the pre-application webinar. Applicants can only submit one application for a vertically integrated permit.</p>
<p>How do I find a location for a medical dispensary for my ATC Application. I went to city planning and city in Paterson NJ and they told me the state is releasing zoning for each city. then after the state releases there zones the city will check how close they are to schools and make sure its safe. How do I pursue finding a location in this situation?</p>	<p>Zoning laws are at the municipal level and not within the Department's purview. You must consult with the municipality in which you wish to locate. Please also refer to N.J.A.C. 8:64-7.1.</p>

<p>On page 9 of the RFA, item 5 requires “a list of all persons or business entities having five percent or more ownership interest in the ATC, whether direct or indirect and whether the interest is in profits, land or building, including owners of any business entity that owns all or part of the land or building where the ATC will be located”.</p> <p>On Permit Application Part A, page 6, item 20, the standard for requiring a Personal History Disclosure form is “any ownership interest whatsoever”. Which standard applies?</p> <p>If the standard is "whatsoever", this poses an insurmountable problem for an applicant who is partly or wholly owned or funded by a publicly traded company. (it is not possible to acquire personal history disclosure forms from every shareholder). What is the Department guidance?</p>	<p>Please consult the pre-application webinar. Individuals with less than 5% interest and whom do not hold another role in the proposed ATC do not need to be listed, nor fill out a PHD form.</p>
<p>The RFA version spells out the need to include landowners; is there a valid distinction to be made between ownership interest and economic interest, and if so, how does that pertain?</p>	<p>Pursuant to N.J.A.C. 8:64-7.1, applicants must disclose: all persons or business entities having direct or indirect authority over the management or policies of the proposed ATC; every person or business entity having five percent or more ownership, whether direct or indirect and whether the interest is in profits, land or building; the identities of all creditors holding a security interest in the proposed ATC; and the identities of all employees, principal officers, directors, owners and board members, and whether or not they are associated with any other ATCs – including ventures in other states. As medical cannabis in New Jersey is a government-regulated program, the Department expects a high degree of transparency and disclosure from both applicants and awardees.</p>
<p>What is the total patient count broken down by county, and city/township if possible?</p>	<p>Patient count by county can be found on the Department's website.</p>
<p>On page 10 of the instructions, it says "The page limit for Part B is 100 pages for each endorsement". Does the word "endorsement" equate to the 7 Criteria listed? Or does it mean the measures listed? They are different words so I want to verify whether each criterion is limited to 100 pages or if each separate measure is limited to 100 pages.</p>	<p>The 100-page limit applies to the entirety of Part B, which includes all seven criteria and the measures thereunder for each endorsement type. Please refer to Section 1 and Section 4 of the RFA. Applicants are cautioned that applications may be rejected for a number of reasons, including but not limited to the failure to follow application instructions or presentation of information requested in this RFA in a manner inconsistent with the RFA instructions.</p>

<p>In the instructions for filling out and submitting the application it says to “try and limit file size when possible”. Can you tell us if there is an actual number for a file size that would be considered too large?</p>	<p>There is a maximum file size of 150 MB per file, which is noted on the electronic application submission.</p>
<p>According to the RFA, the Department shall only award up to 4 vertically integrated permits and <u>no other entity shall be awarded both a cultivation endorsement and a dispensary endorsement</u>. If two different entities are applying as separate applicants, one for a cultivation endorsement and one for a dispensary endorsement, are they allowed to have any ownership interest at all in each other? If yes, what is the maximum ownership interest that the applicants are allowed to have in each other? For example, could Applicant A have a 10% ownership interest in Applicant B, and vice versa?</p>	<p>As stated under III. Eligibility in the RFA, "entities and individuals may seek up to three permit endorsements as part of this RFA, and may only submit one application per region." The only exception is passive investors with an under 5% interest and no other formal role with the ATC.</p>
<p>Are individual Board members allowed to sit on the Board of more than one Applicant?</p>	<p>As stated under III. Eligibility in the RFA, "entities and individuals may seek up to three permit endorsements as part of this RFA, and may only submit one application per region." The only exception is passive investors with an under 5% interest and no other formal role with the ATC.</p>
<p>Please verify that DOH Canopy definition as published in the DOH Request for Applications is indeed the “total area in square feet in which an ATC is authorized by the Department to plant, propagate, grow, harvest, cure, and store medical marijuana in accordance with NJAC 8-64-1 et.seq.” Canopy by cultivation definition refers to the cultivation area/s or “grow space,” only.</p>	<p>Please consult the RFA posted here: https://www.nj.gov/health/medicalmarijuana/alt-treatment-centers/applications.shtml. For the purposes of this RFA, “canopy” shall not include areas used exclusively for harvesting, labeling or storing of medicinal marijuana.</p>
<p>in Part A, Item 7; The bylaws and a list of the members of the ATC's medical board; Does this requirement apply to dispensary endorsements or is this meant for the cultivation/vertically integrated endorsements? I've reviewed the enabling legislation and can't find where "medical board" is defined. We are already licensed, registered pharmacist owners so I'm confused as to if this requirement applies to us and how we should answer this question.</p>	<p>Please refer to the definition of medical advisory board at <u>N.J.A.C. 8:64-1.2</u> and the requirements for permit application procedures set forth at <u>N.J.A.C. 8:64-7.1</u>. Please note that pursuant to statutory changes enacted on July 2nd, 2019, Medical Advisory Boards are optional.</p>
<p>For Part A Question 11b: Asks for “type of business engaged in by any and all parent, subsidiary, affiliate, predecessor, successor or related entities of the ATC Entity...”. With respect to “type of business engaged”, is this referring to the type of business the affiliate et al is engaged in or to the nature of the relationship between the affiliate and the ATC Entity?</p>	<p>The type of business the entity is engaged in -- for example an ATC in another state would be engaged in the dispensing, cultivation or manufacturing of medical cannabis.</p>

