



State of New Jersey
CANNABIS REGULATORY COMMISSION

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July 14, 2023

VIA CERTIFIED AND ELECTRONIC MAIL to: kellie.rivera@columbia.care

Kellie Rivera
Senior Counsel, Regulatory Compliance
321 Billerica Road, Suite 204
Chelmsford, Massachusetts 01824

Re: NOTICE OF VIOLATION – COLUMBIA CARE NEW JERSEY

Dear Ms. Rivera,

This letter is a Notice of Violation, issued by the New Jersey Cannabis Regulatory Commission (“NJ-CRC”) in accordance with N.J.A.C. 17:30-20.4 to Columbia Care New Jersey (“Columbia Care” or “ATC”). On Monday, July 10, 2023, while preparing consideration of Columbia Care’s request to renew the Class 1 Cultivation license located at 51 West Park Avenue, Vineland, New Jersey, it was uncovered that Columbia Care’s Labor Peace Agreement (“LPA”) had expired. Maintenance of an LPA with a bona fide labor organization is an ongoing material condition for any licensed cannabis business, including an expanded ATC. Columbia Care’s failure to maintain an LPA results in the following violation:

1. **Violation 1:** N.J.A.C. 17:30-9.4, Ongoing material conditions and general requirements applicable to cannabis business license holders, subsection g, states “the maintenance of a labor peace agreement with a bona fide labor organization by a licensed cannabis business, including an expanded ATC, shall be an ongoing material condition of the cannabis business’s license.” Columbia Care’s prior LPA between it and Teamsters Local Union No. 522 was executed on April 10, 2022, and expired on June 30, 2023. From June 30, 2023, until July 13, 2023, Columbia Care was not party to any LPA with any bona fide labor union.

This Notice of Violation satisfies the NJ-CRC's responsibility to provide five-day notice before any enforcement action shall be taken, as required by N.J.A.C. 17:30-20.5. The ATC is notified that the above-referenced violation may result in the imposition of civil monetary penalties in amounts not to exceed \$500,000 per major license violation or \$50,000 per any other license violation.

N.J.A.C. 17:30-20.5(a) establishes that: “In response to a violation of any provision of the Act or this chapter, the Commission is authorized to take enforcement action or impose sanctions upon a license holder. Sanctions may include, but are not limited to, civil monetary penalties; suspension, revocation, non-renewal, or denial of a license; referral to State or local law enforcement, pursuant to N.J.A.C. 17:30-

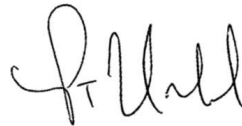
20.6, 20.8, and 20.9; or any combination thereof.” Corrective action taken by the ATC does not preclude the NJ-CRC from imposing penalties but may be taken into consideration when considering the penalty to be imposed for each violation. N.J.A.C. 17:30-20.6(f)(4). It is noted that Columbia Care did submit an executed LPA between itself and Teamsters Local 863 on July 13, 2023, that will expire three (3) years from the date of the agreement. A corrective action plan should be supplied to address how Columbia Care will ensure maintenance of the LPA and prevent any delays in executing a future LPA once the current one expires.

The ATC has acted in violation of the adult personal use regulations by failing to maintain a labor peace agreement with a bona fide labor organization.

The NJ-CRC, understanding that an LPA is now in place as of the date of this Notice, hereby orders Columbia Care to maintain an LPA as required by N.J.A.C. 17:30-9.4. Failure to do so will result in further Notice of Violation and may result in additional enforcement action, beyond any enforcement action that may be taken for the current violation.

The NJ-CRC appreciates your expeditious cooperation in this matter. Any questions regarding this correspondence can be sent via e-mail to the assigned Field Monitor.

Sincerely,



Paul Thomas Urbish, Esq.
Director
Office of Compliance and Investigations
New Jersey Cannabis Regulatory Commission

Cc: Dianna Houenou, Chairwoman, NJ-CRC
Jeff Brown, Executive Director, NJ-CRC
Christopher Riggs, Esq., Chief Counsel, NJ-CRC
Frederick Loblein, Field Monitor, NJ-CRC
Kevin Healey, Supervisor of Compliance, NJ-CRC
William Caruso, Counsel to Columbia Care New Jersey