



State of New Jersey
CANNABIS REGULATORY COMMISSION

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

RESOLUTION 2022-45
DELEGATION OF AUTHORITY TO ACT ON PROPOSED MANAGEMENT SERVICES AND FINANCIAL SOURCE AGREEMENTS, APPLICATIONS FOR ATC AND CANNABIS BUSINESS IDENTIFICATION CARDS, APPLICATIONS FOR CHANGES OF LOCATION, PROPOSALS TO ENGAGE IN HOME DELIVERY OR CURBSIDE PICK-UP, AND VIOLATIONS OF COMMISSION RULES

WHEREAS, the Commission continuously receives submissions of proposed Management Services Agreements and Financial Source Agreements, which the Commission must decide whether to approve or deny; and

WHEREAS, the Commission continuously receives applications for employees of regulated entities to be issued Alternative Treatment Center (“ATC”) Identification Cards and Cannabis Business Identification Cards, which also require the Commission to approve or deny; and

WHEREAS, the Commission continuously receives applications for a change of location concerning Alternative Treatment Centers and personal-use cannabis businesses, which similarly requires the Commission to approve or deny; and

WHEREAS, the Commission receives proposals to engage in home delivery or curbside pick-up of personal-use and medicinal cannabis items, which requires the Commission to approve or deny; and

WHEREAS, the Commission issues written notices of violations to Alternative Treatment Centers and personal-use cannabis businesses upon violations of the Commission’s regulations; and

WHEREAS, pursuant to N.J.S.A. 24:6I-24(c)(1), the Commission has established a plan of organization under the direct supervision of a full-time Executive Director for the Commission; and

WHEREAS, pursuant to N.J.S.A. 24:6I-24(e), the Commission may designate its powers and authority as it deems necessary and appropriate to carry out its duties and implement the provisions of N.J.S.A. 24:6I-1 et al. and N.J.S.A. 24:6I-31 et al.; and

WHEREAS, the Commission approved and adopted a set of bylaws on January 27, 2022, of which section 3.12 allows the Commission to delegate authority to one or more members of the

Commission's staff as it deems necessary and appropriate to carry out its duties and statutory obligations; and

WHEREAS, pursuant to N.J.A.C. 17:30-6.9(k), the Commission shall confirm whether a proposed management services agreement concerning a personal-use cannabis business, or any material change to an existing management services agreement concerning such regulated entity, complies with P.L. 2021, c.16 and this chapter and shall notify the personal-use cannabis business license applicant or license holder of the Commission's decision; and

WHEREAS, pursuant to N.J.A.C. 17:30-6.10(h)(2), the Commission shall confirm whether a proposed Financial Source Agreement concerning a personal-use cannabis business, or any material change to an existing financial source agreement concerning such regulated entity, complies with P.L. 2021, c.16 and this chapter and shall notify the personal-use cannabis business license applicant or license holder of the Commission's decision; and

WHEREAS, pursuant to N.J.A.C. 17:30A-8.1, the Commission shall issue each qualified principal officer, director, owner, board member, and employee of an Alternative Treatment Center an ATC identification card within 10 business days of the date the Commission receives a completed application with required documents, including a copy of a New Jersey driver's license or other State-issued photo identification; and

WHEREAS, pursuant to N.J.A.C. 17:30-8.1(a), every owner, principal, management services contractor, employee, or volunteer of a personal-use cannabis business license holder or a testing laboratory who accesses the cannabis business premises or handles cannabis on behalf of a license holder or testing laboratory is required to be issued a Cannabis Business Identification Card; and

WHEREAS, pursuant to N.J.A.C. 17:30-8.1(c), the Commission shall issue a Cannabis Business Identification Card after the Commission receives a completed application with required documents in accordance with N.J.A.C. 17:30-8.1; and

WHEREAS, pursuant to N.J.A.C. 17:30-8.1(g), the Commission may suspend, revoke, or refuse to renew an individual's Cannabis Business Identification Card if the individual violates any provision of P.L. 2021, c.16 or this chapter, makes a false statement to the Commission, or refuses to cooperate in any investigation by the Commission; and

WHEREAS, pursuant to N.J.A.C. 17:30A-7.8(a), an ATC shall submit to the Commission an application for an amended permit, along with any applicable fees, prior to any change of the alternative treatment center's location; and

WHEREAS, pursuant to N.J.A.C. 17:30-12.8(b), as approved by the Commission and pursuant to N.J.S.A. 24:6I-44(j), a Class 5 Cannabis Retailer or a Class 6 Cannabis Delivery Service may deliver cannabis to a consumer at a residence; and

WHEREAS, pursuant to N.J.A.C. 17:30-12.4(a), a cannabis retailer may conduct curbside pick-up operations in accordance with this section upon approval of the Commission; and

WHEREAS, pursuant to N.J.A.C. 17:30A-13.5, upon an ATC's violation of Commission rules, the Commission shall issue to the ATC permit holder a written notice of violation; and

WHEREAS, pursuant to N.J.A.C. 17:30-17.4(a), during an onsite assessment, a review of financial records, or other Commission review of a personal-use cannabis business or testing laboratory license holder and its operations, if the Commission identifies a violation of P.L. 2021, c.16 or this chapter, the Commission shall provide notice of the violation, including an official written report of the findings and the nature of the violation, to the cannabis business or testing laboratory within seven business days following the identification of the violation; and