<p>Document construction - can we include charts/graphs/tables that are not formatted Times New Roman 12 pt?</p>	<p>Pursuant to the instructions in Section 4 of the RFA, Part B shall be completed as a single PDF file clearly marked with headings and subheadings. The application, excluding attachments that cannot be formatted accordingly, shall be typed using 12-point Times New Roman font or equivalent, single-spaced on letter-sized (8.5" x 11") pages. Applicants must limit the total pages in Part B to 100 pages.</p>
<p>Does the Applicant need to submit their entire bank number?</p>	<p>Yes. If necessary, confidential information will be redacted by Department of Health consistent with the requirements of the Open Public Records Act.</p>
<p>Does 25a include credit agreements or other debt financings?</p>	<p>Yes. Applicants are instructed to use their best judgment in the preparation of applications. As medical cannabis in New Jersey is a government-regulated program, the Department expects a high degree of transparency and disclosure from both applicants and awardees.</p>
<p>Part A, #26, page 10 asks for Financial Liability of the ATC Entity for each person/entity holding any outstanding debt - is this the debt of the ATC Entity or each owner?</p>	<p>Question 26 on Part A refers to the ATC Entity.</p>
<p>Clarification regarding the Alternative Treatment Center Permit Request Form Required Applicant Information. On Permit Application Part A form, question #5, #14, and #15 (a, b, c) all concern the location of the proposed ATC. Does failure to show proof of ownership or lease, and written approval from the proposed location's municipality at the time the application submitted result in immediate disqualification from the application process? Is proper documentation and/or approval from the municipality's zoning board needed to proceed with the application?</p> <p>Or can these be pending items for submission upon a receipt of provisional award from DOH for a dispensary license?</p>	<p>Please see pre-application webinar and RFA for info. Site control and evidence of local approval are requirements for this RFA. Applicants are cautioned that applications may be rejected for a number of reasons, including but not limited to failing to submit mandatory information.</p>
<p>I have a cannabis client that is looking to submit fingerprints to NJ for the registration and license process. However, there is nothing specific on your website stating how they can go about submitting fingerprint cards because they are out of state, Massachusetts. Any assistance would be greatly appreciated with this process.</p>	<p>Criminal background check forms will be provided when and if required.</p>

