



State of New Jersey  
CANNABIS REGULATORY COMMISSION

P.O. BOX 216  
TRENTON, N.J. 08625-0216

PHILLIP D. MURPHY  
Governor

SHEILA Y. OLIVER  
Lt. Governor

DIANNA HOUEYOU, *Chair*  
SAMUEL DELGADO, *Vice Chair*  
KRISTA NASH, *Commissioner*  
MARIA DEL CID-KOSSO, *Commissioner*  
CHARLES BARKER, *Commissioner*  
JEFF BROWN, *Executive Director*

May 13, 2022

VIA CERTIFIED AND ELECTRONIC MAIL to: [james.leventis@verano.com](mailto:james.leventis@verano.com)

James A. Leventis, Esq.  
Executive Vice President  
Verano Holdings  
415 N. Dearborn Street  
Chicago, Illinois 60654

Re: NOTICE OF CIVIL MONETARY PENALTY - VERANO NJ

Dear Mr. Leventis,

This letter is a Notice of Civil Monetary Penalty, issued by the New Jersey Cannabis Regulatory Commission ("NJ-CRC") in accordance with N.J.A.C. 17:30-17 to Verano NJ ("Verano" or "ATC"). This penalty assessment follows the Notice of Violation issued to Verano on May 3, 2022, for the below violations:

1. **Violations 1/2:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC's established "Patient Only Hours" on Thursday, April 21, 2022, the ATC allowed adult use consumers to execute 0 transactions at its Lawrence location, and 23 transactions at its Elizabeth location, to the detriment of the medicinal patient population.
2. **Violation 3/4:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC's established "Patient Only Hours" on Friday, April 22, 2022, the ATC allowed adult use consumers to execute 23 transactions at its Lawrence location, and 28 transactions at its Elizabeth location, to the detriment of the medicinal patient population.
3. **Violation 5/6:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC's established "Patient Only Hours" on Saturday, April 23, 2022, the ATC allowed adult use consumers to execute 102 transactions at its Lawrence location, and 90 transactions at its Elizabeth location, to the detriment of the medicinal patient population.
4. **Violation 7/8:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC's established "Patient Only Hours" on Sunday, April 24, 2022, the ATC allowed adult use consumers to execute 136 transactions at its Lawrence location, and 124 transactions at its Elizabeth location, to the detriment of the medicinal patient population.

5. **Violation 9/10:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Monday, April 25, 2022, the ATC allowed adult use consumers to execute 48 transactions at its Lawrence location, and 24 transactions at its Elizabeth location, to the detriment of the medicinal patient population.
6. **Violation 11/12:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Tuesday, April 26, 2022, the ATC allowed adult use consumers to execute 56 transactions at its Lawrence location, and 14 transactions at its Elizabeth location, to the detriment of the medicinal patient population.
7. **Violation 13/14:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Wednesday, April 27, 2022, the ATC allowed adult use consumers to execute 34 transactions at its Lawrence location, and 33 transactions at its Elizabeth location, to the detriment of the medicinal patient population.
8. **Violation 15/16:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Thursday, April 28, 2022, the ATC allowed adult use consumers to execute 34 transactions at its Lawrence location, and 10 transactions at its Elizabeth location, to the detriment of the medicinal patient population.
9. **Violation 17/18:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Friday, April 29, 2022, the ATC allowed adult use consumers to execute 71 transactions at its Lawrence location, and 37 transactions at its Elizabeth location, to the detriment of the medicinal patient population.

Pursuant to the law, implementing regulations, and the 4/12/2022 Final Agency Decision (“FAD”), the NJ-CRC is authorized to impose civil monetary penalties in amounts not to exceed \$50,000 per violation of the regulations (and up to \$500,000 for “major license violations”), and not to exceed \$10,000 per day for violations of the FAD.

The NJ-CRC has determined to impose **a monetary penalty of \$90,000.00** on Verano for the violations listed above. The amount is based on **nine violations** of the 4/12/2022 FAD, at a cost of \$10,000.00 per day a violation occurred, as authorized by the FAD.

The leniency in establishing this penalty is the result of anticipated corrective actions that will be taken by the license holder in relation to the current violations. N.J.A.C. 17:30-17.4(b) provides that, within 20 business days of the receipt of the Notice of Violation, the cannabis business shall (1) Correct the violations; (2) Notify the Commission, in writing, with a postmark date that is within 20 business days of the date of receipt of the Notice of Violation, of any corrective actions taken to correct the violations, and the date of implementation of such corrective actions. At the time of this writing, notification to the NJ-CRC regarding corrective actions taken or proposed has not been received.

The NJ-CRC has attached to this Notice of Civil Monetary Penalty its Compliance Monitoring Report, which is the basis for this penalty assessment. If Verano wishes to contest the imposition of this civil monetary penalty, it may request an adjudicatory hearing within 14 days of receipt of this Notice of Civil

Monetary Penalty. The NJ-CRC may, in its discretion, retain jurisdiction over the matter, or transmit the matter to the Office of Administrative Law pursuant to the Administrative Procedure Act (N.J.S.A. 52:14B-1 *et seq.* and 52:14F-1 *et seq.*).

If Verano determines to pay this monetary penalty without contest, it may do so through the NJ-CRC's website at the following link: <https://www.nj.gov/cannabis/businesses/resources/>, by following the prompt for "Violation Fines" on the right hand side of the page and submitting the "Application Type Information" as "Other", with a "Description" of "Civil Monetary Penalty Assessment."

If determined to contest this civil monetary penalty, Verano shall request an adjudicatory hearing within 14 days of receipt of this Notice by submitting its request in writing via e-mail to Chief Counsel Christopher Riggs at [Christopher.Riggs@crc.nj.gov](mailto:Christopher.Riggs@crc.nj.gov), **and via certified mail to:**

New Jersey Cannabis Regulatory Commission  
c/o Office of the Chief Counsel  
225 East State Street  
2<sup>nd</sup> Floor West  
Trenton, New Jersey 08608

The NJ-CRC appreciates your expeditious cooperation in this matter. Any questions regarding this correspondence can be sent via e-mail to Deputy Counsel Paul Urbish at [Paul.Urbish@crc.nj.gov](mailto:Paul.Urbish@crc.nj.gov).

Sincerely,



Jeff Brown  
Executive Director  
New Jersey Cannabis Regulatory  
Commission

Cc: Michael McQueeney, Counsel to Verano (to: [mmcqueeney@foleyhoag.com](mailto:mmcqueeney@foleyhoag.com))