WHEREAS, the Commission has determined that submissions of proposed Management Services Agreements and Financial Source Agreements, applications for an Alternative Treatment Center Identification Card or a Cannabis Business Identification Card, applications for a change of location concerning Alternative Treatment Centers and personal-use cannabis businesses, proposals to engage in home delivery or curbside pick-up of medicinal and personal-use cannabis items and the issuances of notices of violations to ATCs and personal-use cannabis businesses can be appropriately reviewed and acted on by Commission staff with relevant experience; and

WHEREAS, the Commission has determined that it is in the public interest to streamline Commission business and create greater operational efficiency by designating to the Executive Director or his designee the Commission's authority to accept, review, and act on the aforementioned items under the Commission's regulations;

NOW, THEREFORE, BE IT RESOLVED, by the New Jersey Cannabis Regulatory Commission, that the authority to process submissions of proposed Management Services Agreements and Financial Source Agreements, applications for Alternative Treatment Center Identification Cards or Cannabis Business Identification Cards, applications for a change of location concerning Alternative Treatment Centers and personal-use cannabis businesses, proposals to engage in home delivery or curbside pick-up of medicinal cannabis and personal-use cannabis items, and issuances of notices of violations to ATCs, personal-use cannabis businesses, and testing laboratories is delegated to the Executive Director or his designee as follows:

1. The Executive Director, or his designee, shall have the authority to confirm whether proposed Management Services and Financial Source Agreements concerning personal-use cannabis businesses, and any material changes to existing Management Services or Financial Source Agreements, comply with the authorizing statute and regulations and shall have the authority to notify the personal-use cannabis business license applicant or license holder of the Commission's decision pursuant to N.J.A.C. 17:30-6.9(k) and N.J.A.C. 17:30-6.10(h)(2). Any previously issued notifications to license applicants regarding Management Services and Financial Source Agreements are hereby deemed to have full approval by the Commission.
2. The Executive Director, or his designee, shall have the authority to issue ATC and Cannabis Business Identification Cards pursuant to N.J.A.C. 17:30A-8.1 and N.J.A.C. 17:30-8.1(c), respectively. The Executive Director or his designee shall also have the


authority to verify the necessary Cannabis Business Identification Card requirements pursuant N.J.A.C. 17:30-8.1(b). The Executive Director or his designee may temporarily suspend an individual's Cannabis Business Identification Card pursuant to N.J.A.C. 17:30-8.1(g) so long as the temporary suspension does not exceed 14 calendar days. However, decisions to deny, revoke, or refuse to renew a Cannabis Business Identification Card or ATC Identification Card, or to suspend an ATC Identification Card or Cannabis Business Identification Card for more than 14 calendar days, shall be submitted to the Commission's Board for consideration. Any previously issued Alternative Treatment Center ID cards are hereby deemed to have the full approval of the Commission.

3. The Executive Director, or his designee, shall have the authority to approve or deny applications from ATCs or personal-use cannabis business to change their location before an ATC permit or annual cannabis business license is issued pursuant to N.J.A.C. 17:30A-7.8(a) and N.J.A.C. 17:30-7.6(i). However, any applications by an ATC or personal-use cannabis business to change location after an ATC permit or annual cannabis business license is issued shall be submitted to the Commission's Board for consideration.
4. The Executive Director, or his designee, shall have the authority to approve or deny proposals to engage in home delivery or curbside pick-up of medicinal or personal-use cannabis items in accordance with N.J.A.C. 17:30-12.8(b), N.J.A.C. 17:30-12.4(a), and the Commission's July 28, 2022, Certificate of Waiver, issued pursuant to Resolution 2022-34 (waiver of rules to allow home delivery and curbside pick-up of medical cannabis items).
5. The Executive Director, or his designee, shall have the authority to issue written notices of violations to an ATC permit holder, personal-use cannabis license holder, or testing laboratory license holder pursuant to N.J.A.C. 17:30A-13.5 and N.J.A.C. 17:30-17.4(a). However, the decision to impose any sanction, including the assessment of civil monetary penalties, suspension, or revocation of an ATC permit or personal-use cannabis business or testing laboratory license, shall be submitted to the Commission's Board for consideration. Any previously issued Notices of Violation are hereby deemed to have full approval of the Commission.

The Executive Director, or his designee, shall, as soon as practicable, notify the Commission's Board of any decisions made pursuant to the authority(ies) delegated by this Resolution and provide the Board with any materials relied upon for decision-making.


The authorities delegated herein shall take effect immediately and shall remain in effect until modified or rescinded by the Commission.

Submitted by:


Samuel Delgado, Vice Chair

CERTIFICATION

I hereby certify that the foregoing is a true copy of the Resolution adopted by the Cannabis Regulatory Commission at its meeting held on the 9th day of September, 2022.



Christopher Riggs, Chief Counsel

Vote on the Approval of This Resolution	Motion	Second	Yes	No	Abstain	Absent
Commissioner Barker				X		
Commissioner Del Cid-Kosso		X	X			
Commissioner Delgado			X			
Chairwoman Houenou			X			
Commissioner Nash	X		X			