<p>The website states that applicants are to create the PDF constituting Part B of their applications. Are applicants to simply cut and paste the "Part B" language from pages 10-12 of the RFA into a new document to create the PDF?</p>	<p>Pursuant to the instructions in Section 4 of the RFA, Part B shall be completed as a single PDF file clearly marked with headings and subheadings. The application, excluding attachments that cannot be formatted accordingly, shall be typed using 12-point Times New Roman font or equivalent, single-spaced on letter-sized (8.5" x 11") pages. Applicants must limit the total pages in Part B to 100 pages.</p>
<p>Are you requiring the "Permit Application Part B - Scored Application Materials" that were part of the 2018 Application for the 2019 application?</p> <p>The materials attached: "DMM-02: Permit Application Part B - Personal History Disclosure" on your website for the 2019 RFA (https://www.nj.gov/health/medicalmarijuana/alt-treatment-centers/applications.shtml) contain the text "DMM-02 (PH-2) Aug 18" in the footer. Are these the correct materials? Please advise.</p>	<p>Please consult the pre-application webinar and RFA. Forms pursuant to this RFA are available at https://www.nj.gov/health/medicalmarijuana/alt-treatment-centers/applications.shtml</p>
<p>Can applicant apply for JUST manufacturing and not include cultivation or dispensary?</p>	<p>There is no separate manufacturing endorsement in this RFA.</p>
<p>If NOT a separate application, what is the fee due for the single application (applying for Cultivation and Manufacturing)? Is it the \$2,000 + \$18,000 (fee for one application), OR is it \$4,000 + \$36,000 (fee for two applications) in checks.</p>	<p>Each endorsement type would require a \$20,000 fee (\$2,000 processing + \$18,000 if successful). Applicants seeking an individual endorsement (either Cultivation or Dispensary) would be required to submit \$20,000. Those seeking a vertically integrated permit would be required to submit a total of \$60,000 (\$6,000 processing + \$54,000 if successful). Applicants should not submit cashier's or certified checks as these checks will not be returned to the applicant.</p>
<p>Will applicants be allowed to attach supporting documentation as evidence to support the claims made in response to Part B? If so, would this count towards the 100 page limit?</p>	<p>Yes and yes. Part B -- for each endorsement -- must be submitted as a single .pdf file, created by the applicant, not to exceed 100 pages.</p>
<p>1) The Act mentions Conditional Permits and criteria for consideration as one. Will conditional permits be issued as part of this RFA?</p> <p>2) The Act mentions microbusinesses. If an applicant for a cultivation endorsement meets the criteria for being a microbusiness, will any microbusiness licenses be issued as part of this RFA?</p>	<p>Conditional permits and microbusinesses are not included in the July 1, 2019 RFA issued by the Department of Health.</p>

<p>Is there a limit to the number of pages of floor plans/renderings that may be submitted under Part A of the application?</p>	<p>While there is no page limit for Part A, applicants are cautioned that inclusion of superfluous documents or attachments in Part A may result in disqualification. Applicants shall only submit the required information in Part A. Additionally, applicants are advised to optimize file size and the maximum file size allowable is 150 mb per section.</p>
<p>If you are applying for a integrated license do you have to pay 20k for each endorsement totaling 60k or just the 20k for the 1 ATC license?</p>	<p>A vertically integrated permit consists of three endorsements: 1 cultivation endorsement, 1 manufacturing endorsement, and 1 dispensary endorsement. The fee is assessed on a per endorsement basis, so applicants for vertically integrated permits would be required to submit \$60,000 (\$6,000 processing + \$54,000 if successful).</p>
<p>Are the four vertically integrated permittees authorized to maintain satellite locations? If so, how many?</p>	<p>No.</p>
<p>Are applicants allowed to apply for one cultivation endorsement total, or one cultivation endorsement per region (up to three total cultivation endorsements)?</p>	<p>Entities and individuals may seek up to three total permit endorsements as part of this RFA. Applicants may only apply for one cultivation endorsement total and may only submit one application per region.</p>
<p>Are landlords considered indirect owners pursuant to N.J.A.C. 8.64-7.1(b)(2)(iv), as “owners of any business entity that owns all or part of the land or building?”</p>	<p>Landlords may be considered indirect owners, in which case they would be asked to submit a PHD as part of the permitting process should an applicant be awarded as part of this RFA. Landlords are to be disclosed on Question 22 of Form Part A.</p>
<p>Section 20 of Part A asks applicant to provide a record of owners, including anyone who has any ownership interest whatsoever in the ATC. N.J.A.C. 8.64-7.1(b)(2)(iv) only requires disclosure of persons or business entities having five percent more ownership in the ATC. Please clarify whether applicant must disclose individuals and entities with less than 5% ownership in the ATC.</p>	<p>Generally, if an individual is listed in the response to Question 20, then a Personal History Disclosure Form is required. An individual with 5% or more direct or indirect ownership interest is required to submit a personal history disclosure form to the Department. An individual with less than 5% direct or indirect ownership interest and no other formal role with the ATC Entity is exempt from submitting a personal history disclosure form to the Department. See N.J.A.C. 8:64 -7.1, and not required to be listed.</p>
<p>For the scoring of Criterion 6, can the Department provide additional clarification as to how the 100 possible points will be allocated among the various scored Measure responses should an application be submitted for a vertical endorsement vs. a cultivation or dispensary endorsement?</p>	<p>Please refer to the Pre-Application Webinar.</p>
<p>Does cultivation mean ONLY growing? Or does it include extraction too?</p>	<p>Pursuant to Section 1 of the RFA, “cultivation” includes the planting, propagating, cultivating, growing, harvesting, labeling, or storing of medicinal marijuana, whereas “manufacturing” means compounding, making, and processing medicinal marijuana in all forms. Cultivation does not include extraction.</p>

<p>Will PHD forms that were previously submitted in the last round be accepted in lieu of getting all new forms completed if the information is still accurate or are new notarizations required?</p>	<p>Each RFA stands on its own. Therefore, applicants are required to submit new forms in response to this RFA.</p>
<p>Is the CIVIL, CRIMINAL AND INVESTIGATORY PROCEEDINGS portion of the form used for scoring or eligibility of the RFA?</p>	<p>This requirement is subject to the Department's completeness review and is not assigned point values. Failure to submit complete and truthful information in this section, or any section, of the RFA may be grounds for rejection of the application pursuant to Section 9 of the RFA.</p>
<p>Does a dispensary endorsement allow for purchases of marijuana and products containing marijuana from NJ ATCs only?</p>	<p>Yes. Dispensaries awarded pursuant to this RFA will be limited to purchasing approved product from New Jersey-based and permitted ATCs.</p>
<p>How does the applicant gain confidence that the electronically submitted application has, in fact, been received by DOH in its entirety as originally sent?</p>	<p>Applicants assume sole responsibility for the complete effort involved in the application submission. Allow plenty of time for the application submission process as applications received after the application period closes will not be considered. Following the submission deadlines, the Department will conduct a completeness review of the submitted applications. Applications deemed complete will be scored by a selection committee. Applications will be rejected and not evaluated if received after the submission deadline.</p>
<p>Question on PHD : "Have you ever been employed by any company, either for-profit or nonprofit, licensed to dispense marijuana for medical purposes in any jurisdiction?"</p> <p>Does this mean dispensing, only? Not cultivation nor manufacturing? You can work as a grower, but not dispense.</p>	<p>This should be construed to include cultivation and manufacturing as well.</p>
<p>Has the Department approved any independent, third party marijuana testing laboratories?</p>	<p>The Department has not approved any independent third-party laboratories at this time.</p>
<p>As to Part A Question 18b, if an ATC Entity, its parent, subsidiary, affiliate, predecessor, successor, or related has been charged with any violation, is there any opportunity to provide a more substantive description than that identified in 18b. Said differently, in the description portion of 18b, is an applicant limited to a certain character count in responding to said charge and/or violation?</p>	<p>If additional information is necessary to explain, please include on a separate page attached to form Part A and clearly indicate the nature of the attachment.</p>
<p>Question 11b on Part A contains text boxes for only up to eight (8) entities. How may an applicant list more?</p>	<p>An applicant may list more by including on a separate page attached to Part A and clearly indicating such.</p>

<p>Criterion 6: “Methods to control insects and pests that do not include the application of pesticides” Are food-grade pesticides acceptable to use? These types of pesticides only contain ingredients that are safe for human consumption, such as garlic oil and sodium bicarbonate.</p>	<p>Pursuant to <u>N.J.A.C. 8:64</u>, pesticides are prohibited. However, the Department does allow for the use of FIFRA 25(b) exempt products.</p>
<p>In the updated RFA the term “applicant” is not defined, what is the definition of “applicant” as used in the RFA?</p>	<p>Please refer to the term "ATC Entity" which is the business entity that is applying to the Department of Health to be permitted to do business as an Alternative Treatment Center and is inclusive of related entities and individuals as outlined under "Eligibility" in the RFA.</p>
<p>What should I do if I run out of space for a question in Part A and there's no button to "add a page"?</p>	<p>If an applicant needs more space for a question for which pages cannot be added on Part A, the applicant should attach a .pdf with the required information that didn't fit on the form, and note on the form that additional information is attached for that particular question. They can note it on the form by writing "additional info attached" in the last line of the question, or by creating a comment in Adobe on that question.</p>
<p>Please clarify what the “application cover page” is that must accompany the application checks. Are they the “Affidavit” (that refers to the Application (both Parts 1 and 2)? Is that meant to cover Parts A and B instead? The “Release Authorization” and The “Waiver of Liability”?</p>	<p>The application cover page refers to the signed Affidavit/Release and Waiver on behalf of the ATC Entity. It must be signed by an individual authorized to legally sign on behalf of the ATC Entity, and notarized. The hard copy shall be submitted to the Department along with the required application fees.</p>
<p>Section VI - Part A. 8. Will a signed statement from each individual suffice as “Evidence that the principals, directors, board members, owners and employees will cooperate with a criminal history record background check, pursuant to N.J.A.C. 8:64-7.2”?</p>	<p>Completion of the PHD forms is sufficient evidence that these individuals will cooperate with a background check if awarded as part of this RFA. Please note, however, that only the individuals listed on Question 20 need to fill out a PHD form as part of this RFA. Employees would be required to submit to a criminal background check if the ATC Entity were awarded as part of this RFA.</p>
<p>Can medical cannabis be sold from one ATC to another in a wholesale agreement?</p>	<p>Yes, the Department encourages the wholesaling of product supply between licensed ATCs within the State. All wholesaling must comply with N.J.A.C. 8:64, especially 8:64-9.9 and 8:64-10.10.</p>